PHARMACY BENEFIT MANAGEMENT
ADMINISTRATIVE SERVICES AGREEMENT

WHEREAS, The Texas A&M University System ("A&M System" or "Sponsor") issued a document entitled "REQUEST FOR PROPOSAL for Self-Insured Employee Group Prescription Drug Plan Administration, RFP Number RFP01 SBA-21-098" ("RFP") for the period from September 1, 2021 through August 31, 2024, which RFP shall remain on file with the A&M System as Exhibit "A" to this Contract (as defined below), and is incorporated herein by reference for all purposes as if restated in full; and

WHEREAS, Express Scripts, Inc. ("ESI"), State of Texas Vendor Identification Number 14314205630, submitted a Response in the form of a Proposal for administering the A&M System's self-insured prescription drug plan ("Plan") and which Proposal shall remain on file as Exhibit "B" to this Contract and is incorporated herein by reference for all purposes as if restated in full ("Proposal"); and

WHEREAS, ESI submitted the following clarifications to its Proposal: Responses to RFP follow up questions and supporting documentation dated April 1, 2021, herein collectively known as the "Clarifications" and shall remain on file as Exhibit "E" to this Contract, incorporated herein by reference for all purposes as if restated in full; and

WHEREAS, the program pricing terms for ESI's services have been agreed upon by the A&M System and ESI (the "parties"), and are memorialized in Program Pricing Terms, which is attached as Exhibit "C" to the Contract, and Specialty Drugs Under the Mail Order Pharmacy Program, which is attached as Exhibit "D" to this Contract, each of which is incorporated herein by reference for all purposes as if restated in full.

NOW THEREFORE, in consideration of and to memorialize the foregoing Contract documented by the RFP, the Proposal, the Clarifications, Exhibits A through K, and the mutual understandings set out herein, the A&M System and ESI have agreed as follows:

I. Entire Contract

This Pharmacy Benefit Management Administrative Services Agreement, including all exhibits attached hereto and/or incorporated herein by reference, including, but not limited to the RFP, the Proposal, the Clarifications, all interrogatories in the RFP and responses thereto in the Proposal, and all exhibits attached to and/or incorporated in the RFP and Proposal, shall collectively be referred to as and shall constitute the entire "Contract" between the A&M System and ESI, and supersedes all prior written or oral statements between the parties, except as specifically provided herein. The A&M System and ESI agree that the Contract, which includes the component parts described herein and within each document, shall govern the responsibilities and obligations of the parties to the Contract. ESI further warrants and represents that it agrees with and will comply with Contract requirements and specifications. ESI warrants and represents that all statements and representations made to the A&M System in the Contract, including its interrogatory responses are true and correct as of the date of this Contract. ESI acknowledges that these statements and representations may have been relied upon by the A&M System in selecting ESI to perform the services described in the RFP and the Proposal. The parties also acknowledge and agree that if it is determined that there is a conflict among any of the Contract provisions, then the order of precedence shall be as follows: (1) this Pharmacy Benefit Management Administrative Services Agreement, (2) Pricing and Terms and Scope of Services (Exhibits C, D, and G), (3) Clarifications (Exhibit E), (4) the Proposal (Exhibit B), (5) any other exhibits to this Pharmacy Benefit Management Administrative Services Agreement, and (6) the RFP (Exhibit A). Further, if any term or part of the Contract is void for any reason, that portion shall be severed and the remaining Contract shall remain valid and enforceable.

II. Services and Guidelines

a. Services

1. Without limitation of the importance of each provision of the Proposal and ESI's obligation to comply with the detailed requirements of the entire Proposal, ESI specifically agrees to administer the delivery of the benefits and services of the Plan as described in this Contract pursuant to the performance requirements described in the Scope of Services attached as Exhibit "G" to this Contract and incorporated herein by reference for all purposes as if restated in full, Proposal, and Clarifications.

2. ESI will not revise the program pricing terms set forth in Exhibit C for the services for the Term (as defined below) of this Contract, unless required by law, or unless by written agreement between the parties. ESI understands that the A&M System may revise the Plan's benefit package or design at any time. To this end, ESI agrees to cooperate with the A&M System and to negotiate in good faith a modification as to any rates reasonably related to such Plan benefit changes.

b. Enrollment and Disenrollment. Eligibility, enrollment and participation shall be governed by the terms set out more fully in Exhibit G, the RFP, and Proposal. Any determination of or interpretation of Member (as defined in Exhibit G) eligibility and effective dates shall be made solely by the A&M System, and may include retroactive eligibility and effective date determinations, when deemed appropriate by the A&M System. The Director of System Benefits Administration at the A&M System has the authority to determine all questions relating to enrollment and eligibility.

III. Fees and Payments

a. Fees. ESI's Fees (as defined in Exhibit G) for the services provided in connection with this Contract are set forth in Exhibits C and D and shall remain unchanged for the Term of this Contract unless changed by mutual written agreement of the parties to this Contract or as required by law or allowed by this Contract.

b. Billing and Payment. Billing and payment shall be governed by the terms set out more fully in Exhibit C-1. ESI agrees not to submit billings to Members except in the case of deductibles, Copayments (as defined in Exhibit G), and penalties payable by the Member.

IV. Duties of A&M System

a. Plan Participation. The A&M System shall furnish in a timely manner to ESI such information as may from time to time be required by ESI to perform its duties under this Contract including, but not limited to, adequate and complete information regarding the name, address, participation dates, and contributions of Members in the format specified in the RFP, which will comply with all laws and regulations, State or Federal, then in effect.

b. Payment of Costs and Fees for Services. In consideration of ESI's performance of the services, the A&M System agrees to pay the Fees as required by this Contract.

V. Right to Audit

a. ESI will maintain all claims and such other records that directly relate to services performed under this Contract as stated in Section VI.a. For purposes of this Section, the term "records" includes those A&M System specific records necessary to confirm ESI's compliance with its claims processing, operational services, rebate payments, and performance standards obligations under this Contract. Such records will be in their original form or microfilm, or microfiche, or other form determined by ESI.

b. ESI understands and agrees that the A&M System is subject to Section 51.9335(c), Texas Education Code, which authorizes the State Auditor to conduct an audit of any contract entered into by the A&M System for goods and services for purposes of confirming compliance with the contractual obligations under the contract and that acceptance of funds under this Contract constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively "State Auditor") to conduct an audit or investigation consistent with applicable state law in connection with those funds pursuant to Sections 51.9335(c), 73.115(c) and 74.008(c), Texas Education Code, for purposes of confirming compliance with the terms of this Contract. Contactor agrees to cooperate with the State Auditor in the conduct of the audit or investigation, including providing all records directly related to the services performed by ESI pursuant to this Contract.

c. ESI agrees to permit the A&M System to conduct an audit to confirm ESI's compliance with this Contract consistent with the Audit Protocol set forth in Exhibit I. Auditing representatives selected by the A&M System (the "Auditor") and approved by ESI, whose approval shall not be unreasonably withheld, shall be allowed access to A&M System specific records, consistent with Applicable Law (as defined below), relating to the services provided under this Contract, including financial records, contracts, and medical records to the extent such records are necessary under accepted auditing standards to confirm ESI's compliance with its obligations under this Contract. All audits will be conducted in accordance with standard auditing standards. Audit by the A&M System may be conducted once annually during the Term of this Contract and the four year period following termination of this Contract. This right to audit shall survive the termination of this Contract for a period of four (4) years. As part of this right to audit, the A&M System will be entitled to one claims audit annually at no additional cost, based on a rolling twenty-four (24) months of data. If the A&M System requires additional audits or data beyond the 24 months, such audit will include ESI's standard audit cost. As part of the claims audit, the Auditor shall sign a confidentiality agreement and comply with ESI's litigation requirements as follows: the Auditor performing the audit (1) shall not be a competitor of ESI, (2) shall not have breached a confidentiality agreement with ESI and (3) will warrant and represent that is it not providing Litigation Services (as defined below) to any person or entity in connection with any lawsuit, investigation, or other proceeding that is pending or contemplated against ESI. "Litigation Services" include (a) examining pharmacy claims or any other documents or information, or (b) providing advice, analysis, and/or opinions as a disclosed or undisclosed expert or consultant. The Auditor must agree that, for six (6) months after completion of the audit, it will not provide Litigation Services in any lawsuit, investigation, or other proceeding against ESI, except for Litigation Services that may be instituted on behalf of the A&M System.

d. Subject to Applicable Law and execution of a confidentiality agreement, the A&M System has the right to audit ESI's rebate agreements consistent with the Audit Protocol set forth in Exhibit I. The audit will include only those portions of the rebate agreements necessary to determine ESI's compliance with Exhibit C. The audit will be conducted at ESI's offices as scheduled by agreement of the parties, but not sooner than sixty (60) days after the execution of the confidentiality agreement. This provision will also apply where there is a bona fide dispute (as defined below) following the initial claims audit regarding whether the A&M System has received at the point of sale the pharmacy contracted rate and hence a further audit need for examination of the retail pharmacy contract itself. For purposes of this provision,

a "bona fide dispute" means that, based on the results of an initial claims audit, there is a reasonably valid basis for believing that ESI has billed the A&M System an amount other than the amount reimbursed to the pharmacy or has otherwise not passed through the pharmacy contracted rate.

e. ESI shall conduct regular audits of its retail pharmacy network with respect to all services provided to or on behalf of its plan sponsors, including the Plan, and ESI will report the result of these audits to the A&M System no later than forty-five (45) days after the end of each calendar quarter. ESI will forward to the A&M System an "Audit Summary Report", which will detail the field and desk audits ESI performed on behalf of the A&M System during the previous four (4) calendar quarters. The Audit Summary Report will also provide audit information specific to the A&M System, including at the pharmacy level, the number and type of discrepancies identified along with the initial and final discrepancy amounts. ESI will provide a summary of the audit findings specific to the A&M System when ESI's audit identifies significant billing discrepancies involving the A&M System's claims that result in a retail pharmacy being terminated from the retail pharmacy network due to ESI's audit findings. ESI further agrees that all overpayments recovered by ESI as the result of such audits shall be returned to the A&M System, minus 15% that ESI shall retain for purposes of having provided the audit program.

VI. Records

a. Maintenance. ESI agrees that ESI shall maintain adequate records of all transactions between ESI and providers, the A&M System, and Members on behalf of the A&M System during the Term and for a period of four (4) years thereafter unless a longer period is required by law. All such records, including any research, reports, studies, data, or other documents that are specifically generated by ESI for the A&M System and are specific to its program under this Contract, shall be the property of the A&M System and all such materials shall be delivered to the A&M System by ESI upon completion, termination, or cancellation of this Contract upon the written request of the A&M System. Notwithstanding anything to the contrary, ESI shall be permitted to retain one copy of such records for its archival purposes and shall maintain and protect the confidentiality of such records in accordance with the Business Associate Agreement (as defined below) and Applicable Law. However, nothing herein shall prohibit or prevent ESI from complying with Applicable Law.

b. Inspection. Such records shall be available during normal business hours for inspection by the A&M System, its authorized representative or a duly authorized and properly identified governmental authority.

VII. Term and Termination

a. Contract Term

1. This Contract will be for a term beginning September 1, 2021 ("Effective Date"). The Commercial Benefit (as defined in Exhibit G) will extend through August 31, 2024, unless renewed or terminated as provided herein. The EGWP Benefit (as defined in Exhibit G) will extend through December 31, 2024, unless renewed or terminated as provided herein. Assuming satisfactory performance and terms and fees are mutually agreed upon by the parties in writing prior to the expiration of this Contract, an affirmative renewal of up to three (3) additional years may be allowed (the "Renewal Term", and collectively with the Initial Term (as defined below), the "Term"). In the event of a renewal, the maximum period of performance will end on December 31, 2027.

2. The A&M System and ESI agree and acknowledge that the services to be provided under the Contract will occur between September 1, 2021 and December 31, 2024 (the "Initial Term"). However, the

A&M System and ESI also agree and acknowledge that there are duties and obligations specified by the Contract to be performed prior to September 1, 2021 and following December 31, 2024, and the parties each agree to perform all such duties and obligations. Certain provisions of this Contract, as noted, will survive its termination.

3. The parties agree to act in good faith and with due diligence in connection with the performance of this Contract and any negotiations related thereto.

b. Termination

1. Termination of this Contract shall be governed by its terms.

2. Without restricting any other legal, contractual or equitable remedies otherwise available, the A&M System may terminate this Contract without cause by giving ESI ninety (90) days' written notice.

3. Either party may terminate this Contract in the event the other party is in material breach of this Contract. The party alleging such breach will give written notice thereof to the other party. If such material breach is not cured within forty-five (45) days of receipt of such notice, the non-breaching party may terminate this Contract upon written notice to the other party.

VIII. Amendment of Contract

Any amendments to this Contract must be in writing and signed by both parties.

IX. Venue, Governing Law, and Compliance with Law

a. Venue

Pursuant to Section 85.18, Texas Education Code, venue for any suit filed against the A&M System shall be in the county in which the primary office of the chief executive officer of the A&M System is located. At the date of this Contract, such county is Brazos County, Texas.

b. Governing Law

This Contract and all of the rights and obligations of the parties hereto and all of the terms and conditions hereof shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas; provided, however, all matters relating to the Mail Order Pharmacy Program operations of ESI shall be governed by the laws of the State in which ESI's mail order pharmacy is located; and further provided, however, that nothing in this choice of law will be construed as a waiver or relinquishment of the A&M System's right to claim such exemptions, privileges, and immunities as may be provided by law and that, as an agency of the state of Texas, the A&M System lacks the authority to agree to contract terms in contravention of statute, and this contractual choice of law provision may not alter or override statutory limitations.

c. Compliance with Law

The parties agree that they will comply with all federal, state, and local laws, regulations, and rules ("Applicable Law") applicable to the performance of their obligations under this Contract and the maintenance, use, and disclosure of Protected Health Information (as defined in HIPAA (as defined below)), including but not

limited to, the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder ("HIPAA"), Subtitle D of the Health Information Technology for Economic and Clinical Health Act, which is Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5), and the regulations promulgated thereunder (the "HITECH Act", and collectively with HIPAA, the "HIPAA Requirements"), and the Anti-Kickback Statute, the public Contracts Anti-Kickback Act, the Stark Law, and laws and regulations relating to disclosure or notification of Plan benefits or the terms of rebate administration under this Contract. To the extent any Applicable Law requires either party to include additional language in this Contract, the parties agree to cooperate in the discussion of a mutually agreeable amendment that the parties will then cooperate in the preparation, execution and implementation of any necessary amendment. The parties further agree and acknowledge that nothing contained in this Contract shall be construed as a waiver of sovereign, governmental or official immunity by the A&M System, its officers, regents, employees, or the State of Texas.

X. HIPAA Business Associate Agreement

The A&M System and ESI agree to comply with the terms of the HIPAA Business Associate Agreement attached hereto as Exhibit J and incorporated herein by reference (the "BAA"). The parties also agree to enter into any further agreements with each other or other appropriate entities as may be necessary to facilitate compliance with the HIPAA Requirements.

XI. Miscellaneous

a. Transferability

Should ESI be acquired by, merged with, or acquire another entity or otherwise assign or transfer this Contract or any interest herein to another entity, this Contract may be terminated immediately at the election of the A&M System. Whether or not the A&M System elects to terminate this Contract as a result of such a transaction on the part of ESI, any assignee of or legal successor in interest to ESI shall retain all obligations of ESI to the A&M System, as provided under this Contract, as if the same had been expressly entered into by or wholly conveyed to, the assignee or successor in interest.

Furthermore, without contravening Applicable Law, ESI agrees to provide the A&M System reasonable advance notice prior to the effective date of any merger, acquisition, business reorganization, or other change of ESI management or ownership. The A&M System agrees to maintain the confidentiality of such information in accordance with the terms of Section XI(h) hereof.

b. Assignment and Subcontracting

This Contract may not be assigned by either party without the prior written approval of the other party; provided, however, that services to be performed by ESI hereunder may be performed by its subsidiaries, affiliates, divisions and/or designees. The duties and obligations of ESI will be binding upon its subsidiaries, affiliates, divisions and/or designees. The duties and obligations of the parties will be binding upon, and inure to the benefit of, successors, assigns, or merged or consolidated entities of the parties.

c. Fraud and Incorrect Billing/Payments

1. ESI agrees to maintain the comprehensive system for the detection and prevention of fraud, abuse and similar improprieties as described in the Proposal. This comprehensive system shall be designed not only to detect and to eliminate intentionally perpetrated fraud, but also to detect and to eliminate other improprieties such as overcharges; abuse; overpayments; unnecessary, extensive or improper care, treatments or procedures; unreasonably long delays for Members to obtain benefits;

and deceptive, duplicative or suspicious billings. Fraud, abuse or an impropriety includes, but is not necessarily limited to:

A. Presenting, or causing to be presented to ESI, a claim that contains a statement or representation that the presenting person or entity knows or reasonably believes to be false;

B. Failure or refusal by ESI to provide information required to be provided to the A&M System by Applicable Law or this Contract; and

C. Actions that indicate a pattern of wrongful denial of payment by ESI for a benefit or coverage that ESI is required to provide under this Contract or Applicable Law, or actions that indicate a pattern of wrongful payment by ESI.

2. ESI shall provide quarterly reports to the A&M System regarding such fraud, abuse and improprieties and the A&M System or its designated representatives shall have reasonable access to all documents related to the A&M System. ESI agrees that it will assist fully, when necessary, the A&M System, the Office of the Attorney General, and/or the State or law enforcement authorities in the imposition of administrative and civil remedies and/or criminal prosecution of those individuals or entities who have engaged in the commission of fraud, abuse or improprieties regarding the services provided under this Contract. This Paragraph "c" survives the expiration or termination of this Contract.

d. Indemnification

ESI, to the fullest extent permitted by law, shall and does hereby agree to indemnify, protect, and hold harmless the A&M System and its respective affiliated enterprises, regents, officers, directors, employees, representatives and agents (collectively, "indemnitees") from and against all damages, losses, liens, causes of action, suits, judgments, expenses (including reasonable attorneys' fees), and other claims of any nature, kind, or description (collectively, "claims") by any person or entity, arising out of caused by, or resulting from ESI's performance under this Contract and which are caused in whole or in part by any negligent act, negligent omission or willful misconduct of ESI, its employees, agents and representatives or anyone for whose acts ESI may be liable. The provisions of this section shall not be construed to eliminate or reduce any other indemnification or right which any indemnitee has by law.

Notwithstanding the foregoing, ESI or any affiliated company, or their directors, officers, or employees, will not be responsible for any claims, losses or damages sustained as a result of the provision of or failure to provide pharmaceutical goods or services or any other action or failure to act by any retail pharmacy, pharmaceutical manufacturer or other pharmaceutical provider pursuant to this Contract, or for the acts or omissions or willful misconduct of the A&M System.

The indemnification contained in this Paragraph "d" shall survive the expiration or termination of this Contract.

e. Intellectual Property Indemnification

ESI will indemnify, defend, and hold harmless the State of Texas and the A&M System against any action or claim brought against the State of Texas or A&M System that is based on a claim that any of the services provided by ESI under this Contract infringes or misappropriates any patent rights, copyright rights, trademarks, or trade secrets.

The indemnification contained in this Paragraph "e" shall survive the expiration or termination of this Contract.

f. Cumulation of Remedies

All remedies available to either party are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies.

g. Force Majeure

Neither party hereto shall be liable or responsible to the other for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including, but not limited to, acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character (each, a "Force Majeure Event"); provided, however, if the Force Majeure Event continues for a period of more than sixty (60) days, either party may terminate this Contract upon written notice to the other party, with such termination effective thirty (30) days following notice.

h. Confidential Information

Each party recognizes and acknowledges that, by virtue of entering into this Contract and performing their respective obligations hereunder, each party may have access to certain information of the other party that is confidential and constitutes proprietary, valuable, special and unique property of the other party. To the extent allowed by the laws and Constitution of the State of Texas without regard to its conflicts of law statutes or principles, the parties agree that they shall not at any time, either during or subsequent to the Term of this Contract, disclose to others, use, copy or permit to be copied, without the express prior written consent of the other party whose confidential information is so disclosed or used, except pursuant to the performance of such party's duties hereunder, any confidential or proprietary information of the other party. Any information owned by either party shall remain the property of the disclosing party, including, but not limited to the following: (i) with respect to ESI: ESI's reporting and other web-based applications, eligibility and adjudication systems, system formats and databanks, clinical or formulary management operations or programs, fraud, waste and abuse tools and programs, anonymized claims data (de-identified in accordance with HIPAA); ESI Specialty Pharmacy and ESI Mail Pharmacy data; information and contracts relating to Rebates and Manufacturer Administrative Fees, prescription drug evaluation criteria, drug pricing information, and Participating Pharmacy agreements; and (ii) with respect to A&M System: A&M System and Member identifiable health information and data, Eligibility Files, Set-Up Form information, business operations and strategies.

i. The Public Information Act

1. ESI acknowledges that the A&M System is obligated to strictly comply with the Texas Public Information Act, Chapter 552, *Texas Government Code* ("Act"), in responding to any request for public information pertaining to this Contract, as well as any other disclosure of information required by applicable Texas law. Any disclosures of information maintained, collected, or assembled by ESI in connection with the transaction of official business of the A&M System must be authorized by the A&M System. ESI will instruct its employees that any release of the A&M System's records may be authorized only by the A&M System, and will be in accordance with the laws of the State of Texas. If ESI receives such a request for information, ESI shall send a copy of same to the A&M System by email at employeebenefits@tamus.edu no later than one business day after ESI's receipt of the request, so that the A&M System can determine if a disclosure is required under the Act. ESI shall maintain the confidentiality of all information and materials submitted to it by virtue

of this Contract and all information and documentation received and claims paid pursuant to this Contract, except as is necessary for ESI to perform its duties under this Contract. Neither ESI nor any of its affiliates thereof shall use or permit to be used or transmitted to others any information obtained as a result of ESI's duty to an affiliate or any affiliate's duties to ESI without the written consent of the A&M System, except as is necessary for ESI to perform its duties under this Contract.

2. Upon the A&M System's written request, and at no cost to the A&M System, ESI will provide specified public information (as such term is defined in Section 552.002 of the Act) exchanged or created under this Contract that is not otherwise excepted from disclosure under the Act to the A&M System in a non-proprietary format acceptable to the A&M System that is accessible by the public.

3. ESI acknowledges that the A&M System may be required to post a copy of the fully executed Contract on its Internet website in compliance with Section 2261.253(a)(1) of the Act. Exhibit F identifies any data that ESI believes to be confidential or proprietary which has been included in this Contract or in any exhibits or documents incorporated by reference, including the Proposal and the Clarifications. ESI reserves the right to designate additional information as confidential and/or proprietary under the Act. The A&M System agrees to notify ESI of the A&M System's receipt of requests under the Act for any information noted in Exhibit F of this Contract and designated by ESI as confidential and/or proprietary under the Act, in order to afford ESI the opportunity to advocate that the information is exempted and excluded under the Act. The A&M System acknowledges that the audit papers of the Auditor and the A&M System may be excepted from disclosure under the Act. The A&M System agrees to comply with the Act, specifically including the notice provision of section 552.305 regarding Information Involving Privacy or Property Interests of Third Party and with 552.116 regarding Audit Working Papers. Nothing herein will limit or prevent ESI from independently seeking a protective order or otherwise seeking, as permitted by law, from preventing the disclosure of ESI's confidential or proprietary information subject to a request made under the Act.

4. Pursuant to Section 552.372, *Texas Government Code*, ESI must (1) preserve all contracting information, as defined under Section 552.003 (7), *Texas Government Code*, related to this Contract for the duration of this Contract as provided by the A&M System's records retention requirements; (2) promptly provide the A&M System with any contracting information related to this Contract that is in the custody or possession of ESI on request of the A&M System; and (3) on completion of this Contract, either (a) provide at no cost to the A&M System all contracting information related to this Contract that is in the custody or possession of ESI, or (b) preserve the contracting information related to this Contract for seven years after the conclusion of this Contract as provided by the A&M System's records retention requirements. Furthermore, the requirements of Subchapter J, Chapter 552, *Texas Government Code*, may apply to this Contract, and ESI agrees that this Contract can be terminated if ESI knowingly or intentionally fails to comply with a requirement of that Subchapter J.

j. <u>Eligibility Certification</u>

1. The A&M System cannot award a contract if such contract includes proposed financial participation by a person who received compensation from the agency to participate in preparing the specifications or request for proposals on which the bid or contract is based. Pursuant to Section 2155.004, *Texas Government Code,* ESI certifies that it is not ineligible to receive the award of or payments under this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

2. The A&M System cannot award a contract if such contract involves financial participation by a person who, during the previous five years, has been convicted of violating federal law or assessed a penalty in a federal, civil, or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, Hurricane Katrina or any other disaster occurring after September 24, 2005. Pursuant to Section 2155.006, *Texas Government Code*, ESI certifies that it is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

3. The A&M System cannot award a contract if such contract includes financial participation by a person, who, during the five-year period preceding the date of the contract, has been convicted of any offense related to the direct support or promotion of human trafficking. Under Section 2155.0061, *Texas Government Code*, ESI certifies that it is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

4. ESI represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152, *Texas Government Code*. ESI acknowledges this Contract may be terminated immediately if this certification is inaccurate.

k. Tax Compliance

Under Section 403.055, *Texas Government Code,* in the event ESI is indebted to the State or delinquent in paying any taxes owed the State at the time this Contract is entered into, ESI agrees that any payment owed to ESI under this Contract shall first be applied toward the debt or delinquent taxes that ESI owes the State until the debt or delinquent taxes are paid in full.

l. Franchise Tax Certification

ESI certifies that it is not currently delinquent in the payment of any franchise taxes due under Chapter 171 of the *Texas Tax Code,* or that it is exempt from the payment of such taxes, or that it is an out-of-state corporation or limited liability company that is not subject to the Texas franchise tax, whichever is applicable.

m. Relationship of the Parties

Neither party shall be construed, represented or held out to be an agent, partner, associate, joint venture, or employee of the other. ESI shall at all times have the status of an independent contractor.

n. Captions

The captions of sections and subsections in this Contract are for convenience only and shall not be considered or referred to in resolving questions or interpretation or construction.

o. Waivers

1. No delay or omission by either of the parties hereto in exercising any right or power accruing upon the non-compliance or failure of performance by the other party hereto of any of the provisions of this Contract shall impair any such right or power or be construed to be a waiver thereof. A waiver by either of the parties hereto of any of the covenants, conditions or agreements hereof to be performed by the other party hereto shall not be construed to be a waiver of any subsequent breach thereof or any other covenant, condition or agreement herein contained.

2. The A&M System is an agency of the state of Texas and under the Constitution and the laws of the state of Texas possesses certain rights and privileges, is subject to certain limitations and restrictions, and only has authority as is granted to it under the Constitution and the laws of the state of Texas. ESI expressly acknowledges that the A&M System is an agency of the state of Texas, and nothing in this Contract will be construed as a waiver or relinquishment by the A&M System of its right to claim such exemptions, remedies, privileges, and immunities as may be provided by law.

p. Conflicts of Interest Policy

ESI has reviewed and agrees to abide by the A&M System's Conflicts of Interest Policy as of the Effective Date to the extent applicable to vendors and agrees that neither it nor its employees, agents, representatives or subcontractors will assist or cause A&M System employees to violate the A&M Systems Conflicts of Interest Policy or other applicable state ethics laws or rules. The A&M System's Conflicts of Interest Policy is available at http://policies.tamus.edu/07-03.pdf and its Ethics Policy is available at http://policies.tamus.edu/07-01.pdf.

By executing this Contract, ESI certifies that, to the best of its knowledge and belief, no member of the A&M System or Board of Regents, nor any employee, or person, whose salary is payable in whole or in part by the A&M System, has direct or indirect financial interest in the award of this Contract, or in the services to which this Contract relates, or in any of the profits, real or potential, thereof.

q. Debt or Delinquency Owed to State of Texas

ESI agrees that in accordance with Section 2107.008 and 2252.903, *Texas Government Code,* that any payments due and owing to ESI under this Contract may be applied directly toward any debt or delinquency that ESI owes the State of Texas or any agency of the State of Texas, until such debt or delinquency is paid in full.

r. Texas Family Code Child Support Certification

A child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25 percent is not eligible to receive payments from state funds under an agreement to provide property, materials, or services until all arrearages have been paid or the obligor is in compliance with a written repayment agreement or court order as to any existing delinquency. Pursuant to Section 231.006, *Texas Family Code,* ESI certifies that it is not ineligible under Section 231.006, *Family Code* to receive payment under this Contract and acknowledges that this Contract may be terminated and payment withheld if the certification is inaccurate.

s. Access by Individuals with Disabilities

ESI represents and warrants that the electronic and information resources and all associated information, documentation, and support that it provides to the A&M System under this Contract (collectively, "EIRs") fully complies with the applicable requirements set forth in Title I, Chapter 213 of the *Texas Administrative Code,* and Title 1, Chapter 206, Rule §206.70 of the *Texas Administrative Code* (as authorized by Chapter 2054, Subchapter M of the *Texas Government Code*) ("EIR Accessibility "Warranty"). To the extent that ESI becomes aware that the EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, ESI warrants that it will, at no cost to the A&M System, either perform all necessary remediation to make the EIRs satisfy the EIR Accessibility Warranty or replace the EIRs with new EIRs that satisfy the EIR Accessibility Warranty.

ESI further warrants and represents that until such time as ESI comes into full compliance with the EIR Accessibility Warranty, ESI will, at no cost to the A&M System or any Member, ensure that all information and services that are available from ESI to an A&M System employee or any Member under this Contract

(collectively, "Users"), through electronic and information resources under this Contract but that are not accessible by a User of those electronic and information resources due to a disability of the User, which lack of accessibility would constitute a violation of the EIR Accessibility Warranty, shall be promptly and conveniently made available to that User by ESI through an appropriate alternate delivery method, including, but not limited to, a ESI dedicated customer service phone line.

If ESI fails to comply with this provision of the Contract, then the A&M System may terminate this Contract upon forty-five (45) days' advance written notice.

t. Cybersecurity Training Program

Pursuant to Section 2054.5192, Texas Government Code, ESI and its employees, officers, and subcontractors who have access to the A&M System's computer system and/or database must complete a cybersecurity training program certified under Section 2054.519, Texas Government Code, and selected by the A&M System. The cybersecurity training program must be completed by ESI and its employees, officers, and subcontractors during the Term and any renewal period of this Contract. ESI shall verify completion of the program in writing to the A&M System within the first ninety (90) calendar days of the Term and any renewal period of this Agreement. ESI acknowledges and agrees that its failure to comply with the requirements of this Section are grounds for the A&M System to terminate this Agreement for cause in accordance with the provisions of Section XI(b) of this Agreement.

u. Access to Agency Data

Pursuant to Section 2054.138, Texas Government Code, ESI shall implement and maintain appropriate administrative, technical, and physical security measures, including without limitation, the security controls listed in the BAA attached hereto as Exhibit J (the "Security Controls"), to safeguard and preserve the confidentiality, integrity, and availability of the A&M System's data. ESI shall periodically provide the A&M System with evidence of its compliance with the Security Controls within thirty (30) days of the A&M System's request.

v. Loss of Funding

Performance by the A&M System under this Contract may be dependent upon the appropriation and allotment of funds by the Texas State Legislature ("Legislature") and/or the allocation of funds by the Board of Regents of The Texas A&M University System ("Board of Regents"). If the Legislature fails to appropriate or allot the necessary funds for purposes of this Contract, or the Board of Regents fails to allocate the necessary funds for purposes of this Contract, the A&M System may terminate the Contract without further duty or obligation hereunder. The A&M System shall use good faith efforts to monitor and keep ESI apprised of such potential appropriation and funding issues. ESI acknowledges that appropriation, allotment and allocation of funds are beyond the control of the A&M System. If sufficient appropriation or allotment of funds is not made, ESI is not obligated to perform under this Contract.

w. No Sale or other Disclosure of System Personally Identifiable Data

ESI understands and agrees that is shall not sell or otherwise receive or arrange to receive anything of value in exchange for providing any personally identifiable data, including Protected Health Information, collected, accessed or created by ESI or its agents, employees, network pharmacies or subcontractors pursuant to this Contract relating to a Member in the A&M System's Plan.

x. Products and Materials Produced in Texas

ESI agrees that in accordance with Section 2155.4441, *Texas Government Code*, in performing its duties and obligations under this Contract, ESI will use commercially reasonable efforts to purchase products and materials produced in Texas when such products are available at a price and delivery time comparable to materials produced outside of Texas and to the extent that it will not affect ESI's business operations or interfere with its existing purchasing obligations.

y. Notice

Any notice required or permitted under this Contract must be in writing, and shall be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address set out below. Notice may also be given by regular mail, personal delivery, or courier delivery, and will be effective when actually received. The A&M System and ESI can change their respective notice address by sending to the other party a notice of the new address. Notices should be addressed as follows:

ESI:
Express Scripts, Inc.
Attn: President
One Express Way
St. Louis, Missouri 63121
With copy to Legal Department
Fax No. (800) 417-8163

A&M System:
Judy Cato
Director, System Benefits Administration
The Texas A&M University System
301 Tarrow Street
College Station, Texas 77840

z. Dispute Resolution

ESI shall use the dispute resolution process provided in Chapter 2260, *Texas Government Code,* and the related rules adopted by the Texas Attorney General to attempt to resolve any claim for breach of contract made by ESI that cannot be resolved in the ordinary course of business. ESI shall submit written notice of a claim of breach of contract under this Chapter to the Executive Vice Chancellor and Chief Financial Officer, who will examine ESI's claim and any counterclaim and negotiate in good faith with ESI in an effort to resolve the claim based on commercially reasonable terms. This provision and nothing in this Contract waives the A&M System's sovereign immunity to suit or liability, and the A&M System has not waived its right to seek redress in the courts.

aa. ESI Certification regarding Boycotting Israel

Pursuant to Chapter 2270, *Texas Government Code*, ESI certifies ESI (1) does not currently boycott Israel; and (b) will not boycott Israel during the Term of this Contract. ESI acknowledges this Contract may be terminated and payment withheld if this certification is inaccurate.

bb. Severability

In case any one or more of the provisions contained in this Contract shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any

other provisions hereof, and this Contract shall be construed as if such invalid, illegal, and unenforceable provision had never been contained herein.

cc. Subcontracting.

A&M System acknowledges and agrees that ESI may perform certain services hereunder (e.g., mail service pharmacy and specialty pharmacy services) through one or more ESI subsidiaries, affiliates, or designees. ESI acknowledges that such subcontracts may require the use of Historically Underutilized Businesses ("HUB") and compliance with Texas HUB Subcontracting Plans ("HSP") requirements. Should ESI subcontract any of the goods or services required in this Contract, ESI expressly understands and acknowledges that in entering into such subcontract(s), the A&M System is in no manner liable to any subcontractor(s) of ESI. In no event shall this provision relieve ESI of the responsibility for ensuring that the goods or services to be performed under all subcontracts are rendered in compliance with this Contract.

dd. Insurance Requirements

ESI shall obtain and maintain, for the duration of this Contract, the minimum insurance coverage set forth below. Renewal policies written on a claims-made basis will maintain the same retroactive date as in effect at the inception of this Contract. If coverage is written on a claims-made basis, ESI agrees to continue purchasing said coverage or purchase an Extended Reporting Period Endorsement, effective for no less than two (2) full years following the expiration of this Contract. All coverage shall be underwritten by companies authorized to do business in the State of Texas or eligible surplus lines insurers operating in accordance with the Texas Insurance Code and have a financial strength rating of A- or better and a financial strength rating of VII or better as measured by A.M. Best Company at the inception of each policy. By requiring such minimum insurance, the A&M System shall not be deemed or construed to have assessed the risk that may be applicable to ESI under this Contract. ESI shall assess its own risks and if it deems appropriate and/or prudent, maintain higher limits and/or broader coverage. ESI is not relieved of any liability or other obligations assumed pursuant to this Contract by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types. No policy will be canceled without written notice to A&M System at least ten days before the effective date of the cancellation unless said policy is immediately replaced by a substantially similar insurance program without a disruption of coverage while continuing to meet the requirements herein.

1. Workers' Compensation

Coverage	Limit
Statutory Benefits (Coverage A)	Statutory
Employers Liability (Coverage B)	[redacted]

Workers' Compensation policy must include under Item 3.A. on the information page of the workers' compensation policy the state in which work is to be performed for A&M System. Workers' compensation insurance is required, and no "alternative" forms of insurance will be permitted.

2. Automobile Liability
Business Auto Liability Insurance covering all owned, non-owned or hired automobiles, with limits of not less than [redacted]

3. Commercial General Liability

Each Occurrence Limit
General Aggregate Limit
Products / Completed Operations
Personal / Advertising Injury
Damage to rented Premises
Medical Payments [redacted]

The required commercial general liability policy will be issued on a form that insures ESI's liability for bodily injury (including death), property damage, personal and advertising injury assumed under the terms of this Contract.

4. Professional Liability (Errors & Omissions)
Insurance with limits of not less than [redacted]. Such insurance will cover all medical professional services rendered by or on behalf of ESI under this Contract. Renewal policies written on a claims-made basis will maintain the same retroactive date as in effect at the inception of this Contract. If coverage is written on a claims-made basis, ESI agrees to continue purchasing said coverage or purchase an Extended Reporting Period Endorsement, effective for no less than two (2) full years after the expiration or cancellation of this Contract. No professional liability policy written on an occurrence form will include a sunset or similar clause that limits coverage unless such clause provides coverage for at least two (2) years after the expiration of cancellation of this Contract.

5. Cyber Liability
Cyber Liability insurance with limits of not less than [redacted] to cover liability arising out of ESI's failure to protect any information deemed confidential by any applicable or governing law, statute or regulation.

ESI will deliver to A&M System, evidence of insurance on a Texas Department of Insurance approved certificate form verifying the existence of all insurance required herein after the execution and delivery of this Contract. Additional evidence of insurance will be provided on a Texas Department of Insurance approved certificate form verifying the continued existence of all required insurance no later than thirty (30) days after each annual insurance policy renewal.

ESI is responsible to pay any deductible or self-insured retention for any loss. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.

Certificates of Insurance as required by this Contract will be mailed, faxed, or emailed to the following A&M System contact:

Charles Longoria, Associate Director
The Texas A&M University System
301 Tarrow Street, 5th Floor
College Station, Texas 77840

Fax: 979.458.6247
Email: CLongoria@tamus.edu

The insurance coverage required by this Contract will be kept in force until all services have been fully performed and accepted by A&M System in writing.

IN WITNESS WHEREOF, The A&M System and ESI have executed this Contract.

DS

EXPRESS SCRIPTS, INC.

DocuSigned by:

By: Grace Allen
B0AE8A83027940E...

Date: 05/06/2022 | 4:58 PM CDT

THE TEXAS A&M UNIVERSITY SYSTEM

DocuSigned by:

By: BA
BEDCDB89EA78479...

Name: Billy Hamilton
Title: Executive Vice Chancellor & CFO

Date: 5/5/2022 | 4:47:11 CDT

EXHIBITS

Exhibit A	REQUEST FOR PROPOSAL for Self-Insured Employee Group Prescription Drug Plan Administration, RFP Number RFP01 SBA-21-098
Exhibit B	ESI's Proposal Response to the A&M System's RFP Number RFP01 SBA-21-098
Exhibit C	Program Pricing Terms
	Exhibit C-1 – Billing, Payment, and Miscellaneous Pricing Terms
	Exhibit C-2 – Claims Reimbursement Rates
	Exhibit C-3 - Rebates
	Exhibit C-4 - Administrative Services and Clinical Program Fees
Exhibit D	Specialty Drugs under the Mail Order Pharmacy Program
Exhibit E	Clarifications to ESI's Proposal, to include: 1) Responses to RFP follow up questions and supporting documentation dated April 2, 2024.
Exhibit F	Proprietary and Confidential Information
Exhibit G	Scope of Services
Exhibit H	Employer-Only Sponsored Group Waiver Plan (EGWP) Addendum
Exhibit I	Audit Protocol
Exhibit J	HIPAA Business Associate Agreement
Exhibit K	HealthConnect360 Three Party Agreement

EXHIBIT A

REQUEST FOR PROPOSAL for Self-Insured Employee Group Prescription Drug Plan Administration
RFP Number RFP01 SBA-21-098

On File with the A&M System

EXHIBIT B

ESI's Proposal Response to the A&M System's RFP Number RFP01 SBA-21-098

On File with the A&M System

EXHIBIT C
PROGRAM PRICING TERMS

Exhibit C-1
Billing, Payment, and Miscellaneous Pricing Terms

Exhibit C-2
Claims Reimbursement Rates

Exhibit C-3
Rebates

Exhibit C-4
Administrative Services and Clinical Program Fees

Exhibit C-1
Billing and Miscellaneous Pricing Terms

1. **BILLING AND PAYMENT.**

   a. Billing. ESI will invoice A&M System: [redacted]

   b. [redacted]

   c. [redacted]

2. **PHARMACY MANAGEMENT FUND ("PMF")**

   a. [redacted]

   b.

   c.

d. [redacted]

3. [redacted]

4. [redacted]

[redacted]

[redacted]

Exhibit C-2
Claims Reimbursement Rates

[redacted]

1. **BASE ADMINISTRATIVE FEES.**

1.1. [redacted]

[redacted]

2. **PARTICIPATING PHARMACY AND ESI MAIL PHARMACY AVERAGE AGGREGATE ANNUAL INGREDIENT COST AND DISPENSING FEE GUARANTEES (DOES NOT APPLY TO SPECIALTY PRODUCTS).**

2.1. **Commercial Participating Pharmacy Ingredient Cost and Dispensing Fee Guarantees**

a. [redacted]

[redacted]

2.2. **Medicare Participating Pharmacy Ingredient Cost and Dispensing Fee Guarantees**

a. [redacted]

[redacted]

[redacted]

2.3. **ESI Mail Pharmacy Ingredient Cost and Dispensing Fee Guarantees**

a. **Commercial Ingredient Cost and Dispensing Fee Guarantees**

[redacted]

b. **Medicare Ingredient Cost and Dispensing Fee Guarantees**

[redacted]

3. SPECIALTY PRODUCT PRICING.

3.1. [redacted]

[redacted]

3.2. [redacted]

3.3. [redacted]

3.4. [redacted]

[redacted]

[redacted]

4. **COMPOUND DRUG PRICING.**

[redacted]

5. **GENERAL PRICING TERMS.** The following terms are applicable to all pricing terms set forth in this Contract.

5.1. [redacted]

5.2. [redacted]

5.3. [redacted]

5.4. [redacted]

[redacted]

5.5. [redacted]

5.6. [redacted]

5.7. [redacted]

5.8.

a. [redacted]

b. [redacted]

5.9. [redacted]

5.10. [redacted]

5.11. [redacted]

6. VACCINE CLAIMS (NO VACCINE CLAIMS WILL BE INCLUDED IN ANY PRICING OR REBATE GUARANTEE SET FORTH IN THE CONTRACT).

6.1. General Terms applicable to Vaccine Claims.

a. "Vaccine Claim" means a claim for a Covered Drug which is a vaccine.

b. "Vaccine Vendor Transaction Fee" means the data interchange fee that ESI is charged by its third party vendor to convert Vaccine Claims submitted electronically by physicians to NCPDP 5.1 format in order for ESI to process the claim.

c. [redacted]

d. [redacted]

e. [redacted]

f. [redacted]

6.2. Commercial (Including Medicaid and Exchange, if applicable).

[redacted]

6.3. Medicare Part D Covered Vaccine Claims.

[redacted]

6.4. Medicare Part B Covered Vaccine Claims.

[redacted]

[redacted]

7. **OTHER PROVIDERS: I/T/U, IHS, LTC, AND HOME INFUSION.**

[redacted]

8. [redacted]

[redacted]

8.1. [redacted]

a. [redacted]

b. [redacted]

c. [redacted]

[redacted]

[redacted]

d. [redacted]

e. [redacted]

f. [redacted]

9. [redacted]

[redacted]

a. [redacted]

b. [redacted]

c. [redacted]

10. [redacted]

11. [redacted]

f. [redacted]

g. [redacted]

[redacted]

Exhibit C-3

Rebates

1. Non-Specialty Rebate Amounts

1.1. [redacted]

a. [redacted]

b. [redacted]

[redacted]

1.2. Rebate Payment Terms

a. [redacted]

b. [redacted]

c. [redacted]

2. Specialty Rebate Amounts

2.1. [redacted]

a. [redacted]

b. [redacted]

[redacted]

c. [redacted]

2.2 REBATE PAYMENT TERMS

a. [redacted]

b. [redacted]

3. Conditions (Applies to All Rebates)

3.1. [redacted]

3.2. [redacted]

3.3. [redacted]

3.4. [redacted]

3.5. [redacted]

3.6. [redacted]

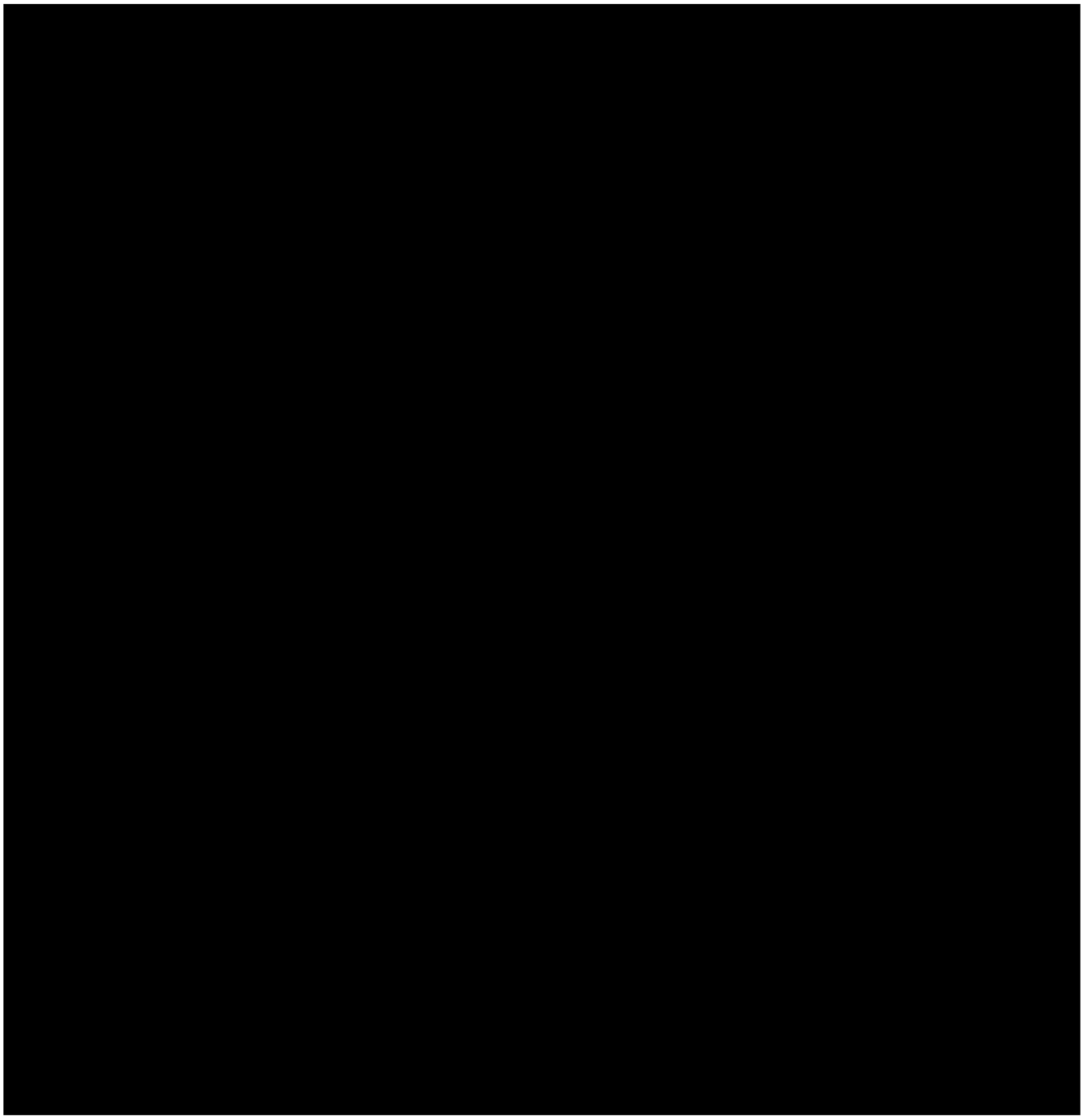
[redacted]

3.7. Rebate and Manufacturer Administrative Fee amounts paid to A&M System pursuant to this Contract are intended to be treated as "discounts" pursuant to the federal anti-kickback statute set forth at 42 U.S.C. §1320a-7b and implementing regulations. A&M System is obligated if requested by the Secretary of the United States Department of Health and Human Services, or as otherwise required by Applicable Law, to report the Rebate amounts and to provide a copy of this notice. ESI will refrain from doing anything that would impede A&M System from meeting any such obligation.

Exhibit C-4

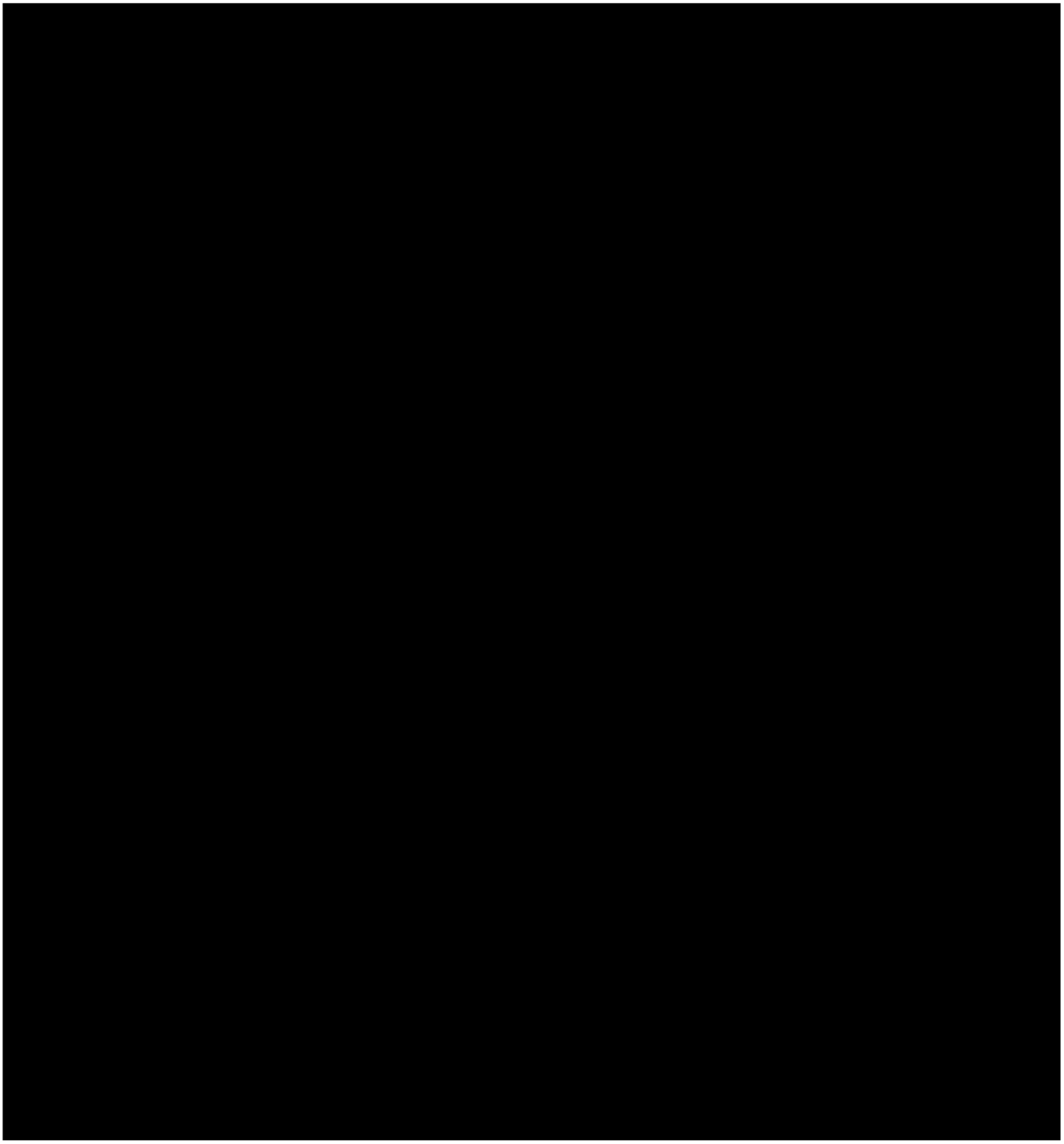
Administrative Services and Clinical Program Fees

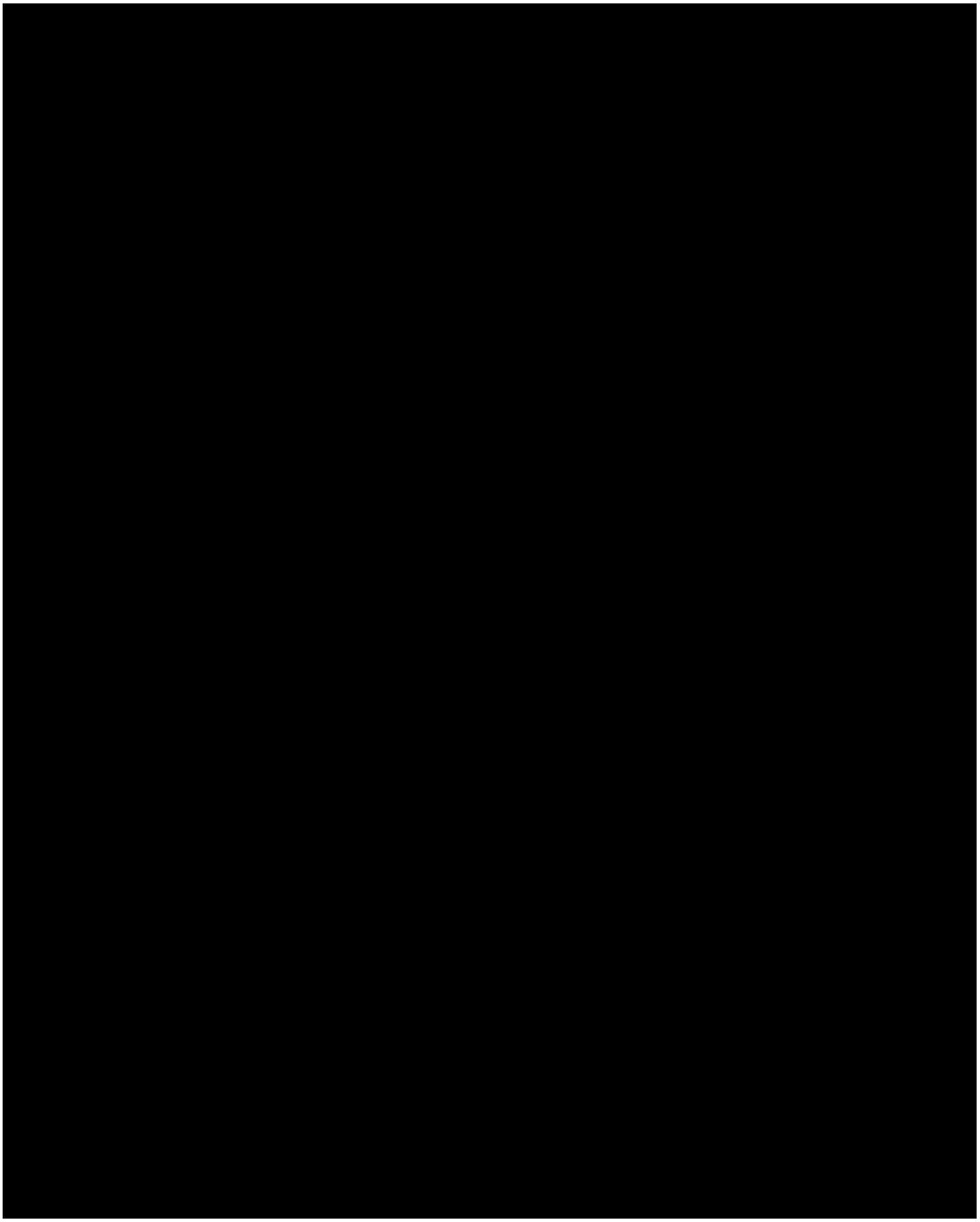
I. Administrative Services



Optional PBM Services

[redacted]





[redacted]

[redacted]

III. EGWP Administrative Fees

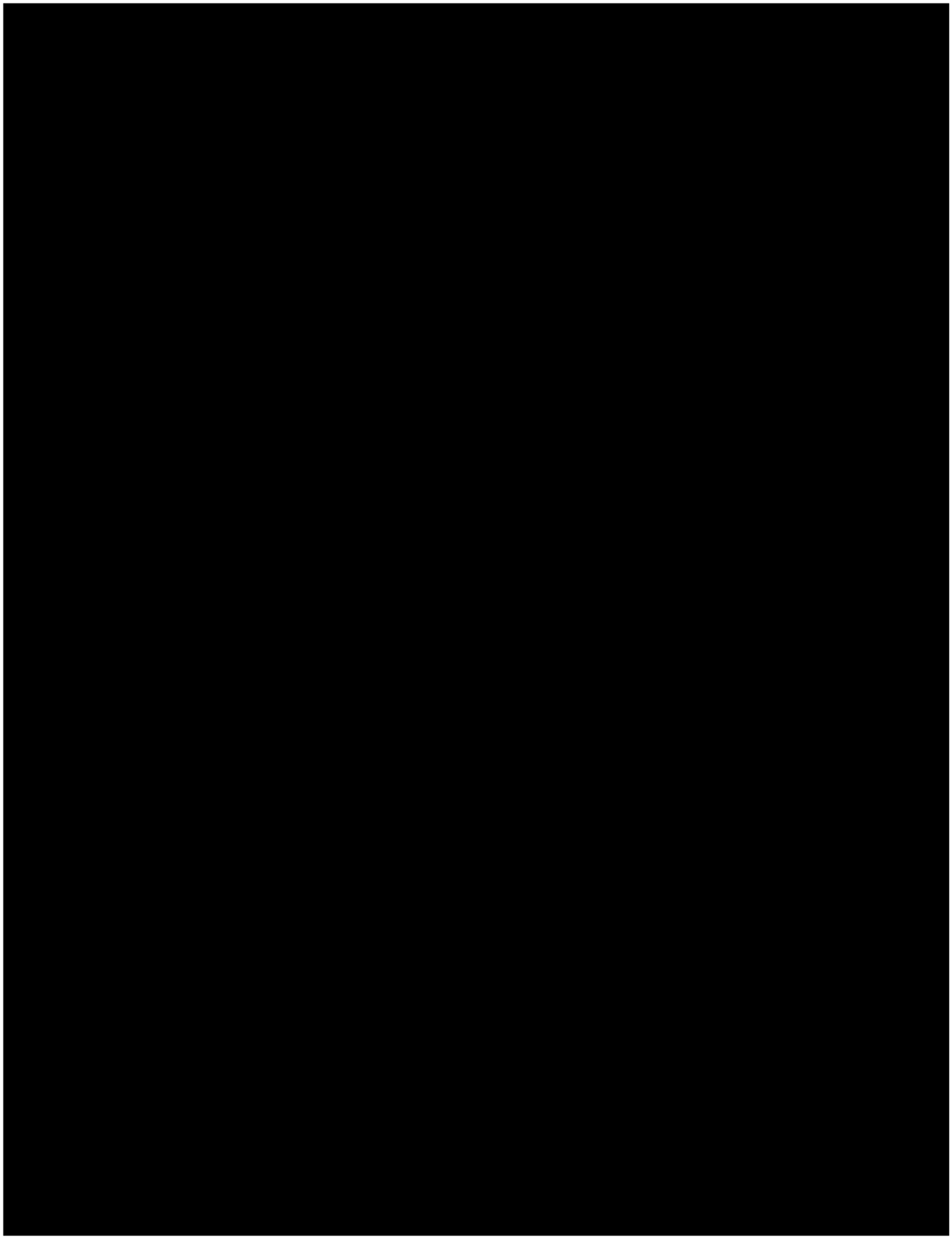
Optional PBM Services

[redacted]

[redacted]

[redacted]

[redacted]



[redacted]

EXHIBIT D
Specialty Drugs Under the Mail Order Pharmacy Program

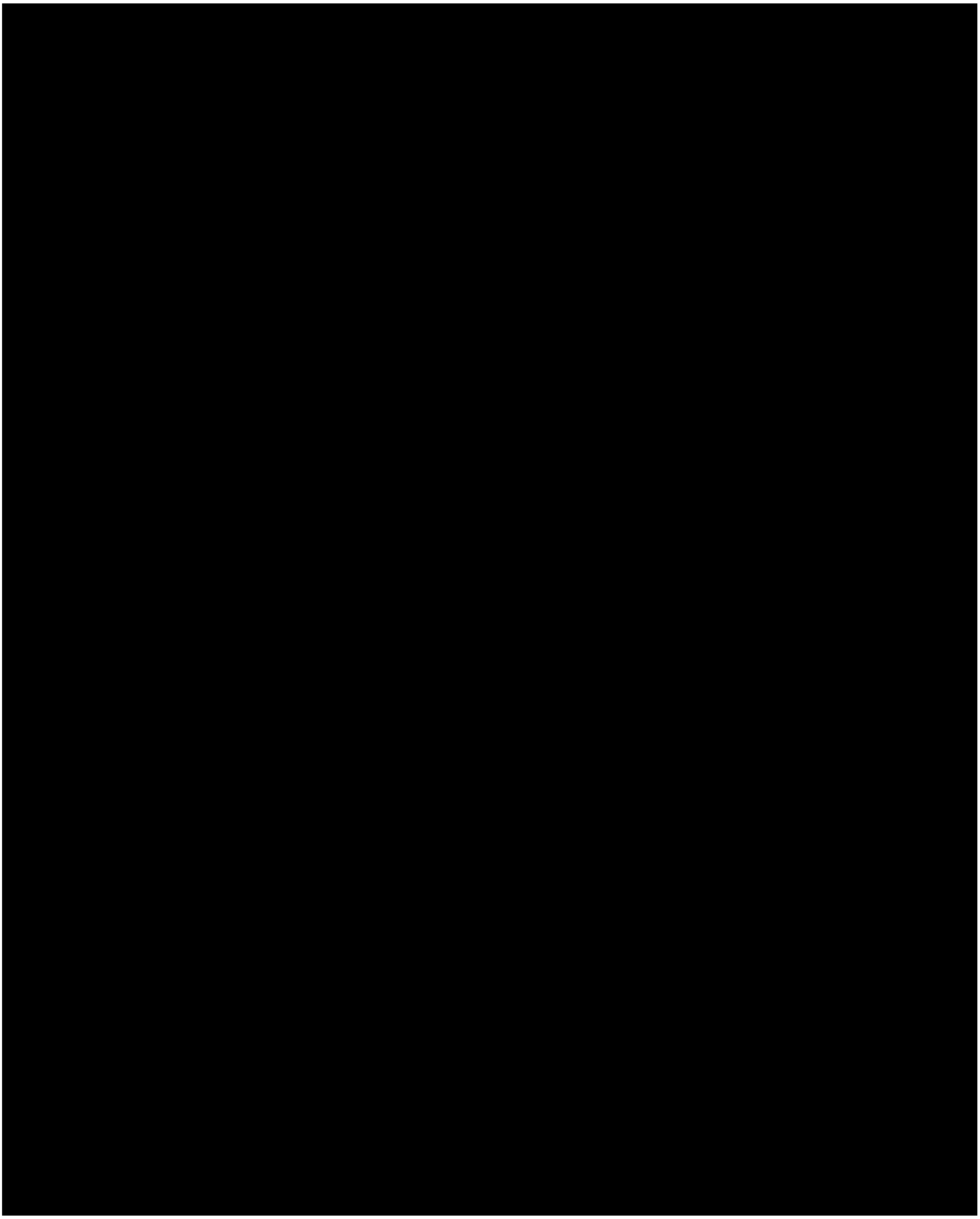


EXHIBIT E

Clarifications to ESI's Proposal, to include:

On File with the A&M System

EXHIBIT F

Confidential and/or Proprietary Information

The following is a list of information ESI has designated as confidential and/or proprietary, believing it to be exempt from any requests the A&M System may receive under The Texas Public Information Act.

- The Proposal – Section L of the Proposal contains a list of specific sections and questions in the Proposal that ESI believes to be proprietary and/or confidential.

- The Contract, Exhibit C (Program Pricing Terms), Exhibit D (Specialty Drugs Under the Mail Specialty Drugs Under the Mail Order Pharmacy Program), and Exhibit E (Clarifications)

EXHIBIT G
SCOPE OF SERVICES

1.1. "Ancillary Supplies, Equipment, and Services" or "ASES" means ancillary supplies, equipment, and services provided or coordinated by ESI Specialty Pharmacy in connection with ESI Specialty Pharmacy's dispensing of Specialty Products.

1.2. "Average Wholesale Price" or "AWP" means the average wholesale price of a prescription drug as identified by drug pricing services such as Medi-Span, the drug manufacturer or other source recognized in the retail prescription drug industry (the "Pricing Source").

1.3. "Brand/Generic Algorithm" or "BGA" means ESI's standard and proprietary brand/generic algorithm, a copy of which may be made available for review by Sponsor or its Auditor upon request. The purposes of the algorithm are to stabilize products "flipping" between Brand Drug and Generic Drug status and to reduce Sponsor, Member and provider confusion due to fluctuations in status. Sponsor or its Auditor may audit ESI's application of its BGA to confirm that ESI is making Brand Drug and Generic Drug determinations consistent with such algorithm.

1.4. [redacted]

1.5. "Commercial Benefit" means the prescription drug benefit covering Sponsor's Members and administered pursuant to this Contract.

1.6. "Copayment" means that portion of the charge for each Covered Drug dispensed to the Member that is paid by the Member (e.g., copayment, coinsurance and/or deductible). Sponsor will communicate the applicable Copayment on the Set-Up Forms.

1.7. "Covered Drug(s)" means those prescription drugs, supplies, Specialty Products and other items that are covered under the Plan, each as indicated on the Set-Up Forms.

1.8. "EGWP Benefit" means the prescription drug benefit to be administered by MCLIC under the EGWP Addendum, as defined in Exhibit H and as further described in the Sponsor plan document, its summary plan description, and its summary of benefits, as may be amended from time to time in accordance with the terms of the EGWP Addendum

1.9. "Eligibility Files" means the list submitted by Sponsor to ESI in reasonably acceptable electronic format indicating persons eligible for drug benefit coverage services under the Plan.

1.10. "ESI National Plus Network" means ESI's broadest Participating Pharmacy network.

1.11. "ESI Mail Pharmacy" means a pharmacy owned or operated by ESI or one or more of its affiliates, other than an ESI Specialty Pharmacy, where prescriptions are filled and delivered to Members via mail delivery service.

1.12. "ESI Specialty Pharmacy" means Accredo Health Group, Inc., Express Scripts Specialty Distribution Services, Inc., or another pharmacy or home health agency owned or operated by ESI or its affiliates that primarily dispenses Specialty Products. When the ESI Mail Pharmacy dispenses a Specialty Product, it shall be considered an ESI Specialty Pharmacy hereunder.

1.13. "Exclusive or Limited Distribution Product" means a Specialty Product that is not generally available from most or all pharmacies but is restricted to select pharmacies as determined by a pharmaceutical manufacturer.

1.14. "Formulary" means the list of FDA-approved prescription drugs and supplies developed by ESI's Pharmacy and Therapeutics Committee and/or customized by Sponsor, and which is selected and/or adopted by Sponsor. The drugs and supplies included on the Formulary will be modified by ESI from time to time as a result of factors, including, but not limited to, medical appropriateness, manufacturer Rebate arrangements, and patent expirations. Additions and/or deletions to the Formulary are hereby adopted by Sponsor, subject to Sponsor's discretion to elect not to

implement any such addition or deletion through the Set-Up Form process, any such election shall be considered a Sponsor change to the Formulary.

1.15. [redacted]

1.16. "MAC List" means a list of prescription drugs or supplies subject to maximum reimbursement payment schedules developed or selected by ESI.

1.17. [redacted]

1.18. [redacted]

1.19. "Member" means each person who Sponsor determines is eligible to receive prescription drug benefits as indicated in the Eligibility Files.

1.20. "Member Submitted Claim" means a paper claim submitted by a Member for Covered Drugs dispensed by a pharmacy for which the Member paid cash.

1.21. "Participating Pharmacy" means any licensed retail pharmacy with which ESI or one or more of its affiliates has executed an agreement to provide Covered Drugs to Members, but shall not include any mail order or specialty pharmacy affiliated with any such Participating Pharmacy. Participating Pharmacies are independent contractors of ESI.

1.22. [redacted]

1.23. "PMPM" means per Member per month fee, if applicable, as determined by ESI from the Eligibility Files.

1.24. "Plan" has the meaning ascribed to it in the Pharmacy Benefit Management Master Services Agreement.

1.25. "Prescription Drug Claim" means a Member Submitted Claim, Subrogation Claim or claim for payment submitted to ESI by a Participating Pharmacy, ESI Mail Pharmacy, or ESI Specialty Pharmacy as a result of dispensing Covered Drugs to a Member.

1.26. [redacted]

1.27. "Set-Up Forms" means any standard ESI document or form, which when completed by Sponsor (electronic communications from Sponsor indicating Sponsor's approval of a Set-Up Form shall satisfy the foregoing), will describe the essential benefit elements and coverage rules adopted by Sponsor for its Plan.

1.28. "Specialty Product List" means the list of Specialty Products applicable to Sponsor and maintained and updated by ESI from time to time. The Specialty Product List is available to Sponsor upon request.

1.29. [redacted]

1.30. "Subrogation Claim" means subrogation claims submitted by any state or a person or entity acting on behalf of a state under Medicaid or similar United States or state government health care programs, for which Sponsor is deemed to be the primary payor by operation of applicable federal or state laws.

1.31. "Usual and Customary Price" or "U&C" means the retail price charged by a Participating Pharmacy for the particular drug in a cash transaction on the date the drug is dispensed as reported to ESI by the Participating Pharmacy.

2. PBM Services

2.1. Eligibility/Set Up. Sponsor will submit completed Set-Up Forms and Eligibility Files (initial and updated) on a mutually determined basis, which ESI will accurately implement. Changes to the Set-Up Forms must be communicated to ESI in writing on ESI's standard forms or other mutually agreed upon method. Eligibility performed manually by ESI for Sponsor, or material changes to the Eligibility File processes requested by Sponsor during the Term may be subject to additional fees. Sponsor will be responsible for all Prescription Drug Claims during the period of the Member's eligibility as indicated on the Eligibility File including for retroactively termed Members, except in the event that ESI does not accurately implement the Eligibility File.

2.2. Pharmacy Network.

a. Participating Pharmacies. ESI will maintain a network(s) of Participating Pharmacies. ESI maintains multiple networks and subnetworks, and periodically consolidates networks or migrates clients to other networks and subnetworks. Participating Pharmacies are independent contractors of ESI and as such ESI does not direct or exercise any control over the Participating Pharmacies or the professional judgment exercised by any pharmacist in dispensing prescriptions or otherwise providing pharmaceutical related services at a Participating Pharmacy. ESI shall have no liability to Sponsor, any Member or any other person or entity for any act or omission of any Participating Pharmacy or it agents or employees.

b. ESI Mail Pharmacy. Subject to Applicable Law, ESI will make Members aware of the ability to fill their prescriptions through the ESI Mail Pharmacy, communicate any applicable cost savings, and provide supporting services (e.g. pharmacist consultation) in connection with any prescription dispensed by the ESI Mail Pharmacy. ESI may suspend ESI Mail Pharmacy services to a Member who is in default of any Copayment amount due ESI.

c. [redacted]

[redacted]

i. [redacted]

ii.

2.3. Claims Processing.

a. Claims Processing

i. ESI will perform claims processing services for Covered Drugs dispensed by Participating Pharmacies, ESI Mail Pharmacy and ESI Specialty Pharmacy.

ii. If elected by Sponsor, ESI will, for an applicable fee, process Member Submitted Claims in accordance with the rules in the Set-Up Forms and ESI's standard procedures.

iii. If authorized by Sponsor on the Set-Up Forms, ESI will, for an applicable fee, process Subrogation Claims in accordance with Applicable Law. If Sponsor does not authorize ESI to process Subrogation Claims, ESI will reject any Subrogation Claims and refer claimants to Sponsor, in accordance with Applicable Law.

iv. ESI will defer to Sponsor or its third party designee (as applicable) regarding the coverage of any claim under a Plan. In other words, the Sponsor will have the final responsibility for all decisions with respect to coverage of a Prescription Drug Claim and the benefits allowable under the Plan, including determining whether any rejected or disputed claim will be allowed.

b. Prior Authorization. ESI will, for an applicable fee, provide prior authorization ("PA") services as specified and directed by Sponsor for drugs designated on the Set-Up Forms. Prior authorized drugs must meet Sponsor-approved coverage criteria ("Guidelines") before they are deemed to be Covered Drugs. In determining whether to authorize coverage of such drug under the PA program, ESI will apply only the Guidelines and will rely upon information about the Member and the diagnosis of the Member's condition provided by the prescriber. If prior authorization for a medication is not immediately available, a 72-hour emergency supply may be dispensed when the pharmacist on duty recommends it as clinically appropriate and when the medication is needed without delay. ESI will not make a determination of medical necessity, make diagnoses or substitute ESI's judgment for the professional judgment and responsibility of the prescriber.

2.4 Claims for Benefits. If applicable, ESI will process Member Submitted Claims and PA requests consistent with applicable state law since the Plan is a non-ERISA plan ("Claims Rules"). Sponsor may elect to have ESI perform appeals services in connection with denied PA requests and denied Member Submitted Claims in exchange for an applicable fee, or facilitate such services through Sponsor or a third party of Sponsor's choice. If Sponsor elects to conduct its own appeals or facilitate appeals through a third party, ESI will route Member appeals to Sponsor or other Sponsor designated entity. If Sponsor elects to have ESI perform appeals services, Sponsor agrees that ESI may perform such services through a third-party contracted with ESI for the performance of appeals (the "UM Company"). Through its

contract with ESI, the UM Company has agreed to be, and will serve as, the named fiduciary for its performance of such appeals. ESI also agrees to accept fiduciary status solely with respect to its performance of any appeal.

a. UM Company. In the event ESI performs appeals services, or facilitates the performance of appeals services through a UM Company, ESI or the UM Company, as applicable, will be responsible for conducting the appeal on behalf of Sponsor in accordance with the Claims Rules. ESI represents to Sponsor that UM Company has contractually agreed that: (A) UM Company will conduct appeals in accordance with the Claims Rules and Sponsor's Plan, (B) Sponsor is a third party beneficiary of UM Company's agreement with ESI (a copy of which is available upon request) and the remedies set forth therein, and (C) UM Company will indemnify Sponsor for third party claims caused by the UM Company's negligence, willful misconduct, or breach of the UM Company's agreement with ESI in providing the appeal services.

b. External Review Services. ESI will not conduct any external review services (as defined in the Patient Protection and Affordable Care Act of 2010 and its implementing regulations (the "ACA")); provided, however, Sponsor may elect to have UM Company facilitate the provision of external review services through UM company contracted independent review organizations ("IROs") (as such term is defined in the ACA), for the applicable fees. Sponsor must execute a standard ESI External Appeals Services Set-Up Form, which may be requested through ESI Account Management, in order to receive such services from UM Company.

2.5 Account Management.

a. Account Team. ESI will provide account team support for Sponsor. The account team will be Sponsor's primary point of contact with ESI.

b. Sponsor/Member Call Center. ESI will provide toll-free telephone, interactive voice response ("IVR") and Internet support to assist Sponsor, Sponsor's agents and Members with Member eligibility and benefits verification, location of Participating Pharmacies or other related Member concerns.

c. HealthConnect360. ESI will provide Sponsor's third party Plan administrator with access to the HealthConnect360 platform pursuant to the terms and conditions of the HealthConnect360 Three Party Agreement set forth on Exhibit K.

2.6 Formulary Support and Rebate Management.

a. Formulary Adherence and Clinical Programs. ESI may provide clinical, safety, adherence, and other like programs as appropriate. ESI will not implement any program for which Sponsor may incur an additional fee without Sponsor's prior written approval and election of such program.

b. Rebates. Subject to the remaining terms of this Contract, ESI will pay to Sponsor the amounts set forth on Exhibit C.

2.7 [redacted]

3 FEES, BILLING AND PAYMENT

3.1 Fees. In consideration of the PBM Services provided by ESI, Sponsor will pay the applicable claims reimbursement amounts ("Claims Reimbursements") and other administrative fees ("Administrative Fees") pursuant to the terms set forth on Exhibit C ("Claims Reimbursements," "Administrative Fees" and any other charge or fee that is the responsibility of Sponsor as may be described elsewhere in this Contract are hereinafter referred to collectively as "Fees").

4 COMPLIANCE WITH LAW; FIDUCIARY ACKNOWLEDGMENTS; FINANCIAL DISCLOSURE

4.1 Compliance with Law; Change in Law. Each party shall be responsible for ensuring its compliance with any laws and regulations applicable to its business, including maintaining any necessary licenses and permits. A&M System shall be responsible for any governmental or regulatory charges and taxes imposed upon or related to the services provided hereunder. If there is a change in federal or state laws or regulations or the interpretation thereof, or any government, judicial or legal action that, among other things, materially burdens ESI, requires ESI to increase payments or shorten payment times for Covered Drugs to Participating Pharmacies, or materially changes the scope of services hereunder (a "Change in Law"), then there shall be an appropriate modification of the services, Claims Reimbursement, Administrative Fees, and/or Rebates hereunder. If the parties cannot agree on a modification or adjusted fee or rates, then either party may terminate the Contract on thirty (30) days prior written notice to the other.

4.2 Fiduciary Acknowledgements. ESI offers pharmacy benefit management services, products and programs ("PBM Products") for consideration by all clients, including A&M System. The general parameters of the PBM Products, and the systems that support these products, have been developed by ESI as part of ESI's administration of its business as a PBM. The parties agree that they have negotiated the financial terms of this Contract in an arm's-length fashion. A&M System acknowledges and agrees that, except for the limited purpose set forth in Section 2.3(c) of this Exhibit G, neither it nor the Plan intends for ESI to be a fiduciary (as defined under ERISA or state law) of the Plan, and, except for the limited purpose as set forth in Section 2.3(c) of this Exhibit G, neither will name ESI or any of ESI's wholly-owned subsidiaries or affiliates as a "plan fiduciary." A&M System further acknowledges and agrees that neither ESI nor any of ESI's wholly-owned subsidiaries or affiliates: (a) have any discretionary authority or control respecting management of the Plan's prescription benefit program, except as set forth in Section 2.3(c) of this Exhibit G, or (b) exercise any authority or control respecting management or disposition of the assets of the Plan or A&M System. A&M System further acknowledges that all such discretionary authority and control with respect to the management of the Plan and plan assets is retained by A&M System or the Plan. Upon reasonable notice, ESI will have the right to terminate PBM Services to any Plan (or, if applicable, Members) located in a state requiring a pharmacy benefit manager to be a fiduciary to A&M System, a Plan, or a Member in any capacity.

4.3 Disclosure of Certain Financial Matters. In addition to the Administrative Fees paid to ESI by A&M System, ESI and ESI's wholly-owned subsidiaries or affiliates derive revenue in one or more of the ways as further described in the Financial Disclosure to ESI PBM Clients set forth in the Proposal ("Financial Disclosure"), as updated by ESI from time to time. Unlike the Administrative Fees, the revenues described in the Financial Disclosure are not direct or indirect compensation to ESI from A&M System for services rendered to A&M System or the Plan under this Contract. In negotiating any of the fees and revenues described in the Financial Disclosure or in this Contract, ESI and ESI's wholly-owned subsidiaries and affiliates act on their own behalf, and not for the benefit of or as agents for A&M System, Members or the Plan. ESI and ESI's wholly-owned subsidiaries and affiliates retain all proprietary rights and beneficial interest in such fees and revenues described in the Financial Disclosure and, accordingly, A&M System acknowledges that neither it, any Member, nor the Plan, has a right to receive, or possesses any beneficial interest in, any such fees or revenues; provided, that ESI will pay A&M System amounts equal to the amounts expressly set forth in this Contract.

EXHIBIT H

Employer-Only Sponsored Group Waiver Plan (EGWP) Addendum

1. **Construction.** The terms and conditions of the Contract and this Employer-Only Sponsored Group Waiver Plan Addendum ("EGWP Addendum") shall apply to services provided by ESI by and through its affiliate, Medco Containment Life Insurance Company, a Pennsylvania corporation ("MCLIC") to Sponsor's EGWP Members (as defined herein). In the event there is a conflict between the terms and conditions in the Contract and in this EGWP Addendum, the terms and conditions in this EGWP Addendum shall control, but only as they relate to services provided to EGWP Members. Capitalized terms not otherwise defined in this EGWP Addendum shall have the meaning ascribed to them in the Contract.

2. **Acknowledgements.** The parties agree and acknowledge as follows:

A. MCLIC is an approved CMS-contracted prescription drug plan ("PDP") sponsor for an Employer Group Waiver Plan PDP in accordance with CMS regulations and has received approval from the Centers for Medicare and Medicaid Services ("CMS") to serve as a Prescription Drug Plan Sponsor (a "PDP Sponsor") and to provide prescription drug coverage that meets the requirements of, and pursuant to, the Voluntary Prescription Drug Benefit Program set forth in Part D of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, 42 U.S.C. §1395w-101 through 42 U.S.C. §1395w-152 (the "Act") and all applicable and related rules, regulations, and guidance promulgated, issued or adopted by CMS or other governmental agencies with jurisdiction over enforcement of the Act, including, but not limited to, 42 C.F.R. §423.1 through 42 C.F.R. §423.910 (with the exception of Subparts Q, R, and S), and the terms of any PDP Sponsor contract between CMS and MCLIC (collectively, the "Medicare Drug Rules"); and

B. Pursuant to the waivers granted by CMS under 42 U.S.C. §1395w-132(b), MCLIC offers employer-only sponsored group waiver plans ("EGWPs") to employers that wish to provide prescription drug benefits to their Part D Eligible Retirees (as defined below) in accordance with the Medicare Drug Rules; and

C. MCLIC provides services hereunder through itself and its affiliates, including ESI; and

D. Sponsor currently provides a prescription drug benefit (the "Current Benefit") to its Part D Eligible Retirees (as defined below) pursuant to a non-Medicare, self-insured welfare benefit plan; and

E. Sponsor desires to contract with MCLIC to offer a prescription drug benefit to Sponsor's Part D Eligible Retirees pursuant to an EGWP that is substantially similar in design to the Current Benefit (the "EGWP Benefit," as further defined below); and

F. Provided that the EGWP Benefit meets the actuarial equivalence standards of the Medicare Drug Rules, as more fully described below, MCLIC desires to offer the EGWP Benefit to Sponsor's Part D Eligible Retirees in accordance with the Medicare Drug Rules and pursuant to the terms and conditions of the Contract and this EGWP Addendum.

3. **Definitions.**

"Commercial Benefit" means the prescription drug benefit covering Sponsor's Members and administered pursuant to the Contract.

"Coverage Gap" means the stage of the benefit between the initial coverage limit and the catastrophic coverage threshold, as described in the Medicare Part D prescription drug program administered by the United States federal government.

"Coverage Gap Discount" means the manufacturer discounts available to eligible Medicare Part D beneficiaries receiving applicable, covered Medicare Part D drugs, while in the Coverage Gap.

"Coverage Gap Discount Program" means the Medicare program that makes manufacturer discounts available to eligible Medicare Part D beneficiaries receiving applicable, covered Medicare Part D drugs, while in the Coverage Gap.

"EGWP Enrollment File" means the list(s) submitted by Sponsor to MCLIC, in accordance with Section 4 of this EGWP Addendum, indicating the Part D Eligible Retirees that Sponsor has submitted for enrollment in the EGWP Benefit, as verified by MCLIC through CMS enrollment files. For all other purposes under the Contract, the "EGWP Enrollment File" shall also be considered an "Enrollment File."

"EGWP Benefit" means the prescription drug benefit to be administered by MCLIC under this EGWP Addendum, as defined in the Recitals above and as further described in the Sponsor plan document, its summary plan description, and its summary of benefits, as may be amended from time to time in accordance with the terms of this EGWP Addendum.

"EGWP Member" means each Part D Eligible Retiree who is enrolled in the EGWP Benefit in accordance with the terms of this EGWP Addendum. For all other purposes under the Contract, every EGWP Member shall also be deemed to be a Member.

"EGWP Plus" means a prescription drug benefit plan design that provides non-Medicare EGWP coverage supplemental to the standard Part D benefit, and is defined by CMS as other health or prescription drug coverage, and as such, the Coverage Gap Discount is applied before any additional coverage beyond the standard Part D benefit.

"Late Enrollment Penalty" or "LEP" means the financial penalty incurred under the Medicare Drug Rules by Medicare Part D beneficiaries who have had a continued gap in creditable coverage of sixty-three (63) days or more after the end of the beneficiary's initial election period, adjusted from time to time by CMS.

"Medicare Formulary" means the list of prescription drugs and supplies developed, implemented and maintained in accordance with the Medicare Drug Rules for the EGWP Benefit.

"Medicare Rebate Program" means MCLIC's or its affiliates' manufacturer rebate program under which MCLIC or its affiliates contract with pharmaceutical manufacturers for Rebates payable on selected Covered Drugs that are reimbursed, in whole or in part, through Medicare Part D, as such program may change from time to time.

"Part D" or "Medicare Part D" means the Voluntary Prescription Drug Benefit Program set forth in Part D of the Act.

"Part D Eligible Retiree" means an individual who is (a) eligible for Part D in accordance with the Medicare Drug Rules, (b) not enrolled in a Part D plan (other than the EGWP Benefit), and (c) eligible to participate in Sponsor's Current Benefit.

"Prescription Drug Plan" or "PDP" shall have the meaning set forth in the Medicare Drug Rules.

"True Out-of-Pocket Costs" or "TrOOP" means costs incurred by an EGWP Member or by another person on behalf of an EGWP Member, such as a deductible or other cost-sharing amount, with respect to Covered Drugs, as further defined in the Medicare Drug Rules.

"Vaccine Claim" means a claim for a Covered Drug which is a vaccine.

4. Plan Status Under Applicable Laws; Enrollment and Disenrollment in the EGWP Benefit.

A. Medicare Part D. Sponsor and MCLIC acknowledge and agree as follows:

1. The design of and administration of the EGWP Benefit is subject to the applicable requirements of the Medicare Drug Rules. Sponsor shall provide all information and documents to MCLIC as may be reasonably required to administer the EGWP Benefit.

2. If the number of Sponsor's Part D Eligible Retirees is materially reduced or eliminated for any reason, MCLIC may communicate with those persons at MCLIC's expense regarding alternative Medicare Part D options, including alternative Medicare Part D services offered by MCLIC or one or more of its affiliates, and the program pricing terms hereunder may be equitably modified by MCLIC to reflect the reduction or elimination of the number of Part D Eligible Retirees; provided that, any such communication complies with Applicable Law, including without limitation, the Medicare Drug Rules.

B. Group Enrollment. Subject to each individual's right to opt out, as described below, Sponsor shall enroll Part D Eligible Retirees in the EGWP Benefit through a group enrollment process, as further described in and permitted under the Medicare Drug Rules. Sponsor agrees that it will comply with all applicable requirements for group enrollment in EGWPs as set forth in the Medicare Drug Rules, and as described and required by MCLIC's policies and procedures.

C. EGWP Enrollment File. No later than sixty (60) days prior to the Effective Date and the first day of each EGWP Benefit enrollment period thereafter, so long as this EGWP Addendum is in effect, Sponsor shall provide an EGWP Enrollment File to MCLIC via the communication medium reasonably requested by MCLIC that lists those Part D Eligible Retirees for whom Sponsor intends to make application for enrollment in the EGWP Benefit (i.e., those Part D Eligible Retirees who have not opted out of the group enrollment process) for that contract year. Sponsor represents and warrants that all information it provides to MCLIC in the EGWP Enrollment File will be complete and correct. Sponsor shall

communicate all new enrollments (i.e., individuals who become eligible to participate in the EGWP Benefit outside of an annual election period), requested retroactive enrollments of Part D Eligible Retirees, and disenrollments from the EGWP Benefit via the communication medium reasonably requested by MCLIC. MCLIC agrees to process retroactive enrollment requests pursuant to the requirements of the Medicare Drug Rules.

D. Implementation.

1. MCLIC's Responsibilities. MCLIC shall implement the EGWP Enrollment File following confirmation of the Medicare Part D eligibility of the Part D Eligible Retirees listed on the EGWP Enrollment File with CMS enrollment files. A Part D Eligible Retiree will not be enrolled in the EGWP Benefit unless such individual is listed on both the EGWP Enrollment File submitted by Sponsor and the CMS eligibility files. Sponsor acknowledges and agrees that MCLIC may update in the EGWP Enrollment File any information concerning Part D Eligible Retirees upon receipt of corrected information from CMS, and MCLIC may use such corrected information to obtain a Part D Eligible Retiree's enrollment. For all Part D Eligible Retirees that have been included by Sponsor in the EGWP Enrollment File, but who are ultimately determined to be ineligible for participation in the EGWP Benefit, MCLIC or its affiliates shall notify the individual of his or her ineligibility in the EGWP Benefit and take all other action as required by Applicable Law. MCLIC shall communicate to Sponsor any changes to a Part D Eligible Retiree's information in the EGWP Enrollment File based upon updates or corrections received from CMS.

2. Incomplete EGWP Enrollment File Information. Sponsor's submission to MCLIC of an inaccurate or incomplete EGWP Enrollment File (e.g., missing Medicare Beneficiary Identifier (MBI), date of birth, last name, first name, gender, address, etc.) or otherwise incomplete information with respect to any individual Part D Eligible Retiree may result in a rejection of the Part D Eligible Retiree's enrollment in the EGWP Benefit. Sponsor acknowledges and agrees that MCLIC may contact Sponsor's Part D Eligible Retirees to obtain the information required hereunder and that MCLIC will update the EGWP Enrollment File on Sponsor's behalf to reflect additional information needed to complete enrollment of the Part D Eligible Retirees. If MCLIC, using reasonable efforts, is not able to obtain all missing information from a Part D Eligible Retiree within twenty-one (21) days after receiving Sponsor's initial request for enrollment of the Part D Eligible Retiree in the EGWP Benefit, then Sponsor's request shall be deemed cancelled and MCLIC or its affiliates shall notify the individual of his or her enrollment denial and non-enrollment in the EGWP Benefit and shall take all other action as required by Applicable Law.

3. Effective Date of Enrollment into EGWP Benefit. Notwithstanding any provision of this EGWP Addendum to the contrary, the effective date of enrollment for any Part D Eligible Retiree who MCLIC seeks to enroll in the EGWP Benefit hereunder shall be the date of enrollment requested for that Part D Eligible Retiree by Sponsor on the EGWP Enrollment File, subject to any adjustments that MCLIC may make relating to eligibility verification or eligibility processing rules reasonably agreed upon by the parties.

E. Involuntary Disenrollment. If Sponsor determines that an EGWP Member is no longer eligible to participate as an EGWP Member in the EGWP Benefit for reasons such as loss of Sponsor's eligibility or residence outside of the service area (an "Involuntary Ineligible Enrollee"), Sponsor shall notify MCLIC at least twenty-five (25) days before the disenrollment effective date. Such Involuntary Ineligible Enrollee shall be notified about involuntary disenrollment and disenrolled in accordance with the Medicare Drug Rules. If CMS determines that an EGWP Member is no longer eligible to participate as an EGWP Member in the EGWP Benefit (an "CMS Ineligible Enrollee" and collectively with an Involuntary Ineligible Enrollee, an "Ineligible Enrollee"), upon notification to MCLIC, such CMS Ineligible Enrollee shall be notified and disenrolled in accordance with the Medicare Drug Rules.

F. Voluntary Disenrollment. If an EGWP Member makes a voluntary request to be disenrolled from the EGWP Benefit (the "Voluntary Disenrollee") to Sponsor, then Sponsor shall notify MCLIC within ten (10) business days of its receipt of the request for disenrollment, in a manner and format agreed upon by the parties. If Sponsor does not timely notify MCLIC of such Voluntary Disenrollee's disenrollment in the EGWP Benefit, then MCLIC shall submit a retroactive disenrollment request to CMS. Sponsor acknowledges that CMS may only grant up to a ninety (90) day retroactive disenrollment in such instances. If the Voluntary Disenrollee makes his or her request directly to MCLIC, then MCLIC shall direct the Voluntary Disenrollee to initiate the disenrollment with the Sponsor.

G. Group Disenrollment. If, upon the expiration of the then current term of this EGWP Addendum, Sponsor plans to disenroll its EGWP Members from the EGWP Benefit using a group disenrollment process, then Sponsor shall implement the following procedures:

1. Notification to EGWP Members. Sponsor shall provide at least twenty-one (21) days (or such other minimum days' notice as required by the Medicare Drug Rules, if longer) prior written notice to each EGWP Member that Sponsor plans to disenroll him or her from the EGWP Benefit and shall include with such written notification an explanation as to how the EGWP Member may contact CMS for information on other Medicare Part D options that might be available to the EGWP Member; and

2. Information to MCLIC. Sponsor shall provide all the information to MCLIC that is required for MCLIC to submit a complete disenrollment request transaction to CMS, as set forth in the Medicare Drug Rules. Sponsor shall transmit the complete and accurate disenrollment file to MCLIC: (i) no later than twenty-five (25) days prior to the group disenrollment effective date, and (ii) in the case of a group disenrollment with an effective date of January 1 of the applicable calendar year, by no later than the deadline communicated to Sponsor by MCLIC.

H. Responsibility for Claims After Loss of Eligibility or Disenrollment. Sponsor shall be responsible for reimbursing MCLIC pursuant to the billing provisions of the Contract for all Prescription Drug Claims processed by MCLIC, including those: (a) with respect to an Ineligible Enrollee during any period in which the EGWP Enrollment File indicated that such Ineligible Enrollee was eligible; and (b) with respect to a Voluntary Disenrollee, in the event Sponsor did not provide timely notice to MCLIC of such disenrollment as set forth herein.

I. Effect On Commercial Benefit. By requesting a Member's enrollment as an EGWP Member in the EGWP Benefit, Sponsor represents that such EGWP Member's eligibility as a Member in the Commercial Benefit (except for EGWP supplemental coverage) will immediately terminate. Upon a Member's enrollment as an EGWP Member in the EGWP Benefit, Sponsor must communicate to MCLIC that the EGWP Member's eligibility as a Member in the Commercial Benefit has terminated through the Enrollment Files. Until Sponsor communicates to MCLIC that the Member's eligibility in the Commercial Benefit has terminated, coverage under the Commercial Benefit and the terms and conditions applicable thereto will remain in effect for that Member.

J. Effect of Termination of Commercial Benefit. Termination of services with respect to the Commercial Benefit will not automatically terminate the provision of services with respect to the EGWP Benefit.

K. Retroactive Payments / Enrollment and Disenrollment. MCLIC may receive or recoup payments from CMS based upon retroactive enrollments to the EGWP Benefit or retroactive disenrollments from the EGWP Benefit under this EGWP Addendum. To the extent MCLIC has agreed in this EGWP Addendum to pay Sponsor amounts equal to such payments, MCLIC shall pay such amounts to Sponsor within forty-five (45) days of MCLIC's receipt of payments from CMS; provided, further, that any related EGWP PMPM Fees (as defined below) associated with the retroactive enrollment or disenrollment shall be adjusted in accordance with the applicable terms of this EGWP Addendum.

5. Prescription Drug Services.

A. Prescription Drug Services. In exchange for the fees set forth in Exhibit C of the Contract, MCLIC will administer the EGWP Benefit for EGWP Members in accordance with the terms and conditions of this EGWP Addendum. All such administrative services shall be provided by MCLIC in accordance with the Medicare Drug Rules and the terms of the EGWP Benefit.

B. Actuarial Equivalence. The EGWP Benefit must satisfy all actuarial equivalence standards set forth in the Medicare Drug Rules. If MCLIC performs a review, Sponsor hereby agrees to cooperate with MCLIC to perform the necessary actuarial equivalence calculations to determine whether the EGWP Benefit meets the foregoing actuarial equivalence standards prior to the Effective Date. If MCLIC determines that the EGWP Benefit does not meet the actuarial equivalence standards, then Sponsor shall cooperate with MCLIC to make necessary adjustments to the EGWP Benefit design to meet the actuarial equivalence standards.

C. Changes to the EGWP Benefit. Sponsor shall have the right to request changes to the terms of the EGWP Benefit from time to time by providing written notice to MCLIC. MCLIC shall implement any such requested changes, subject to the following conditions: (a) all changes to the EGWP Benefit must be consistent with and implemented in the time and manner permitted by the Medicare Drug Rules; (b) the EGWP Benefit, after implementation of such changes, must continue to meet the actuarial equivalence standards referenced above; and (c) any requested change that would increase MCLIC's costs of administering the EGWP Benefit without an equivalent increase in reimbursement to MCLIC from Sponsor shall not be implemented unless and until Sponsor and MCLIC agree in writing upon a corresponding amendment to the reimbursement terms of this EGWP Addendum.

D. EGWP Member Communications. All standard EGWP Member communications concerning the EGWP Benefit (e.g., benefit overview document, formulary booklet, etc.) shall be mutually developed by MCLIC and Sponsor pursuant to the Medicare Drug Rules, including the CMS Marketing Guidelines contained therein. Pursuant to the Medicare Drug Rules, MCLIC must ensure all such EGWP Member communications, whether created and/or distributed by either Sponsor or MCLIC, are CMS compliant, and provide such to CMS upon request. If CMS notifies MCLIC that any such EGWP Member communication is deficient, Sponsor agrees to assist MCLIC to make necessary revisions to correct such deficiency.

E. Claims Processing.

1. COB. MCLIC will coordinate benefits with state pharmaceutical assistance programs and entities providing other prescription drug coverage consistent with the Medicare Drug Rules.

2. TrOOP. MCLIC will establish and maintain a system to record EGWP Members' TrOOP balances, and shall communicate TrOOP balances to EGWP Members upon request. MCLIC will provide 24-hours a day, 7-days a week toll-free telephone, IVR and Internet support to assist Sponsor and EGWP Members with TrOOP verification.

3. EOBs. MCLIC will furnish EGWP Members, in a manner specified by CMS, a written or electronic explanation of benefits ("EOB") when prescription drug benefits are provided under qualified prescription drug coverage consistent with the requirements of the Medicare Drug Rules.

F. Formulary and Medication Management. MCLIC or its affiliates will maintain a pharmacy and therapeutics committee ("P&T Committee") in accordance with the Medicare Drug Rules, which will develop a Medicare Formulary to be selected by Sponsor for the EGWP Benefit. All Covered Drugs on the Medicare Formulary shall be Part D drugs or otherwise permitted to be covered by a PDP under the Medicare Drug Rules. Sponsor acknowledges and agrees that the Medicare Formulary may not be modified by removing Covered Drugs, adding additional utilization management restrictions, making the cost-sharing status of a drug less beneficial or otherwise modified in a manner not consistent with the Medicare Drug Rules.

G. Medication Therapy Management. For the fees identified on Exhibit C of the Contract, MCLIC or its affiliates will implement a Medication Therapy Management program that is designed to ensure that Covered Drugs prescribed to targeted EGWP Members are appropriately used to optimize therapeutic outcomes through improved medication use; and reduce the risk of adverse events, including adverse drug interactions.

H. Late Enrollment Penalty. Sponsor agrees to and attests that it shall comply with the applicable CMS requirements of the LEP and shall comply with MCLIC's LEP policy, inducing participating with MCLIC in the following process:

1. Sponsor has an option to: (i) provide an initial global attestation to MCLIC to attest to creditable coverage for all of its EGWP Members; or (ii) periodically provide an attestation to MCLIC to attest to creditable coverage for its EGWP Members listed on the LEP report provided to Sponsor by MCLIC.

2. If Sponsor elects to periodically attest to MCLIC under the preceding subsection, then:

   a. Sponsor's response shall be delivered to MCLIC within five (5) business days from the receipt of LEP report from MCLIC;

   b. Sponsor shall provide MCLIC with the file listing all EGWP Members for whom Sponsor was unable to attest; and

   c. MCLIC shall also mail an attestation to each EGWP Member that has a gap in coverage as defined by CMS.

3. Sponsor will provide MCLIC with an attestation in MCLIC's standard form, which will be provided to Sponsor upon request, and a file listing of all the EGWP Members included in the attestation.

4. MCLIC will collect responses to the attestations from Sponsor or EGWP Members and submit EGWP Members' information to CMS for processing and determination of applicable LEP.

I. CMS calculates the LEP amount and transmits the LEP amount to MCLIC on the daily TRR file, which is communicated to Sponsor. MCLIC shall invoice Sponsor for payment of the LEP. Sponsor may elect to either pay for the LEP on behalf of the EGWP Member, or seek reimbursement of the LEP amount from the EGWP Member. This election must

be made prior to the beginning of each plan year and must be applied consistently by Sponsor for all EGWP Members throughout each plan year.

J. Organized Health Care Arrangement. The parties agree that with respect to the EGWP Benefit, Sponsor and MCLIC are party to an Organized Health Care Arrangement under clause (3) of the definition of "Organized Health Care Arrangement" at 45 C.F.R. § 160.103.

6. Document Retention and Government Audit.

A. Document Retention. MCLIC and Sponsor will maintain, for a period of the then current plan year plus an additional ten (10) years, the applicable books, contracts, medical records, patient care documentation, and other records relating to covered services under this EGWP Addendum, including those relating to the collection of monthly premiums as set forth herein.

B. Government Audit. MCLIC and Sponsor agree to allow the United States Department of Health and Human Services ("DHHS") and the Comptroller General, or their designees, the right to audit, evaluate, collect, and inspect books, contracts, medical records, patient care documentation and other records relating to covered services under this EGWP Addendum, as are reasonably necessary to verify the nature and extent of the costs of the services provided to EGWP Members under this EGWP Addendum, for a period of the then current plan year, plus an additional ten (10) years following termination or expiration of the EGWP Addendum for any reason, or until completion of any audit, whichever is later.

7. Monthly Premiums; Fees; Billing and Payment.

A. Monthly Premiums.

1. Collection of Monthly Premium Amounts. In accordance with the Medicare Drug Rules, MCLIC hereby delegates the premium collection function to Sponsor and hereby directs Sponsor, on behalf of MCLIC, to collect all monthly premium payments due from EGWP Members for participation in the EGWP Benefit. In connection with MCLIC's delegation of the premium collection function to Sponsor under this Section 7.A.1, Sponsor hereby agrees as follows:

    a. That in no event, including, but not limited to, nonpayment by MCLIC of any amounts due by MCLIC to Sponsor pursuant to this EGWP Addendum, MCLIC's insolvency, or MCLIC's breach of this EGWP Addendum, will Sponsor bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against an EGWP Member or persons acting on his or her behalf for payments that are the financial responsibility of MCLIC under this EGWP Addendum. The foregoing is not intended to prohibit Sponsor from collecting premium amounts due by EGWP Members for participation in the EGWP Benefit.

2. Determination of Monthly Premium Amounts (if any) to be Subsidized by Sponsor. In determining the amount of the EGWP Member's monthly premium for participation in the EGWP Benefit that Sponsor will subsidize, if any, Sponsor shall make such determination subject to the following restrictions and any other restrictions that may be imposed by CMS:

    a. Sponsor may subsidize different amounts for different classes of EGWP Members provided such classes are reasonable and based on objective business criteria, such as years of service, business location, job category, and nature of compensation (e.g., salaried vs. hourly). Different classes cannot be based on eligibility for the Low Income Subsidy;

    b. Sponsor may not vary the premium subsidy for individuals within a given class of EGWP Members;

    c. Sponsor may not charge an EGWP Member more than the sum of his or her monthly beneficiary premium attributable to basic prescription drug coverage and 100% of the monthly beneficiary premium attributable to his or her supplemental prescription drug coverage, if any;

    d. MCLIC will, as directed by Sponsor, directly refund to the EGWP Member, within forty-five (45) days of original receipt from CMS of the Low Income Subsidy premium, the full premium subsidy amount up to the monthly beneficiary premium amount previously collected from the EGWP Member; provided, however, that to the extent there are Low Income Subsidy premium amounts remaining after MCLIC refunds the full monthly beneficiary premium amount to the EGWP

Member, then that remaining portion of the Low Income Subsidy premium may be applied to the portion of the monthly premium paid by Sponsor;

e. If Sponsor is not able to reduce the up-front monthly beneficiary premium as described in subsection (d) above, MCLIC, as directed by Sponsor, shall directly refund to the EGWP Member, within forty-five (45) days of original receipt from CMS of the Low Income Subsidy premium, the full premium subsidy amount up to the monthly beneficiary premium amount previously collected from the EGWP Member;

f. If the Low Income Subsidy amount for which an EGWP Member is eligible is less than the portion of the monthly beneficiary premium paid by the EGWP Member, then MCLIC will communicate to the EGWP Member the financial consequences for the beneficiary of enrolling in the EGWP Benefit as compared to enrolling in another Medicare Part D plan with a monthly beneficiary premium equal to or below the Low Income Subsidy amount; and

g. In the event of a change in an EGWP Member's Low Income Subsidy status or an EGWP Member otherwise becomes ineligible to receive the Low Income Subsidy after payment of the Low Income Subsidy premium amount to the EGWP Member, and upon MCLIC's receipt of notification from CMS that such Low Income Subsidy premium amount will be recovered from MCLIC or withheld from future payments to MCLIC, then MCLIC in its sole discretion will invoice Sponsor or set off from amounts otherwise owed from MCLIC to Sponsor, and in either case Sponsor shall reimburse MCLIC for, all amounts deemed by CMS to be ineligible Low Income Subsidy premium payments with respect to the EGWP Member.

3. Reporting and Auditing of Premium Amounts; Non-Payment by EGWP Members. Upon reasonable advance written notice, MCLIC or its affiliates shall have access to Sponsor's records, including evidence of Sponsor's calculations of monthly premium amounts, in order to audit the monthly premium amounts collected from EGWP Members for the purposes of fulfilling reporting requirements under the Medicare Drug Rules or applicable state insurance laws related to collection of such premium amounts or to otherwise assess compliance with the Medicare Drug Rules in connection with the collection of such premium amounts. Any audits performed by MCLIC or its affiliates pursuant to this Section 7.A.3 will be at MCLIC's expense. Sponsor acknowledges and agrees that neither MCLIC nor its affiliates shall be responsible to Sponsor for non-payment by any EGWP Member of any monthly premium amount due by such EGWP Member for participation in the EGWP Benefit. Sponsor further acknowledges and agrees that in the event that either Sponsor or MCLIC (through any audit) determines that Sponsor has collected a greater premium amount from an EGWP Member than is due, that Sponsor shall promptly refund any such overpayment to the EGWP Member.

B. [redacted]

1. [redacted]

2. [redacted]

3. [redacted]

C. CMS Reimbursement.

1. CMS Reimbursement Payment Terms.

(a) CMS Reimbursement Payment Terms (Direct Subsidy/Low-Income Subsidy). MCLIC will pay Sponsor an amount equal to the total amount paid to MCLIC by CMS for the following: (1) advance direct subsidy monthly payments paid to MCLIC, if any, by CMS with respect to EGWP Members and (2) low-income subsidy payments paid to MCLIC by CMS, if any, with respect to EGWP Members and subject to the provisions of Medicare Subcontractor Contract Requirements (collectively, "CMS Subsidy Reimbursement"). MCLIC will pay amounts equal to the CMS Subsidy Reimbursement, allocated pursuant to the terms of this Contract, on a monthly basis approximately thirty (30) days after MCLIC's receipt of the CMS Subsidy Reimbursement from CMS. MCLIC and its affiliates retain all right, title and interest to any and all actual CMS Subsidy Reimbursement received from CMS, except that MCLIC shall pay Sponsor amounts equal to the CMS Subsidy Reimbursement amounts allocated to Sponsor, as specified in this Contract, from MCLIC's or its affiliates' general assets (neither Sponsor nor its EGWP Member's retain any beneficial or proprietary interest in MCLIC's or its affiliates' general assets). Sponsor acknowledges and agrees that neither it nor its EGWP Members shall have a right to interest on, or the time value of, any CMS Subsidy Reimbursement payments received by MCLIC or its affiliates during the collection period or moneys payable under this Section. No CMS Subsidy Reimbursements shall be paid until this Contract is executed by Sponsor. MCLIC shall have the right to retain or apply Sponsor's allocated CMS Subsidy Reimbursement amounts or Rebates with respect to EGWP Member utilization to unpaid Fees and shall have the right to delay payment of CMS Subsidy Reimbursement amounts to allow for final adjustments upon termination of this Contract.

(b) CMS Reimbursement Payment Terms (Prospective Reinsurance). MCLIC will pay Sponsor prospective reinsurance payments based on the lesser of the CMS defined per member per month prospective reinsurance for the effective plan year or the Sponsor's per member per month reinsurance for the most recent plan year closed by CMS for reconciliation purposes. For Sponsor's first year as an EGWP administered by MCLIC, MCLIC will pay Sponsor prospective reinsurance payments based on the lesser of (a) the CMS defined per member per month prospective reinsurance for the effective plan year or (b) the Sponsor's projected per member per month reinsurance for the effective plan year based on claims experience of Sponsor's EGWP Members or (c) projected per member per month reinsurance for the effective plan year based on claims experience of EGWP book of business data if Sponsor's EGWP Member claims are unavailable. MCLIC will pay amounts on a monthly basis approximately thirty (30) days after MCLIC's receipt of the prospective reinsurance reimbursement from CMS ("Prospective Reinsurance CMS Reimbursement"). MCLIC and its affiliates retain all right, title, and interest to any and all actual Prospective Reinsurance CMS Reimbursement amounts allocated to Sponsor, except that MCLIC shall pay Sponsor Prospective Reinsurance CMS Reimbursement amounts allocated to Sponsor, as specified in this Contract, from MCLIC's or its affiliates' general assets (neither Sponsor nor its EGWP Members retain any beneficial or proprietary interest in MCLIC's or its affiliates' general assets). Sponsor acknowledges and agrees that neither it nor its EGWP Members shall have a right to interest on, or the time value of, any Prospective Reinsurance CMS Reimbursement payments received by MCLIC or its affiliates during the collection period or moneys payable under this Section. No Prospective Reinsurance CMS Reimbursements shall be paid until this Contract is executed by Sponsor. MCLIC shall have the right to retain or apply Sponsor's allocated Prospective Reinsurance CMS Reimbursement amounts or Rebates with respect to EGWP Member utilization to unpaid Fees and shall have the right to delay payment of Prospective Reinsurance CMS Reimbursement amounts to allow for final adjustments upon termination of this Contract.

2. CMS Reimbursement Reporting. At least annually, MCLIC will provide Sponsor an accounting of all CMS Subsidy Reimbursement and Prospective Reinsurance CMS Reimbursement received by MCLIC from CMS pursuant to the Medicare Drug Rules with respect to the EGWP Benefit.

D. CMS-Required Reconciliation / Reinsurance.

1. End-of-Year Reconciliation. The parties acknowledge that after the conclusion of each plan year, CMS will reconcile payment year disbursements with updated enrollment and health status data, actual low-income cost-sharing costs, actual allowable reinsurance costs, and other pertinent information. Upon final CMS end-of-year reconciliation, the following shall occur: (i) in the event that the actual incurred reinsurance amount calculated during reconciliation exceeds the prospective amounts paid to Sponsor by MCLIC, MCLIC will pay such amounts to Sponsor subject to the remaining terms of this Contract, and (ii) in the event that the actual incurred reinsurance amount calculated during reconciliation is less than the prospective amounts paid to Sponsor by MCLIC, Sponsor shall repay to MCLIC such amounts previously paid by MCLIC in accordance with the payment terms of the Agreement. MCLIC shall have the right to retain or apply Sponsor's allocated CMS end of year reconciliation amounts to EGWP Member utilization, to any unpaid Fees and shall have the right to delay payment of CMS end of year reconciliation amounts to allow for final adjustments upon termination of this Contract. MCLIC shall have the right to

offset reconciliation amounts Sponsor owes to MCLIC against Rebates, CMS subsidy reimbursements, prospective reinsurance CMS reimbursements, or manufacturer Coverage Gap Discount amounts. All such payments resulting from a CMS reconciliation will be paid to Sponsor no later than January 31 of the calendar year immediately following the date of MCLIC's receipt of the reconciliation payments from CMS. If CMS subsequently recovers any end of year reconciliation payments from MCLIC due to a CMS plan year reopening or other process described in the Medicare Drug Rules, then Sponsor shall be obligated to repay to MCLIC such amounts previously paid to Sponsor. Such reconciliation reopening amounts may be invoiced to Sponsor and shall be paid within thirty (30) days of Sponsor's receipt. If payment is not forthcoming, MCLIC may offset any such payments owed against any payment MCLIC or an affiliate may owe to Sponsor. Accordingly, MCLIC shall have the right to apply reconciliation amounts owed from Sponsor due to a CMS plan year reopening against Rebates, CMS subsidy reimbursements, prospective reinsurance CMS reimbursements, or manufacturer Coverage Gap Discount amounts. If CMS subsequently reimburses MCLIC for end of year reconciliations payments due to a CMS plan year reopening or other process described in the Medicare Drug rules, then MCLIC will pay such amounts to Sponsor.

2. Plan-to-Plan Reconciliation. MCLIC will perform plan-to-plan coordination of EGWP Members' prescription drug benefits with other provider of prescription drug coverage as set forth in the Medicare Drug Rules and any related reconciliation; provided, that no later than January 31 of the calendar year immediately following completion of such coordination or reconciliation process, MCLIC shall pay to Sponsor an amount equal to payments recovered for the EGWP Benefit, but at the same time MCLIC shall have a right to recoup from Sponsor any amount which MCLIC is obligated to pay to any other prescription drug plan pursuant to a plan-to-plan reconciliation.

E. Manufacturer Coverage Gap Discount.

1. Pursuant to its CMS contract, MCLIC has agreed to administer for EGWP Members at point-of-sale the Coverage Gap Discount authorized by section 1860D-14A of the Social Security Act. In connection with the Coverage Gap Discount, CMS will coordinate the collection of discount payments from manufacturers, and payment to MCLIC, through a CMS contractor (the "Coverage Gap Discount Payments"). Subject to Section 7(D)(1) above, MCLIC agrees to periodically remit to Sponsor amounts equal to 100% of the Coverage Gap Discount Payments received by MCLIC within forty-five (45) days of the CMS Manufacturer Payment Date. MCLIC and its affiliates retain all right, title and interest to any and all actual Coverage Gap Discount Payments received from CMS, except that MCLIC shall pay Sponsor amounts equal to the Coverage Gap Discount Payments amounts allocated to Sponsor, as specified in this Contract, from MCLIC's or its affiliates' general assets (neither Sponsor nor its EGWP Members retain any beneficial or proprietary interest in MCLIC's or its affiliates' general assets). Sponsor acknowledges and agrees that neither it nor its EGWP Members shall have a right to interest on, or the time value of, any Coverage Gap Discount Payments received by MCLIC or its affiliates during the collection period or moneys payable under this Section. No Coverage Gap Discount Payments shall be paid until this Contract is executed by Sponsor. MCLIC shall have the right to apply Sponsor's allocated Coverage Gap Discount Payments amount to unpaid Fees and shall have the right to delay payment of Coverage Gap Discount Payments to allow for final adjustments upon termination of this Contract. Notwithstanding anything contained in this Section 7, Sponsor shall retain all right, title, and interest to the amounts that MCLIC is contractually obligated to pay Sponsor hereunder, and failure by MCLIC to pay such amounts will constitute a breach of this Contract.

2. If the EGWP Benefit administered by MCLIC under this EGWP Addendum for Sponsor includes EGWP Plus design elements, then the Coverage Gap Discount will be coordinated with the Commercial Benefit consistent with the Medicare Drug Rules.

8. Term and Termination; Default and Remedies.

A. Termination of MCLIC's Contract with CMS. If at any time throughout the term of this EGWP Addendum, CMS either does not renew its contract with MCLIC or terminates its contract with MCLIC such that MCLIC may no longer provide services as a PDP Sponsor under the Medicare Drug Rules, then this EGWP Addendum shall be automatically terminated conterminously with such CMS contract termination.

B. Obligations Upon Termination. Sponsor or its agent shall pay MCLIC, or its affiliate, in accordance with this Contract for all claims for Covered Drugs dispensed and services provided to Sponsor and EGWP Members on or before the later of: (i) the effective date of termination, or (ii) the final date that all EGWP Members have been transitioned to a new Part D plan, as applicable (the "Termination Date"). Claims submitted by Participating Pharmacies or EGWP

Member Submitted Claims filed with MCLIC after the Termination Date shall be processed and adjudicated in accordance with a mutually determined run-off plan, provided that, in any event, and subject to all applicable payment terms of this Contract: (i) MCLIC shall re-process or re-adjudicate claims originally processed and adjudicated on or before the Termination date, as necessary, for a period of five (5) years from the end of the plan year in which the applicable claim was processed and adjudicated; (ii) MCLIC shall process and adjudicate EGWP Member Submitted Claims for Covered Drugs dispensed and services provided on or before the Termination Date for a period of three (3) years from the termination of this Contract; and (iii) MCLIC shall process and adjudicate claims submitted by Participating Pharmacies for Covered Drugs dispensed and services provided on or before the Termination Date for a period of ninety (90) days from the termination of this Contract. The parties shall cooperate regarding the transition of Sponsor and its EGWP Members to a successor PDP Sponsor in accordance with all applicable Medicare Drug Rules and MCLIC will take all reasonable steps to mitigate any disruption in service to EGWP Members. Notwithstanding the preceding, MCLIC may (a) delay payment of any final CMS reimbursement amounts, Rebate amounts or other amounts due Sponsor, if any, to allow for final reconciliation of any outstanding amount owed by Sponsor to MCLIC, or (b) request that Sponsor pay a reasonable deposit in the event MCLIC is requested to process after the Termination Date claims incurred on or prior to such date. If CMS subsequently recovers any end of year reconciliation payments from MCLIC due to a CMS Plan Year reopening or other process described in the Medicare Drug Rules after the effective date of termination, then Sponsor shall be obligated to repay to MCLIC such amounts previously paid to Sponsor. If CMS subsequently reimburses MCLIC for end of year reconciliations payments due to a CMS Plan Year reopening or other process described in the Medicare Drug rules after the effective date of termination, then MCLIC will pay such amounts to Sponsor.

IN WITNESS WHEREOF, the undersigned have executed this EGWP Addendum as of the day and year below set forth.

DS

MEDCO CONTAINMENT LIFE INSURANCE COMPANY

DocuSigned by:
By: Grace Allen
B0AE8A83027940E...
Printed Name: Grace Allen
Title: VP Account Management
Date: 05/06/2022 | 4:58 PM CDT

THE TEXAS A&M UNIVERSITY SYSTEM

DocuSigned by:
By: BA Hamilton
BEDCDB89EA78479...
Printed Name: Billy Hamilton
Title: Deputy Chancellor & CFO
Date: 5/5/2022 | 4:47:11 CDT

Federal ID Number: 74-2648747

EXHIBIT I

AUDIT PROTOCOL

1. AUDIT PRINCIPLES

ESI recognizes the importance of its clients ensuring the integrity of their business relationship by engaging in annual audits of their financial arrangements with ESI, and, where applicable (i.e. Medicare Part D), by auditing compliance with applicable regulatory requirements. ESI provides this audit right to each and every client. In granting this right, ESI's primary interest is to facilitate a responsive and responsible audit process. In order to accomplish this goal, for all clients, ESI has established the following Protocol. ESI's intent is in no way to limit Sponsor's ability to determine that ESI has properly and accurately administered the financial aspects of the Contract or complied with applicable regulatory requirements, but rather to create a manageable process in order to be responsive to ESI's clients and the independent auditors that they may engage.

2. AUDIT PREREQUISITES

A. There are four components of Sponsor's arrangement with ESI eligible for audit on an annual basis (calendar year) from February through October, with the exception of the Medicare Part D oversight component which is available on an annual basis from March through November:

- Retrospective Claims
- Rebates (subsequent to true up)
- Performance Guarantees (subsequent to true up)
- Compliance with Regulatory Requirements (i.e. Medicare Part D) Note: If ESI is supporting a government initiated audit on behalf of Sponsor concurrently with the Sponsor initiated oversight audit, ESI resources will primarily be utilized to address the government audit requests. As such, ESI's response to Sponsor initiated audits may be delayed.

Balancing the need to adequately support the audit process for all ESI clients, with an efficient allocation of resources, clients who choose to audit one or more components of the arrangement must do so for all lines of business, as applicable, through a single annual audit.

B. ESI will provide all data reasonably necessary for Sponsor to determine that ESI has performed in accordance with contractual terms. ESI will provide the retrospective claims and benefit information in no more than thirty (30) days from audit kickoff call and having an executed confidentiality agreement. ESI's pledge to respond within the foregoing timeframe is predicated on a good faith and cooperative effort between Sponsor and/or its Auditor and ESI.

C. ESI engages a national accounting firm, at its sole cost and expense, to conduct a SSAE 18, SOC 1 audit on behalf of its clients. Upon request, ESI will provide the results of its most recent SSAE 18, SOC 1 audit. Testing of the areas covered by the SSAE 18, SOC 1 is not within the scope of Sponsor's audit rights (i.e., to confirm the financial aspects of the Contract) and is therefore not permitted. However, if requested, ESI will explain the SSAE 18, SOC 1 audit process and findings to Sponsor in order for Sponsor to gain an understanding of the SSAE 18, SOC 1.

3. AUDITS

A. The initial audit period for a retrospective claims, rebates and performance guarantee audit covers a timeframe not to exceed twenty-four (24) months immediately preceding the request to audit (the "Audit Period"). This Audit Period allows a reasonable amount of time for both parties to conclude the audit before data is archived off the adjudication system.

B. CMS generally modifies its requirements for administering the Medicare Part D annually. For this reason, the initial audit period for a Medicare Part D compliance audit covers a timeframe not to exceed the twelve (12) months immediately preceding the request to audit (collectively, the "Medicare Part D Audit Period"). This Medicare Part D Audit Period is intended to assist our clients with the CMS annual oversight requirements. ESI will be responsible for support of all services delegated to ESI. Mock audits intended to simulate a CMS Program Audit shall not exceed a one (1) day webinar to review three (3) samples per each data universe review. ESI will provide data universes within ten (10) business days of Sponsor request and responses to webinar follow-up requests within fifteen (15) business days of Sponsor request. ESI shall not be required to provide data or responses in a more aggressive timeline than CMS requirements. If Sponsor has requested that ESI assist with findings related to services not delegated during an audit, ESI may accommodate such requests, which will be provided at ESI's standard audit charges.

C. When performing a Rebate audit, Sponsor may perform an on-site review of the applicable components of manufacturer agreements, selected by Sponsor, as reasonably necessary to audit the calculation of the Rebate payments made to Sponsor by ESI. ESI's ability to drive value through the supply chain and in its negotiations with manufacturers is dependent upon the strict confidentiality and use of these agreements. Providing access to these agreements to third parties that perform services in the industry beyond traditional financial auditing jeopardizes ESI's ability to competitively drive value. For this reason, unless otherwise agreed by the Parties, access to and audit of manufacturer agreements is restricted to a mutually agreed upon CPA accounting firm whose audit department is a separate stand-alone division of the business, which carries insurance for professional malpractice of at least Two Million Dollars ($2,000,000).

D. The Sponsor may select an initial number of manufacturer contracts to enable Sponsor to audit fifty percent (50%) of the total Rebate payments due to Sponsor for two (2) calendar quarters during the twenty-four (24) month period immediately preceding the audit (the "Rebate Audit Scope and Timeframe").

E. If Sponsor has a Pass-Through pricing arrangement for Participating Pharmacy claims, ESI will provide the billable and payable amount for a sampling of claims provided by Sponsor or Sponsor's Auditor (i.e., ESI will provide the actual documented claim record) during the audit to verify that ESI has administered such Pass-Through pricing arrangement consistent with the terms of this Contract. If further documentation is required, ESI may provide a sample of claims remittances to the Participating Pharmacies to demonstrate ESI's administration of Pass-Through pricing. In any instance where the audit demonstrates that the amount billed to Sponsor does not equal the Pass-Through amount paid to the Participating Pharmacy, Sponsor's Auditor may perform an on-site audit of the applicable Participating Pharmacy contract rate sheet(s).

4. AUDIT FINDINGS

A. Following Sponsor's initial retrospective claims audit, Sponsor (or its Auditor) will provide ESI with suspected errors, if any. In order for ESI to evaluate Sponsor's suspected errors, Sponsor shall provide an electronic data file in a mutually agreed upon format containing up to 300 claims for further investigation by ESI. ESI will respond to the suspected errors in no more than sixty (60) days from ESI's receipt of such findings. ESI's pledge to respond within the foregoing timeframe is predicated on a good faith and cooperative effort between Sponsor and/or its Auditor and ESI.

B. Following Sponsor's initial rebate and performance guarantee audit, Sponsor's Auditor will provide ESI with suspected errors, if any. ESI will respond to the suspected errors in no more than sixty (60) days from ESI's receipt of such findings. ESI's pledge to respond within the foregoing timeframe is predicated on a good faith and cooperative effort between Sponsor and/or its Auditor and ESI.

C. Following Sponsor's initial audit of Medicare Part D compliance, Sponsor (or its Auditor) will provide ESI with suspected non-compliant issues, if any. In order for ESI to evaluate Sponsor's suspected errors, Sponsor shall provide ESI with specific regulatory criteria and Medicare Part D program requirements used to cite each suspected non-compliant issue. ESI will respond to the suspected errors in no more than thirty (30) days from ESI's receipt of the findings. ESI's pledge to respond within the foregoing timeframe is predicated on a good faith and cooperative effort between Sponsor and/or its Auditor and ESI.

5. FINAL REPORT

A. Upon receipt and review of ESI's responses to Sponsor (or its Auditor), Sponsor (or its Auditor) will provide ESI with a written report of findings and recommendations. ESI will respond to the audit report in no more than thirty (30) days from ESI's receipt of the report. ESI's pledge to respond within the foregoing timeframe is predicated on a good faith and cooperative effort (i.e., no new issues noted) between Sponsor and/or its Auditor and ESI.

B. Sponsor agrees that once audit results are accepted by both parties, the audit shall be considered closed and final. To the extent the mutually accepted audit results demonstrate claims errors, ESI will reprocess the claims and make corresponding adjustments to Sponsor through credits to a future invoice(s). If ESI is unable to reprocess claims and issue corresponding credits to Sponsor through this process, ESI will make adjustments to Sponsor via a check or credit.

C. New audits cannot be initiated until all parties have agreed that the prior audit is closed.

6. AUDITS BY GOVERNMENT ENTITIES

A. In the event CMS, the OIG, MEDIC, or another government agency has engaged in an audit of Sponsor and/or its "first tier" and "downstream entities", Sponsor shall contact the ESI Account Management team and provide a written copy of the audit notice or request from the government agency promptly upon receipt (to the extent legally permitted).

B. Sponsor agrees that CMS may have direct access to ESI's and any such "downstream entity's" pertinent contracts, books, documents, papers, records, premises and physical facilities, and that ESI and such "downstream entity" will provide requested information directly to CMS unless otherwise agreed upon by ESI and Sponsor.

C. Following the government audit of Sponsor and its "first tier" and "downstream entities", Sponsor shall provide ESI with a written report of suspected non-compliant issues noted in the government audit that relate to services provided by ESI, if any. If there are such findings, ESI will work with Sponsor and/or government agency to respond to any suspected non-compliant issues.

D. Support for all such audits by government entities will be subject to ESI's standard charges. All such fees shall be reasonable and based on ESI's costs for supporting such audits.

7. CONFIDENTIALITY

ESI's contracts are highly confidential and proprietary. For this reason, ESI only permits on-site review rather than provide copies to ESI's clients. During on-site contract review, Sponsor (or its Auditor) may take and retain notes to the extent necessary to document any identified errors, but may not copy (through handwritten notes or otherwise) or retain any contracts (in part or in whole) or related documents provided or made available by ESI in connection with the audit. ESI will be entitled to review any notes to affirm compliance with this paragraph.

EXHIBIT J
HIPAA Business Associate Agreement

This Business Associate Agreement (this "**Agreement**") by and between The Texas A&M University System ("**A&M System**"), an agency of the State of Texas, on behalf of the A&M System Benefits Administration ("**Covered Entity**") and Express Scripts, Inc. ("**Business Associate**"), shall be effective as of September 1, 2021 (the "**Effective Date**").

WHEREAS, Covered Entity and Business Associate have entered into, are entering into, or may subsequently enter into, agreements or other documented arrangements (collectively, the "**Business Arrangements**") pursuant to which Business Associate may provide products and/or services for Covered Entity that require Business Associate to access, create, maintain, and use health information that is protected by state and/or federal law.

WHEREAS, pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("**HIPAA**"), the U.S. Department of Health & Human Services ("**HHS**") promulgated the Standards for Privacy of Individually Identifiable Health Information (the "**Privacy Standards**"), at 45 C.F.R. Parts 160 and 164, requiring certain individuals and entities subject to the Privacy Standards (each a "**Covered Entity**", or collectively, "**Covered Entities**") to protect the privacy of certain Protected Health Information or PHI (as defined below).

WHEREAS, pursuant to HIPAA, HHS issued the Security Standards (the "**Security Standards**"), at 45 C.F.R. Parts 160, 162 and 164, for the protection of Electronic Protected Health Information (as defined below).

WHEREAS, in order to protect the privacy and security of PHI, including EPHI, created or maintained by or on behalf of the Covered Entity, the Privacy Standards and Security Standards require a Covered Entity to enter into a "business associate agreement" with certain individuals and entities providing services for or on behalf of the Covered Entity if such services require the use or disclosure of PHI or EPHI.

WHEREAS, Health Information Technology for Economic and Clinical Health Act and its implementing regulations (the "**HITECH Act**") impose certain privacy and security obligations on Covered Entities in addition to the obligations created by the Privacy Standards and Security Standards.

WHEREAS, the HITECH Act revises many of the requirements of the Privacy Standards and Security Standards concerning the confidentiality of PHI and EPHI, including extending certain HIPAA and HITECH Act requirements directly to Business Associates.

WHEREAS, the HITECH Act requires that certain of its provisions be included in business associate agreements, and that certain requirements of the Privacy Standards be imposed contractually upon Covered Entities as well as Business Associates.

WHEREAS, the Texas Legislature has adopted certain privacy and security requirements that are more restrictive than those required by HIPAA and HITECH, and such requirements are applicable to Business Associates as "Covered Entities" as defined by Texas law.

NOW THEREFORE, in consideration of the mutual promises set forth in this Agreement and the applicable Business Arrangements, and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereby agree as follows:

I. Definitions

a. All capitalized terms used in this Agreement and not otherwise defined shall have the meanings ascribed to them in HIPAA.

b. "**Business Associate**" shall have the same meaning as the term "business associate" at 45 CFR Section 160.103, and in reference to the party to this Agreement, shall mean Express Scripts, Inc.

c. "**Breach**" shall mean the acquisition, access, use or disclosure of Protected Health Information in a manner not permitted by the HIPAA Privacy Rule that compromises the security or privacy of the Protected Health Information as defined, and subject to the exceptions set forth, in 45 CFR Section 164.402.

d. "**Covered Entity**" shall have the same meaning as the term "covered entity" at 45 CFR Section 160.103, and in reference to the party to this Agreement, shall mean the A&M System.

e. "**Data Aggregation Services**" shall mean the combining of PHI or EPHI by Business Associate with the PHI or EPHI received by Business Associate in its capacity as a business associate of another covered entity, to permit data analyses that relate to the health care operations of, payment to, and treatment of patients by the respective covered entities.

f. "**Electronic Protected Health Information**" shall mean Protected Health Information that is transmitted or maintained in Electronic Media.

g. "**HIPAA Breach Notification Rule**" shall mean the federal breach notification regulations, as amended from time to time, issued under HIPAA and set forth in 45 CFR Part 164 (Subpart D).

h. "**HIPAA Privacy Rule**" shall mean the federal privacy regulations, as amended from time to time, issued under HIPAA and set forth in 45 CFR Parts 160 and 164 (Subparts A & E).

i. "**HIPAA Security Rule**" shall mean the federal security regulations, as amended from time to time, issued under HIPAA and set forth in 45 CFR Parts 160 and 164 (Subparts A & C).

j. "**Protected Health Information of PHI**" shall mean Protected Health Information, as defined in 45 CFR Section 160.103, and is limited to the Protected Health Information received, maintained, created or transmitted on behalf of, Covered Entity by Business Associate in performance of the Underlying Services.

k. "**Underlying Services**" shall mean, to the extent and only to the extent they involve the creation, maintenance, use, disclosure or transmission of Protected Health Information, the services performed by Business Associate for Covered Entity pursuant to the Underlying Services Agreement.

l. "**Underlying Services Agreement**" shall mean the written agreement(s) (other than this Agreement) by and between the parties pursuant to which Business Associate has access to, receives, maintains, creates or transmits PHI for or on behalf of Covered Entity in connection with the provision of the services described in that agreement(s) by Business Associate to Covered Entity or in performance of Business Associate's obligations under such agreement(s).

II. Business Associate Obligations.

Business Associate may receive from Covered Entity, or create or receive or maintain on behalf of Covered Entity, health information that is protected under applicable state and/or federal law, including without limitation, PHI and EPHI. All references to PHI herein shall be construed to include EPHI. Business Associate agrees not to use or disclose (or permit the use or disclosure of) PHI in a manner that would violate the Privacy Standards, Security Standards, the HITECH Act, or Texas law, including without limitation the provisions of Texas Health and Safety Code Chapters 181 and 182 as amended by HB 300 (82nd Legislature), effective September 1, 2012, in each case including any implementing regulations as applicable (collectively referred to hereinafter as the "**Confidentiality Requirements**") if the PHI were used or disclosed by Covered Entity in the same manner.

III. Use of Protected Health Information

Except as otherwise required by law, Business Associate shall use PHI in compliance with 45 C.F.R. Section 164.504(e). Furthermore, Business Associate shall use PHI (i) solely for Covered Entity's benefit and only for the purpose of performing services for Covered Entity as such services are defined in Business Arrangements, (ii) for Data Aggregation Services (as herein defined), and (iii) as necessary for the proper management and administration of the Business Associate or to carry out its legal responsibilities, provided that such uses are permitted under federal and state law. For avoidance of doubt, under no circumstances may Business Associate sell PHI in such a way as to violate Texas Health and Safety Code, Chapter 181.153, as amended by HB 300 (82nd Legislature), effective September 1, 2012, nor shall Business Associate use PHI for marketing purposes in such a manner as to violate Texas Health and Safety Code Section 181.152, or attempt to re-identify any information in violation of Texas Health and Safety Code Section 181.151, regardless of whether such action is on behalf of or permitted by the Covered Entity. To the extent not otherwise prohibited in the Business Arrangements or by applicable law, use, creation and disclosure of de-identified health information, as that term is defined in 45 CFR § 164.514, by Business Associate is permitted.

IV. Disclosure of Protected Health Information

Subject to any limitations in this Agreement, Business Associate may disclose PHI to any third party persons or entities as necessary to perform its obligations under the Business Arrangement and as permitted or required by applicable federal or state law. Business Associate recognizes that under the HIPAA/HITECH Omnibus Final Rule, Business Associates may not disclose PHI in a way that would be prohibited if Covered Entity made such a disclosure. Any disclosures made by Business Associate shall comply with minimum necessary requirements under the Privacy Rule and related regulations.

Except as otherwise limited in this Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

Business Associate shall ensure applicable training for all members of its workforce. Business Associate shall take, and shall provide that each of its subcontractors and agents take, appropriate disciplinary action against any member of its respective workforce who uses or discloses PHI in contravention of this Agreement.

In addition to Business Associate's obligations under Section IX of this Agreement, Business Associate agrees to mitigate, to the extent commercially practical, harmful effects that are known to Business Associate and result from the use or disclosure of PHI by Business Associate or its subcontractors or agents in violation of this Agreement.

V. Access to and Amendment of Protected Health Information

Business Associate shall (i) provide access to, and permit inspection and copying of, PHI by Covered Entity, and (ii) amend PHI maintained by Business Associate as requested by Covered Entity. Any such amendments shall be made in such a way as to record the time and date of the change, if feasible, and in accordance with any subsequent requirements promulgated by the Texas Medical Board with respect to amendment of electronic medical records. Business Associate shall respond to any request from Covered Entity for access by an individual within fifteen (15) days of such request and shall make any amendment requested by Covered Entity within twenty (20) days of the later of (a) such request by Covered Entity or (b) the date as of which Covered Entity has provided Business Associate with all information necessary to make such amendment. Business Associate may charge a reasonable fee based upon the Business Associate's labor costs in responding to a request for electronic information (or the fee approved by the Texas Medical Board for the production of non-electronic media copies). Business Associate shall fulfill a request for access or amendment by an individual in accordance with HIPAA. Business Associate shall have a process in place for requests for amendments and for appending such requests and statements in response to denials of such requests to the Designated Record Set, as requested by Covered Entity.

VI. Accounting of Disclosures

Business Associate shall make available to Covered Entity in response to a request from an individual, information required for an accounting of disclosures of PHI with respect to the individual in accordance with 45 CFR Section 164.528, as amended by Section 13405(c) of the HITECH Act and any related regulations or guidance issued by HHS in accordance with such provision.

VII. Records and Audits

Business Associate shall make available to HHS or its agents, its internal practices, books, and records relating to the use and disclosure of PHI received from, created, or received by Business Associate on behalf of Covered Entity for the purpose of determining Covered Entity's compliance with the Confidentiality Requirements or the requirements of any other health oversight agency, in a time and manner designated by the Secretary.

VIII. Implementation of Security Standards; Notice of Security Incidents

Business Associate will use appropriate safeguards to prevent the use or disclosure of PHI other than as expressly permitted under this Agreement. Business Associate will implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the PHI that it creates, receives, maintains or transmits on behalf of Covered Entity. Business Associate acknowledges that the HITECH Act requires Business Associate to comply with 45 C.F.R. Sections 164.308, 164.310, 164.312 and 164.316 as if Business Associate were a Covered Entity, and Business Associate agrees to comply with these provisions of the Security Standards and all additional security provisions of the HITECH Act.

Furthermore, to the extent feasible, Business Associate will use commercially reasonable efforts to secure PHI through technology safeguards that render such PHI unusable, unreadable and indecipherable to individuals unauthorized to acquire or otherwise have access to such PHI in accordance with HHS Guidance published at 74 Federal Register 19006 (April 17, 2009), or such later regulations or guidance promulgated by HHS or issued by the National Institute for Standards and Technology ("NIST") concerning the protection of identifiable data such as PHI. Lastly, Business Associate will promptly report to Covered Entity any successful Security Incident of which it becomes aware. At the request of Covered Entity, Business Associate shall identify the date of the Security Incident, the scope of the Security Incident, the Business Associate's response to the Security Incident and the identification of the party responsible for causing the Security Incident, if known.

IX. Data Breach Notification and Mitigation

HIPAA Data Breach Notification and Mitigation. Business Associate agrees to implement reasonable systems for the discovery and prompt reporting to Covered Entity of any Breach of "unsecured PHI" (as such term is defined by 45 C.F.R. Section 164.402). A Breach is presumed to have occurred unless there is a low probability that the PHI has been compromised based on a risk assessment of at least the factors listed in 45 C.F.R. Section 164.402(2)(i)-(iv) (hereinafter a "HIPAA Breach"). The parties acknowledge and agree that 45 C.F.R. Section 164.404 governs the determination of the date of discovery of a Breach. In addition to the foregoing and notwithstanding anything to the contrary herein, Business Associate will also comply with applicable state law, including without limitation, Section 521 Texas Business and Commerce Code, as amended by HB 300 (82nd Legislature), or such other laws or regulations as may later be amended or adopted. In the event of any conflict between this section, the Confidentiality Requirements, Section 521 of the Texas Business and Commerce Code, and any other later amended or adopted laws or regulations, the most stringent requirements shall govern.

Discovery of Breach. Business Associate will, following the discovery of a Breach, notify Covered Entity without unreasonable delay and in no event later than the earlier of the maximum of time allowable under applicable law or thirty (30) business days after Business Associate discovers such Breach, unless Business Associate is prevented from doing so by 45 C.F.R. Section 164.412 concerning law enforcement investigations. For purposes of reporting a Breach to Covered Entity, the discovery of a Breach shall occur as of the first day on which such Breach is known to the Business Associate or, by exercising reasonable diligence, would have been known to the Business Associate. Business Associate will be considered to have had knowledge of a Breach if the Breach is known, or by exercising reasonable

diligence would have been known, to any person (other than the person committing the Breach) who is an employee, officer or other agent of the Business Associate.

Reporting a Breach. When notifying Covered Entity of a Breach in accordance with the preceding paragraph, Business Associate shall provide Covered Entity with sufficient information to permit Covered Entity to comply with the HIPAA breach notification requirements set forth at 45 C.F.R. Section 164.400 et seq. Specifically, if the following information is known to (or can be reasonably obtained by) the Business Associate, Business Associate will provide Covered Entity with:

a.) contact information for individuals who were or who may have been impacted by the Breach (e.g., first and last name, mailing address, street address, phone number, email address);

b.) a brief description of the circumstances of the Breach, including the date of the Breach and date of discovery;

c.) a description of the types of unsecured PHI involved in the Breach (e.g., names, social security number, date of birth, addressees, account numbers of any type, disability codes, diagnostic and/or billing codes, and similar information);

d.) a brief description of what the Business Associate has done or is doing to investigate the Breach, mitigate harm to the individual(s) impacted by the Breach, and protect against future Breaches; and,

e.) appoint a liaison and provide contact information for same so that Covered Entity may ask questions or learn additional information concerning the Breach.

Following a Breach, Business Associate will have a continuing duty to inform Covered Entity of new information learned by Business Associate regarding the Breach, including but not limited to the information described above.

X. Termination

This Agreement shall commence on the Effective Date.

Upon the termination of the applicable Business Arrangement, either Party may terminate this Agreement by providing written notice to the other Party.

Upon termination of this Agreement for any reason, Business Associate agrees:

a.) to return to Covered Entity or to destroy all PHI received from Covered Entity or otherwise through the performance of services for Covered Entity, that is in the possession or control of Business Associate or its subcontractors or agents. Business Associate agrees that all paper, film, or other hard copy media shall be shredded or destroyed such that it may not be reconstructed, and EPHI shall be purged or destroyed concurrent with NIST Guidelines for media sanitization at http://www.csrc.nist.gov/; or,

b.) in the case of PHI which is not feasible to "return or destroy," to extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. Business Associate further agrees to comply with other applicable state or federal law, which may require a specific period of retention, redaction, or other treatment of such PHI.

XI. Miscellaneous

Notice. All notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing, shall be effective upon receipt or attempted delivery, and shall be sent by (i) personal delivery; (ii) certified or registered United States mail, return receipt requested; (iii) overnight delivery service with proof of delivery; or (iv) facsimile with return facsimile acknowledging receipt. Notices shall be sent to the addresses below. Neither party shall refuse delivery of any notice hereunder.

Covered Entity: Business Associate:

The Texas A&M University System
Benefits Administration
Attn: Director of Benefits Administration
Moore/Connally Building
301 Tarrow St.
College Station, Texas 77840

Express Scripts, Inc.
Attn: President
One Express Way
St. Louis, Missouri 63121
With copy to Legal Department
Fax No. (800) 417-8163

Waiver. No provision of this Agreement or any breach thereof shall be deemed waived unless such waiver is in writing and signed by the party claimed to have waived such provision or breach. No waiver of a breach shall constitute a waiver of or excuse any different or subsequent breach.

Assignment. Neither party may assign (whether by operation or law or otherwise) any of its rights or delegate or subcontract any of its obligations under this Agreement without the prior written consent of the other party. Notwithstanding the foregoing, Covered Entity shall have the right to assign its rights and obligations hereunder to any entity that is an affiliate or successor of Covered Entity, without the prior approval of Business Associate.

Severability. Any provision of this Agreement that is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.

Entire Agreement. This Agreement constitutes the complete agreement between Business Associate and Covered Entity relating to the matters specified in this Agreement, and supersedes all prior representations or agreements, whether oral or written, with respect to such matters. In the event of any conflict between the terms of this Agreement and the terms of the Business Arrangements or any such later agreement(s), the terms of this Agreement shall control unless the parties specifically otherwise agree in writing. No oral modification or waiver of any of the provisions of this Agreement shall be binding on either party; provided, however, that upon the enactment of any law, regulation, court decision or relevant government publication and/or interpretive guidance or policy that the Covered Entity believes in good faith will adversely impact the use or disclosure of PHI under this Agreement, the parties agree to negotiate an amendment in good faith. No obligation on either party to enter into any transaction is to be implied from the execution or delivery of this Agreement. This Agreement is for the benefit of, and shall be binding upon the parties, their affiliates and respective successors and assigns. No third party shall be considered a third-party beneficiary under this Agreement, nor shall any third party have any rights as a result of this Agreement.

Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the state of Texas. Venue for any dispute relating to this Agreement shall be in Brazos County, Texas.

Nature of Agreement; Independent Contractor. Nothing in this Agreement shall be construed to create (i) a partnership, joint venture or other joint business relationship between the parties or any of their affiliates, or (ii) a relationship of employer and employee between the parties. Business Associate is an independent contractor and not an agent of Covered Entity. This Agreement does not express or imply any commitment to purchase or sell goods or services.

Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the party against whom enforcement of this Agreement is sought. Signatures to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same force and effect as physical execution and delivery of the paper document bearing the original signature.

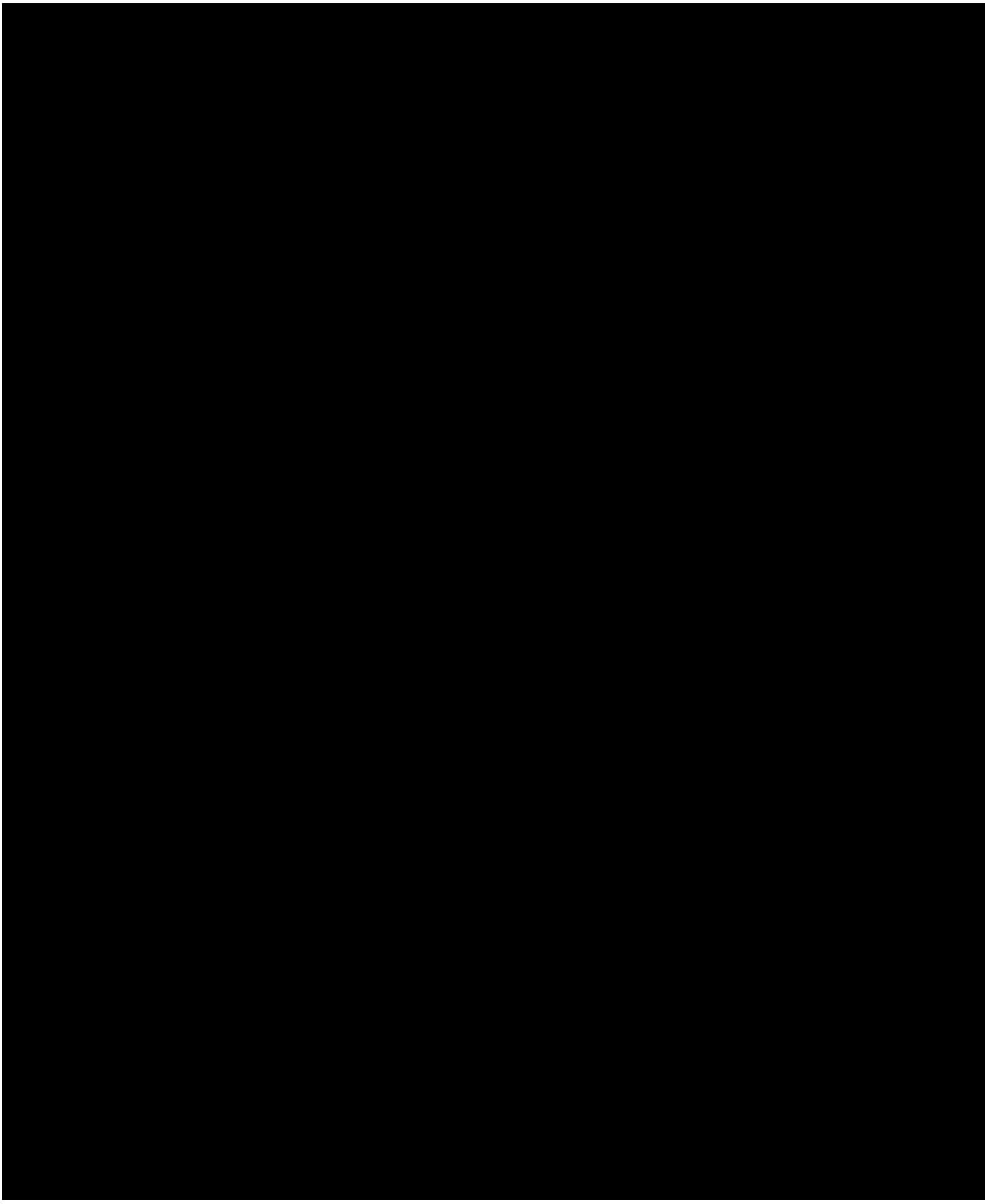
IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

DS

COVERED ENTITY:	**BUSINESS ASSOCIATE:**
THE TEXAS A&M UNIVERSITY SYSTEM	**EXPRESS SCRIPTS, INC.**
DocuSigned by:	DocuSigned by:
BEDCDB89EA78479...	B0A58A8302704DE...
Name: Billy Hamilton	Name: Grace Allen
Title: Deputy Chancellor & CFO	Title: VP Account Management

EXHIBIT K

HEALTHCONNECT360 THREE PARTY AGREEMENT



Witness Events	Signature	Timestamp

Notary Events	Signature	Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	4/29/2022 | 04:33 PM
Certified Delivered	Security Checked	5/5/2022 | 04:47 PM
Signing Complete	Security Checked	5/5/2022 | 04:47 PM
Completed	Security Checked	5/5/2022 | 04:47 PM

Payment Events	Status	Timestamps

Electronic Record and Signature Disclosure

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, The Texas A&M University System (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through your DocuSign, Inc. (DocuSign) Express user account. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. For such copies, as long as you are an authorized user of the DocuSign system you will have the ability to download and print any documents we send to you through your DocuSign user account for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a $0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact The Texas A&M University System:
You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:
To contact us by email send messages to: identity@tamu.edu

To advise The Texas A&M University System of your new e-mail address
To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at identity@tamu.edu and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..
In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.
To request paper copies from The Texas A&M University System
To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to identity@tamu.edu and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.
To withdraw your consent with The Texas A&M University System
To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
ii. send us an e-mail to identity@tamu.edu and in the body of such request you must state your e-mail, full name, IS Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	•Allow per session cookies •Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically
To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.
By checking the 'I Agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC RECORD AND SIGNATURE DISCLOSURES document; and

- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and

- Until or unless I notify The Texas A&M University System as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by The Texas A&M University System during the course of my relationship with you.