

Aimee E. Burnham
Contractual Agreement Unit Manager
Cigna Healthcare

August 14, 2024

Tiffany Makras
Human Resource Director
City of Clearwater
100 South Myrtle Avenue
Clearwater, FL 33756



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Hartford, CT 06152
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RE: Administrative Services Only Account No. 2499162, 3331468

Dear Tiffany Makras:

This letter will serve as an amendment to the standard Administrative Services Only Agreement referenced in the Letter of Intent between Cigna Health and Life Insurance Company (“**CHLIC**”) and City of Clearwater (“**Employer**”), effective January 1, 2023 (the “**Agreement**”) and as amended on January 1, 2024.

Effective as of January 1, 2025, the Agreement is hereby amended as set forth below. Any provision or subsection set forth in this amendment shall be deemed to: (a) replace in its entirety the same subsection in the current Agreement; and/or (b) add new provisions or subsections. Only those provisions and subsections set forth in this amendment are deemed amended or added, and all provisions and subsections not identified herein shall be deemed unaffected by this amendment and, accordingly, shall remain in full force and effect.

Section 2.d of the Administrative Services Only Agreement is hereby amended in its entirety as follows:

- d. In addition to the basic claim administrative duties described above, CHLIC shall also perform the Plan-related administrative duties agreed upon by the Parties and specified in Exhibit B. Unless otherwise agreed to in writing by CHLIC, all services identified in this Agreement shall be provided by CHLIC to Employer and to Members covered by this Agreement on an exclusive basis with respect to that portion of the Plan administered by CHLIC pursuant to this Agreement.

Section 6, “Audit Rights,” of the Administrative Services Only Agreement is hereby amended in its entirety as follows:

Section 6. Audit Rights

- a. Employer may audit CHLIC’s administration of Plan Benefits at no additional charge while this Agreement is in effect and in accordance with the following requirements:
 - i. Notification and timing of audit.
 - a. For a clinical audit, Employer shall provide to CHLIC a scope of audit letter, which scope shall be mutually agreed upon by the parties, and a fully executed audit agreement, together with a ninety (90) day advance written request to audit.
 - b. For all other audits described below, Employer shall provide to CHLIC a scope of audit letter, and a fully executed audit agreement, together with a forty-five (45) day advance written request for audit.

- ii. Employer may designate with CHLIC's consent (which consent shall not to be unreasonably withheld) an independent, third-party auditor to conduct the audit (the "**Auditor**").
- iii. Employer and CHLIC will agree upon the date for the audit during regular business hours in a virtual/remote audit environment or at CHLIC's office(s), as business needs require.
- iv. Except as otherwise agreed to by the parties in writing prior to the commencement of the audit, the audit shall be conducted in accordance with the terms of CHLIC's audit agreements which shall be signed by the Auditor prior to the start of the audit.
- v. If the audit identifies any errors requiring adjustments, such adjustments will be made in accordance with this Agreement and based upon the actual claims and fees reviewed and not upon statistical projections or extrapolations.
- vi. Employer shall be responsible for its Auditor's costs. In the event Employer requests to alter the scope of the audit, CHLIC will endeavor to reasonably accommodate the Employer's request, which may be subject to additional charges to be mutually agreed upon by the Employer and CHLIC prior to the start of the audit.
- vii. If Employer has five thousand (5,000) or more employees who are Members, Employer may conduct one such audit every Plan Year (but not within six (6) months of a prior audit); otherwise, Employer may conduct one such audit every two (2) Plan Years (but not within eighteen (18) months of a prior audit).
- viii. In no event shall any audit involve Plan benefit payments or administration prior to the most recent two (2) plan years, (unless otherwise noted) or involve Plan benefit payment or administration that has been previously audited.
- ix. New audits shall not be initiated until all parties have agreed that the prior audit is closed.
- x. Employer may (as determined by CHLIC based upon the resources required by the audit requested) be responsible for CHLIC's reasonable costs with respect to the audit, except that while this Agreement is in effect there shall be no additional cost to Employer for an audit of the following:
 - **Claims:** Payment documents relating to a random, statistically valid sample of two-hundred twenty-five (225) claims paid.
 - Requests to review provider contracts will be subject to CHLIC's current criteria and and contrary terms in Participating Provider Agreements.
 - **Appeals:** Documents, including payment documents as appropriate, relating to a random sample of up to thirty-five (35) appeals.
 - **Customer Service:** Documentation and review of call recordings relating to a random sample of up to thirty-five (35) Member calls.
 - CHLIC maintains call recordings for up to twelve (12) months, and any customer service audit is limited to the availability of the call recordings.
 - **Accumulator/Combined Deductible:** Audits are allowed based on mutually agreed-upon scope of up to thirty (30) cases.

- **Benefit Implementation:** Audits are allowed based on mutually agreed-upon scope and timing. CHLIC will support the benefit implementation audits for review of benefit set up related to claim processing.
- **Medical Cost Containment Program Fees (MCCP) (Out-of-Network Protection and Payment Integrity Program Fees):** MCCP audits are limited to confirmation of fees paid by the Employer related to the programs in place. The audits will not include review of documentation that is not applicable to claim administration. In addition, Auditor will need to agree that it will not outreach to Participating Providers or Members for claim or medical record information.

MCCP fee audits are based on the following criteria:

- Random samples based on the following:
 - Twenty-five (25) claims in which fees were paid for Medical Out-of-Network Protection Programs which include Network Savings Program and Bill Negotiation Services (Pre-payment Cost Containment for Non-contracted claims)
 - One-hundred (100) claims in which fees were paid related to Payment Integrity Programs which include Medical Bill Review; Medical Implant Device Review; Clinical Waste and Abuse Claim Review; High-Cost Specialty Pharmaceutical Review; other target billing accuracy review programs; Diagnosis Related Grouping Review; Coordination of Benefits (COB) Investigation and Recoveries; Secondary Vendor Recovery Program; Provider Credit Balance Recovery Program; Eligibility Overpayment Recovery Vendor Services; and Subrogation/Conditional Claim Payment.
- **Clinical Cases/Calls:** The standard annual allowable number of cases/calls for audit and standard number of days allowed to conduct the audit is as follows, based on number of Employer Subscribers during the time period covered by the audit:

Number of Subscribers	# Cases	# Calls	# Days*
5,000 & under	10	3	1
>5,000 & < 25,000	15	4	1
>25,000 & < 75,000	20	5	1.5
>75,000	25	6	2

All cases and calls related to case selection will be prepared and presented in compliance with all Applicable Laws, Privacy Addendum in Exhibit D, including but not limited to the HIPAA Privacy and Security Rules and 42 C.F.R. Part 2.. Cases selected will have been managed during the rolling twelve (12) month period prior to the date of the written request to conduct an audit and not previously audited for the current audit scope.

*Takes into consideration length of time to complete the standard number of cases and calls based on a one (1) year lookback scope period.

- b. **Pharmacy Audits.** The rights and obligations regarding pharmacy audits are set forth in Appendix A.

Section 22, "Independent Contractors," of the Administrative Services Only Agreement is hereby amended in its entirety as follows:

Section 22. Independent Contractors

Except as explicitly set forth in this Agreement, the Parties' relationship with respect to each other is that of independent contractors and nothing in this Agreement is intended, and nothing shall be construed to, create an employer/employee, partnership, principal-agent, or joint venture relationship, or to exercise control or direction over the manner or method by which CHLIC performs services hereunder. No Party shall make any statement or take any action that might cause a third party to believe such Party has the authority to transact any business, enter into any agreement, or in any way bind or make any commitment on behalf of the other Party, unless set forth in this Agreement or expressly authorized in writing by a duly authorized officer of the other Party. For the avoidance of doubt, CHLIC is authorized to perform certain services on behalf of Employer under this Agreement and this provision is not intended to in any way diminish that authorization.

The "Schedule of Financial Charges" and "Exhibit B", "Services" are hereby deleted in their entirety and replaced with the "Schedule of Financial Charges" and "Exhibit B, "Services," as attached hereto.

Exhibit C, "Audit Agreement (Sample)," of the Administrative Services Only Agreement is hereby deleted in its entirety and left intentionally blank.

Exhibit C1, "Clinical Audit Agreement (Sample)," of the Administrative Services Only Agreement is hereby deleted in its entirety.

The terms of the Administrative Services Only Agreement identified above, as mentioned herein, will be effective as of January 1, 2025. Please indicate your agreement to the amendment by signing the enclosed copy of this letter where indicated and returning it to me. Alternatively, this amendment shall become effective on the effective date indicated unless Employer notifies CHLIC either electronically or in writing (at the address indicated above) within sixty (60) days of the date of this letter that it does not accept all the terms of this amendment notwithstanding any provision to the contrary in the Administrative Services Only Agreement. In that case, CHLIC shall cooperate to negotiate mutually agreeable terms with Employer. Once agreement with respect to the terms of the amendment is reached, the amendment will apply retroactively to the effective date.

Sincerely,



Printed Name: Aimee E. Burnham

Title: Its Contractual Agreement Unit Manager

Duly Authorized

Cigna Health and Life Insurance Company

Accepted by: **CITY OF CLEARWATER**

By: _____

Printed Name: _____

Title: Its _____

Executed this ____ day of _____, in the year _____

Schedule of Financial Charges

Certain fees and charges identified in this Schedule of Financial Charges will be billed to Employer monthly in accordance with CHLIC's then standard billing practices. However, CHLIC is authorized to pay all fees and charges from the Bank Account unless otherwise specified in this Agreement.

MEDICAL ADMINISTRATION CHARGES		
Product	Description	Charge
Medical	Open Access Plus (OAP) with Care Management Preferred (ALL)	\$42.35/employee/month
MEDICAL NETWORK ACCESS FEE, UTILIZATION MANAGEMENT FEE AND OPTIONAL PROGRAM FEE		
Product	Description	Charge
Medical	OAP Access Fee (ALL)	\$28.58/employee/month Included in Medical Administration Charge
MULTI-YEAR CHARGE/FEE GUARANTEES		
	<p>The maximum increase for the Medical Administration Charge(s) and Network Access Fee(s) for the 2026 Plan Year will be 0.00% over the 2025 Plan Year charges/fees.</p> <p>The maximum increase for the Medical Administration Charge(s) and Network Access Fee(s) for the 2027 Plan Year will be 0.00% over the 2026 Plan Year charges/fees.</p> <p>The above fee guarantees are not applicable to Pharmacy Administration Fee.</p> <p>The above charges/fees are guaranteed for the time periods identified above, provided, however, that CHLIC may revise the above charges/fees pursuant to Section 8.a.ii, 8.a.iii and/or 8.a.iv of this Agreement.</p>	
AMOUNTS OWED TO CHLIC		
<p>CHLIC may pay amounts with its own funds on behalf of Employer or the Plan for charges which Employer or the Plan is obligated to pay under the Agreement including Plan Benefits, Bank Account Payments (including fixed per person payments and pay-for-performance payments to Participating Providers), governmental taxes or assessments and those amounts paid by CHLIC shall be the Employer's financial responsibility. CHLIC is authorized to recover all such amounts from the Bank Account.</p>		

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CIGNA PHARMACY BENEFIT MANAGEMENT SERVICES CHARGES AND RELATED PROVISIONS
PHARMACY ADMINISTRATION FEE
Cigna Pharmacy Product Administration Fee, only if applicable, is separate from the Medical Administration Charge shown above, but included on same billing line as the Medical Administration Charge for billing purposes only.
FINANCIAL GUARANTEES FOR DRUGS COVERED UNDER THE PLAN'S PHARMACY BENEFIT
Covered Drugs Dispensed by Cigna Home Delivery Pharmacy: CHLIC will guarantee the following charges for Covered Drugs dispensed by Cigna Home Delivery Pharmacy, subject to the provisions in the section titled "PBM Pricing – Additional Provisions":
Brand Drug Claims: For all Cigna Home Delivery Pharmacy Brand Drug Claims, the Employer's guaranteed annual average discount will be AWP minus 24.60%.
Generic Drug Claims: For all Cigna Home Delivery Pharmacy Generic Drug Claims, the Employer's guaranteed annual average discount will be AWP minus 82.45%.
Dispensing Fees for Drug Claims: For all Cigna Home Delivery Pharmacy Brand Drug Claims and Generic Drug Claims the Employer's guaranteed annual average Dispensing Fee will be \$0.00.
Covered Drugs Dispensed by Retail Pharmacies in 30-day* supplies: CHLIC will guarantee the following charges for Covered Drugs dispensed by Retail Pharmacies in 30-day supplies, subject to the provisions in the section titled "PBM Pricing – Additional Provisions":
*A 30-day supply means any Covered Drug dispensed by a Retail Pharmacy in an amount less than an 83-day supply.
Brand Drug Claims: For all Retail Pharmacy Brand Drug Claims, the Employer's guaranteed annual average discount will be AWP minus 17.60%.
Generic Drug Claims: For all Retail Pharmacy Generic Drug Claims, the Employer's guaranteed annual average discount will be AWP minus 78.95%.
Dispensing Fees for Both Brand Drug Claims and Generic Drug Claims: For all Retail Pharmacy Brand Drug Claims and Generic Drug Claims, the Employer's guaranteed annual average Dispensing Fee will be \$0.75.
Covered Drugs Dispensed by Retail Pharmacies in 90-day** supplies: CHLIC will guarantee the following charges for Covered Drugs dispensed by Retail Pharmacies in 90-day supplies, subject to the provisions in the section titled "PBM Pricing - Additional Provisions":
**A 90-day supply means any Covered Drug dispensed by a Retail Pharmacy in an amount equal to or greater than an 83-day supply.
Brand Drug Claims: For all Retail Pharmacy Brand Drug Claims, the Employer's guaranteed annual average discount will be AWP minus

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24.60%.

Generic Drug Claims: For all Retail Pharmacy Generic Drug Claims, the Employer's guaranteed annual average discount will be AWP minus 82.45%.

Dispensing Fees for Both Brand Drug Claims and Generic Drug Claims: For all Retail Pharmacy Brand Drug Claims and Generic Drug Claims, the Employer's guaranteed annual average Dispensing Fee will be \$0.00.

AGGREGATE SPECIALTY DRUG DISCOUNT GUARANTEE

CHLIC shall guarantee an aggregate annual average discount of AWP minus 18.85% for covered Specialty Drug prescriptions dispensed by Retail Pharmacies and Cigna Home Delivery Pharmacy. CHLIC's performance will be measured based on analysis of Plan-specific utilization for the contract year.

RECONCILIATION OF PHARMACY BENEFIT MANAGEMENT FINANCIAL GUARANTEES

Pricing Guarantee Calculation. The following calculation will be performed on an aggregated basis for all paid Claims for Covered Drugs processed during the applicable contract year in order to reconcile against the average annual ingredient cost discount guarantees set forth above:

$$1 - \left[\frac{\text{(the total ingredient cost charged to the Employer prior to application of the Plan's Member cost-share requirements)}}{\text{(the total AWP) for all Covered Drugs}} \right]$$

For the purposes of the pricing guarantee calculation, and notwithstanding anything herein to the contrary, the total ingredient cost shall also include the ingredient cost for a Covered Drug for which a Member pays 100% in the form of cost-share. The application of brand and generic pricing may be subject to certain "dispensed as written" ("DAW") protocols and Employer defined plan design and coverage policies for adjudication and Member Copayment purposes. For example, DAW 5 (House Generic) claims will be considered a Generic Drug claim for pricing purposes.

Pricing Guarantee Exclusions. The following Claims or products shall be excluded from the calculation of any pricing guarantee set forth in this Agreement:

- Specialty Drugs, unless otherwise noted in this Schedule of Financial Charges.
- Workers' Compensation Claims.
- Claims for Supplies.
- Non-standard facility Claims (Indian Tribal, Veterans Administration, or Dep. of Defense facilities).
- Limited Distribution Drugs and Exclusive Distribution Drugs.
- Subrogation Claims.

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- Repackaged products.
- Products filled through Pharmacies not participating in the network accessed by Employer under this Agreement (including a contracted pharmacy that does not participate in a sub-network or preferred network tier).
- Over-the-counter (OTC) products.
- Secondary Payer Claims.
- Direct Member Reimbursement Claims.
- Compound Drugs.
- Claim reversals.
- Outlier Claims.
- 340B Claims.
- Claims for Covered Drugs paid at the Retail Pharmacy's U&C Charge or Submitted Cash Price shall be included in the calculation of any Retail Pharmacy pricing guarantee set forth in this Agreement.
- Claims where pharmacy reimbursement is determined or mandated by Applicable Law, not based on CHLIC's contracted rates with the Retail Pharmacy (applicable to Retail dispensing fee guarantees only).

RECONCILIATION AND OFFSETS REGARDING FINANCIAL GUARANTEES

CHLIC will report on the guaranteed amounts within one-hundred eighty (180) days following the end of each contract year. Upon reconciliation, CHLIC's performance with respect to each ingredient cost discount or Dispensing Fee offered under this Agreement will be individually measured and reconciled. CHLIC's performance with respect to ingredient cost discount or Dispensing Fee shall not be reconciled in the aggregate.

PBM PRICING – ADDITIONAL PROVISIONS

- For a specific Claim for a Covered Drug dispensed by a Retail Pharmacy or Cigna Home Delivery Pharmacy, and after application of any Plan cost-share requirements, CHLIC shall charge the Employer the lowest of the following amounts:
 - (1) The Prescription Drug Charge; or
 - (2) The pharmacy's submitted U&C Charge, if any.

- For a specific Claim for a Covered Drug dispensed by a Retail Pharmacy or Cigna Home Delivery Pharmacy, CHLIC shall charge the Member in accordance with the terms of the Pharmacy Benefit. For example, for a Covered Drug subject to a fixed dollar copayment requirement, CHLIC shall charge the Member the lowest of the following amounts:
 - (1) The fixed dollar copayment for the Covered Drug, if any;

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- (2) The Prescription Drug Charge; and
- (3) The pharmacy's submitted U&C Charge, if any.

- CHLIC may apply, if available and based on price favorability to the Member, a discount card market price for certain non-specialty drug generic products (unless Employer opts out of program enrollment).
- Unless specifically noted herein, the discounts to Employer for Covered Drugs set forth in this Agreement are not guaranteed to result in an average aggregate discount off the aggregate AWP of all such Covered Drugs.
- Home Delivery Pharmacy Dispensing Fees and Dispensing Fee Guarantees are inclusive of shipping and handling. If carrier rates (i.e., U.S. mail and/or applicable commercial courier services) increase during the term of this Agreement, the Home Delivery Pharmacy Dispensing Fee and Home Delivery Pharmacy Dispensing Fee Guarantee will be increased to reflect such increase(s).
- Any pricing guarantees, including any ingredient cost discount or Dispensing Fee guarantee, set forth in this Agreement shall be rendered null and void in the event Employer terminates CHLIC's administration of the Pharmacy Benefit prior to completion of the then-current Plan Year. CHLIC's fees, Rebates (if any), discounts or guarantees (if any) are, among other conditions communicated in this Agreement or otherwise in writing to Employer, contingent on, and assume, adoption by Employer of a specific Formulary, Retail Pharmacy network, and Plan design features (e.g. cost-share structure, utilization/cost management programs).
- Notwithstanding any other provision of this Agreement, CHLIC may, effective upon written notice to Employer, adjust any or all of the fees, Rebates (if any), discounts or guarantees (if any) in this Agreement to the extent reasonably necessary to preserve the economic value of this Agreement to CHLIC as it existed immediately prior to any of the following events or changes: (a) there are any significant changes in the composition of the CHLIC pharmacy network utilized by Employer hereunder or in such pharmacy network's contract compensation rates, or the structure of the pharmacy stores/chains/vendors that are contracted with CHLIC, including but not limited to disruption in the retail pharmacy delivery model, or bankruptcy of a chain pharmacy; or there is a change in or to the pharmacy network reflected in the pharmacy pricing summary; or (b) there is a change in government laws or regulations which has a significant impact on pharmacy claim costs; or (c) any material manufacturer-rebate contracts with, or for the benefit of, CHLIC are terminated or modified in whole or in part; or (d) there is any legal action or law that materially affects, or could materially affect the manner in which CHLIC's rebate program is administered or an existing law is interpreted so as to materially affect or potentially have a material effect, on CHLIC's administration of the Plan; (e) a major change in market conditions affecting the pharmaceutical or pharmacy benefit management market, a drug shortage in the market, an issue involving the safety of the drug supply, an unexpected introduction of a new drug (e.g. authorized generic), or similar market event occurs; (f) the Pharmacy Benefit enrollment decreases by equal to or greater than ten (10%) from the enrollment on which

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CHLIC's financial offer is based; or (g) Employer fails to disclose a material feature of the Plan or the Plan's Pharmacy Benefit or there is a change to the Plan's Pharmacy Benefit including but not limited to the Formulary, benefit designs, OTC plans, clinical or trend programs or otherwise that has the effect of lowering the amount of Rebates earned hereunder or materially impacting any guarantee.

DRUG MANUFACTURER-PAYMENT SHARING

Subject to the caveats below, CHLIC will remit to Employer the following portion of Rebates and Manufacturer Administrative Fees that CHLIC collects with respect to utilization of Covered Drugs under the Plan's Pharmacy Benefit:

For All Products:

The greater of: 100.00% of Rebates and Manufacturer Administrative Fees on such utilization dispensed in the full calendar year immediately preceding CHLIC's remittance, or the sum of \$397.22 multiplied by the number of Retail Pharmacy Brand Claims dispensed in 30-day* supplies plus \$1,213.70 multiplied by the number of Retail Pharmacy Brand Claims dispensed in 90-day** supplies plus \$3,440.34 multiplied by the number of Cigna Home Delivery Pharmacy Brand Claims processed in such full calendar year.

Caveats:

- (1) CHLIC or its agents contract with drug manufacturers on CHLIC's own behalf, and not as agent of the Employer or the Plan. Rebates are paid based on the contractual terms set forth in this Agreement.
- (2) Should Employer terminate this Agreement before completion of the then-current Plan Year, no Rebates shall be due and owing with respect to that Plan Year, and any Rebate minimum or fixed dollar guarantees shall be null and void, as the payment of Rebates is conditioned on CHLIC exclusively administering the Pharmacy Benefits for the entire Plan Year.
- (3) For percentage-based sharing arrangements, Rebate payout amounts may differ slightly from the stated percentage when payout occurs before manufacturers' final reconciliations and payments are made to CHLIC. For purposes of clarity, CHLIC shall reconcile its performance with respect to any Rebate payment guarantees, including, without limitation, any minimum or fixed dollar guarantees, in the aggregate. Moreover, any amount directly or indirectly provided by a manufacturer or other third party that is allocated to reduce and/or wholly or partially satisfy a Member's cost-sharing obligation for a Covered Drug under the Patient Assurance Program shall not be considered a "Rebate" for the purposes of Rebate payments to Employer but may be included when reconciling CHLIC's performance against any Rebate minimum guarantee set forth in this Agreement.
- (4) For percentage-based sharing arrangements, the percentage share payment of Rebates shall not include the payment of any Rebates received, if any, for Run-Out Claims, Medical Specialty Claims, Direct Member Reimbursement Claims, Reversed Claims, and Compound

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Claims.

- (5) CHLIC may use Rebates otherwise payable to Employer to offset payable Bank Account Payments or other payable fees or charges identified in this Agreement.
- (6) The Rebate payment commitments, including any minimum or fixed dollar guarantees, if any, set forth in this Schedule of Financial Charges are, among any other conditions communicated in this Agreement or otherwise in writing to Employer, contingent on the availability of Rebates to CHLIC and Employer’s Pharmacy Benefit applying a 90-day supply limit for Specialty Drugs. and standard days’ supply limits. In the event that Employer has adopted, or adopts, a 30-day supply limit for Specialty Drugs, or participates in the Clinical Day Supply Program, CHLIC may revise on an equitable basis the stated Rebate minimum or fixed dollar guarantees, if any, to the extent necessary to reflect CHLIC’s revised estimate of Rebates it may collect on a plan design having adopted a days’ supply limit for Specialty Drug of less than 90 days or the Clinical Day Supply Program.
- (7) Notwithstanding anything to the contrary, to the extent, if any, there is a Rebate guarantee set forth in this Agreement, Rebate guarantee calculations, reconciliations, and payments shall be net of the decrease in Rebates caused by market events resulting from a change in Law.
- (8) Biologic Rebate Credit. Notwithstanding anything to the contrary, to the extent, if any, there is a Rebate guarantee set forth in this Agreement, Rebate guarantee calculations, reconciliations, and payments may be reduced by a Rebate Credit. “Rebate Credit” shall mean the aggregate difference between (i) the Rebate applied to the Reference Product and (ii) the Rebate applied to the Low List Price Biologic Product; provided, however, that if the Reference Product exits the market, ceases contracting, or is, or becomes, non-formulary, the Standard List Price for the Biologic Product will apply in lieu of the Reference Product. For purposes of this provision, the term “Reference Product” shall mean a biological product as defined in the Biologics Price Competition and Innovation Act at 42 U.S.C. §262(i)(4) and approved under Section 51(k) of the Public Health Services Act. For purposes of this provision, the term “Low List Price Biologic Product” shall mean a Biologic Product with a wholesale acquisition cost that: (i) has decreased by at least 25%; or (ii) is at least 25% less than the Reference Product, or the Standard List Price for the Biologic Product, if applicable. For purposes of this provision, the term “Standard List Price for the Biologic Product” shall mean a Biologic Product with a wholesale acquisition cost that is comparable to the wholesale acquisition cost of the Reference Product. For purposes of this provision, the term “Biologic Product” shall mean a biological product as defined in the Biologics Price Competition and Innovation Act of 2009 at 42 U.S.C. §262(i)(1) and (2) and approved under Section 351(k) of the Public Health Services Act.

Timing of Rebate Pay-Out: Remittance will be provided within ninety (90) days after the close of each applicable calendar year for the portion of such calendar year that coincides with the Plan Year.

REBATE PAYMENT EXCLUSIONS

The Rebate Guarantee payment obligations set forth in this Schedule of Financial Charges shall exclude the following types of claims and/or products:

- Claims paid pursuant to a Dispense as Written (DAW) 5 code.

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- Direct Member Reimbursement Claims.
- Repackaged products.
- Pharmaceutical supplies.
- Biosimilar Claims.
- Multi-source Brand Drugs.
- Limited Distribution Drugs and Exclusive Distribution Drugs.
- Vaccines.
- Compound Drugs.
- Claim reversals.
- 340B Claims.
- Run-Out Claims.

PHARMACY VACCINE PROGRAM

Notwithstanding anything to the contrary in this Agreement or otherwise, the following terms and conditions shall apply to the administration of vaccines by CHLIC under the Cigna Pharmacy Program.

Vaccine Claims will adjudicate at the lower of the U&C Charge or the amounts shown in the Vaccine Pricing Schedule below. For Vaccine Claims, the U&C Charge shall be the retail price charged by an in-network participating retail pharmacy for the particular vaccine, including administration and dispensing fees, in a cash transaction on the date the vaccine is dispensed as reported to CHLIC by the in-network participating pharmacy.

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

Notwithstanding anything to the contrary in this Agreement or otherwise, all Vaccine Claims shall be excluded from the calculation, measurement, and payment of any and all financial guarantees, including but not limited to rebate guarantees, ingredient cost guarantees, and dispensing fee guarantees set forth in this Agreement.

CHLIC reserves the right to revise and modify the Vaccine Pricing Schedule below, including but not limited to revising or adding an additional Pharmacy Vaccine Administration Fee or Vaccine Program Fee, based on changing market dynamics, the entrant of new vaccines, or changes in law or interpretation of law.

Vaccine Pricing Schedule

* To the extent, if any, Employer’s Schedule of Financial Charges includes a Pharmacy Administrative Fee charged on a per prescription basis, then such fee shall apply for Vaccine Claims.

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	Retail Pharmacy INFLUENZA	Retail Pharmacy COVID	Retail Pharmacy ALL OTHER VACCINES	Member Submitted Vaccine Claims
Pharmacy Vaccine Administration Fee	Pass-Through (Capped at \$20 per in-network Vaccine Claim)	Pass-Through (capped at \$40 per in-network Vaccine Claim)	Pass-Through (capped at \$25 per in-network Vaccine Claim)	Submitted amount
Ingredient Cost	Retail Pharmacy Ingredient Cost as set forth in this Agreement	Retail Pharmacy Ingredient Cost as set forth in this Agreement	Retail Pharmacy Ingredient Cost as set forth in this Agreement	Submitted amount
Dispensing Fee	Retail Pharmacy Dispensing Fee as set forth in this Agreement	Retail Pharmacy Dispensing Fee as set forth in this Agreement	Retail Pharmacy Dispensing Fee as set forth in this Agreement	Submitted amount
Vaccine Program Fee	\$2.50 per Vaccine claim			N/A
CIGNA HOME DELIVERY PHARMACY DISCLOSURE				
	Product			Charge
Cigna Home Delivery Pharmacy (a CHLIC affiliated company(ies))	<p>Specialty drugs dispensed by Cigna Home Delivery Pharmacy and administered under the Plan's medical benefit.</p> <p>"Cigna Home Delivery Pharmacy" means a duly licensed pharmacy operated by CHLIC or its affiliates, where prescriptions are filled and delivered via the mail service. Cigna Home Delivery Pharmacy may maintain product purchase discount arrangements and/or fee-for-service arrangements with pharmaceutical manufacturers and wholesale distributors. Cigna Home Delivery Pharmacy contract for these arrangements on its own account in support of its pharmacy operations. These arrangements relate to services provided outside of this Agreement and other pharmacy benefit management arrangements and may be entered into without regard to whether a specific drug is on one of the formularies that CHLIC offers to</p>			<p>The drug's charge under a national specialty drug discount schedule that generates a 19.00% annual average aggregate discount off AWP across specialty drug claims dispensed at Cigna Home Delivery Pharmacy to CHLIC's self-funded and insured group-client</p>

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	<p>entities like Employer that sponsor group health plans. Discounts and fee-for-service payments received by Cigna Home Delivery Pharmacy are not part of the administrative fees or other charges paid to CHLIC in connection with CHLIC's services hereunder.</p> <p>This provision shall survive termination or expiration of the Agreement.</p>	book of business.
FEES FOR PROCESSING RUN-OUT CLAIMS		
OAP	Run-Out Period of twelve (12) months	No Additional Cost
Pharmacy	Run-Out Period of three (3) months for all pharmacy claims	No Additional Cost
CHLIC MEDICAL OUT-OF-NETWORK PROTECTION PROGRAM FEES		
<p>Employer agrees that CHLIC will use the programs listed in this section (the “Out-of-Network Protection Programs” or “OON Protection Programs”) to contain costs with respect to charges for health care services/supplies that are covered by the Plan, as set forth in the applicable Plan Booklet. These services and supplies may include, but are not limited to, claims received from Non-Participating Providers and claims that are subject to the federal No Surprises Act and are not otherwise subject to state law (“NSA Services”). OON Protection Programs may also apply to covered services received from providers that are not included in certain specialized networks but who are otherwise Participating Providers in CHLIC’s broader networks (for example, OAP Participating Providers that are not included in specialized networks designed for gene therapy or advanced cell therapy). CHLIC may contract with vendors to provide or perform various services related to the OON Protection Programs. These vendors may charge for the services they provide in administering the OON Protection Programs (“Vendor Charges”).</p> <p>CHLIC’s charges for administering the OON Protection Programs (“OON Protection Program Charges”) are set forth in the tables below and are calculated for each claim based on the applicable percentage of the:</p> <ol style="list-style-type: none"> 1) “Gross Savings” (i.e., the difference between the charge the provider made or would have made, and the allowable amount resulting from the OON Protection Programs); or 2) “Net Savings” (i.e., the Gross Savings less the applicable Vendor Charge). <p>OON Protection Program Charges, plus any per claim Vendor Charge, shall not exceed \$30,000 per claim (the “Per Claim Cap”). Vendor Charges generally range from 5-11% of Gross Savings but may change from time to time.</p> <p>CHLIC will make a per claim charge to the Bank Account that includes both CHLIC’s applicable OON Protection Program Charges, as shown in the tables below, and the applicable Vendor Charge. CHLIC will pay the vendor its charge. OON Protection Program Charges will appear in Employer’s Bank Account activity data reports.</p> <p>The administration of the OON Protection Programs is consistent with the claim administration practices with respect to CHLIC's own health care</p>		

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insurance business, unless otherwise required by law.

A. OON Protection Programs for Services/Supplies that are not NSA Services

OON Protection Programs seek to reduce providers’ charges to amounts that Cigna, in its discretion, determines are market competitive (“Discounts”). Cigna, or a vendor retained by Cigna, may attempt to obtain Discounts through accessing a provider’s agreement with a third party or negotiating the provider’s charges. Negotiations may include (i) Cigna, or a vendor retained by Cigna, entering into an agreement with the provider that establishes the amount at which the provider is willing to accept as payment in full; or (ii) using repricing programs through which Cigna, or a vendor retained by Cigna, determines the allowed amount based on a rate deemed to be market competitive and the provider does not bill the patient and/or obligate the patient to pay the difference between the charged amount and the allowed amount.

In many cases, applying Discounts may substantially reduce the total cost of the claim and/or the patient’s out-of-pocket cost and avoid the patient being balance-billed for amounts the Plan does not cover, but may result in higher payments than the Employer’s applicable (a) Plan-/policyholder-selected percentile of provider charges for the same or similar service or supply in the geographic area based on a database selected by Cigna, or (b) Plan-/policyholder-elected percentage of a fee schedule that Cigna has developed based on a methodology similar to a methodology used by Medicare to determine the allowable reimbursement for the same or similar service within the geographic market.

Discounts may be determined on a claim-by-claim basis before or after services are rendered.

If no Discount is applied through OON Protection Programs, reimbursement will be based on the terms of the benefit Plan.

1.	Network Savings Program	29% of net savings
2.	Bill Negotiation Services Programs (Inpatient, outpatient, physician/professional)	
	• Supplemental Network	29% of net savings
	• Professional Fee Negotiation	29% of net savings
	• Line-Item Analysis Re-pricing (outpatient, physician/professional)	29% of net savings
	• Line-Item Analysis Re-pricing (inpatient hospital)	Gross savings up to 5% of the hospital bill
3.	Negotiation or independent dispute resolution under state laws, if applicable, addressing reimbursement to Non-Participating Providers, where payment is not based on the Network Savings Program or Bill Negotiation Services Programs. If additional payment is owed as a result of negotiations or independent dispute resolution under state law, CHLIC, as agent for	29% of net savings

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	the Employer, shall make Bank Account Payments from the Bank Account in the amount of such additional payment. (There are no additional fees charged to the Employer for handling the independent dispute resolution process.)	
B. OON Protection Programs for NSA Services		
<p>For NSA Services, CHLIC will issue initial payments at amounts determined by CHLIC or its vendors (“Initial Allowed Amount”). The Initial Allowed Amount may be based on Discounts and may be higher than, equal to, or lower than the recognized amount or qualifying payment amount (QPA), as calculated by CHLIC. Patient cost-share will be based on the lower of the QPA, the non-Participating Provider’s billed charges, the amount determined by CHLIC to be required by state law (if applicable), or the Initial Allowed Amount. Patient cost-share will not increase as a result of negotiations or independent dispute resolution determinations under the No Surprises Act. If additional payment above the Initial Allowed Amount is owed as a result of negotiations or independent dispute resolution under the No Surprises Act, CHLIC, as agent for the Employer, shall make Bank Account Payments from the Bank Account in the amount of such additional payment.</p>		
1.	Network Savings Program	29% of net savings
2.	Bill Negotiation Services Programs (Inpatient, outpatient, physician/professional)	
	<ul style="list-style-type: none"> Supplemental Network 	29% of net savings
	<ul style="list-style-type: none"> Professional Fee Negotiation 	29% of net savings
	<ul style="list-style-type: none"> Line-Item Analysis Re-pricing (outpatient, physician/professional) 	29% of net savings
	<ul style="list-style-type: none"> Line-Item Analysis Re-pricing (inpatient hospital) 	Gross savings up to 5% of the hospital bill
3.	Negotiation or independent dispute resolution under the federal No Surprises Act, where payment is not based on the Network Savings Program or Bill Negotiation Services Programs. If additional payment is owed as a result of negotiations or independent dispute resolution, CHLIC, as agent for the Employer, shall make Bank Account Payments from the Bank Account in the amount of such additional payment. (There are no additional fees charged to the Employer for handling the independent dispute resolution.)	29% of net savings
CHLIC MEDICAL PAYMENT INTEGRITY PROGRAM FEES		
CHLIC administers the programs listed below to contain costs with respect to charges for non-Participating and Participating medical health care service/supplies that are covered by the Plan (the “ Payment Integrity Programs ”). In administering these Payment Integrity Programs, CHLIC		

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may contract with vendors to perform various tasks related to the Payment Integrity Programs.

CHLIC’s charge for administering the Payment Integrity Program is the applicable percentage indicated in the table below of the:

- 1 “Gross Savings” (i.e., the difference between the originally calculated allowable and the amount paid to the provider as a result of the Payment Integrity Program); and
- 2 “Gross Recovery” (i.e., the amount recovered as a result of the Payment Integrity Program).

CHLIC will make a per claim charge to the Bank Account that includes both CHLIC’s applicable Payment Integrity Program charge, as shown in the table below, and the applicable vendor charge. CHLIC will pay the vendor its charge. Payment Integrity Program charges will appear in Employer’s Bank Account activity data reports.

1.	Bill Review, Clinical coding validation and editing (Pre- and Post-payment) Includes: <ul style="list-style-type: none"> • Hospital Bill Review (Inpatient/Outpatient) • Medical Implant Device Review (Inpatient/Outpatient) • Clinical Waste and Abuse Claim Review (Facility & Professional) • High-Cost Specialty Pharmaceutical Review • Other Target Billing Accuracy Programs 	If there is savings or recovery, any fees or expenses passed through by the hospital or regulatory agency, plus 29% of the gross savings/gross recovery
2.	Diagnosis Related Grouping (DRG) Review (Pre- and Post-payment) to ensure coding is consistent with care rendered and coding standards.	If there is savings or recovery, any fees or expenses passed through by the hospital or regulatory agency, plus 29% of the gross savings/gross recovery
3.	Coordination of Benefits (COB) Investigation and Recoveries to identify if Member has other insurance. Includes Medicare and other commercial health coverage.	29% of the gross recovery
4.	Secondary Vendor Recovery Program. Specialized vendor partners run proprietary queries to determine the reasonableness, appropriateness, accuracy, and applicability of select claim	29% of the gross

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	payments	recovery
5.	Provider Credit Balance Recovery Program. Audit/reconciliation of facility accounts which are in a negative balance, due to incorrect billing or payment made to a provider.	29% of the gross recovery
6.	Eligibility Overpayment Recovery Vendor Services. Identification and recovery of funds in situations where the overpayment is due to the late receipt of Member termination information.	29% of the gross recovery
7.	Subrogation/Conditional Claim Payment. Identification, investigation, and recovery of claim payments involving other party liability or where another entity is responsible for payment (including by way of example but not by limitation automobile insurance, homeowner insurance, commercial property insurance, worker’s compensation).	29% of the gross recovery if no counsel is retained and in all other instances, including cases where state law requires that employee benefit plans be named as party defendants or involuntary plaintiffs. Litigation costs if counsel is retained and an appearance is filed on behalf of CHLIC or Employer in any litigation, or a lawsuit is filed on their behalf, plus 5% of the gross recovery.
8.	Medical Cost Class Action Recoveries. CHLIC identifies, monitors, and may (but is not required to) participate, on behalf of Employer, as a plaintiff in class action lawsuits or similar legal proceedings against third parties whose actions entitle Employer to recover damages for medical costs it paid as Plan Benefits (e.g. medical device product liability class actions, mass tort recovery class actions, etc.), including, without limitation, lawsuits alleging legal or	35% of the gross recovery

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	equitable claims like product liability, fraud, anti-trust violations, or unfair trade practices. As part of this authority, CHLIC may participate in a settlement, exclude Employer from a settlement and/or otherwise represent Employer's interests outside the settlement. CHLIC collects and retains a percentage any recovery (net of attorneys' fees) attributable to Employer's Plan as compensation for these services.	
CHLIC PHARMACY COST CONTAINMENT FEES		
CHLIC administers the following programs to contain costs with respect to charges for health care service/supplies that are covered by the Plan. In administering these programs, CHLIC contracts with vendors or a CHLIC affiliate to perform program related services. CHLIC's charge for administering these programs may be a percentage (indicated below) of the "recovery" (i.e. the amount recovered) as applicable.		
1.	Pharmacy Recoveries. CHLIC performs regular, ongoing review of 100% of Retail Pharmacy claims through desk audit and field audit based on a predictive model in order to determine the accuracy of payments for 100% of Retail Pharmacy claims. In the event that it is discovered that an overpayment has been made to a Retail Pharmacy, CHLIC shall take reasonable steps to recover and return 100% of the overpayment pursuant to the terms of this Agreement.	Included at no Additional Cost
2.	Class Action Recoveries. CHLIC identifies, monitors and may (but is not required to) participate, on behalf of Employer, in class action lawsuits or similar legal proceedings against pharmaceutical manufacturers, including, without limitation, lawsuits alleging legal or equitable claims like fraud, anti-trust violations, or unfair trade practices by a manufacturer. As part of this authority, CHLIC may participate in a settlement, exclude Employer from a settlement and/or otherwise represent Employer's interests outside the settlement. CHLIC collects and retains as a recovery fee set forth herein of any recovery (net of attorneys' fees) attributable to Employer's Plan.	35.00% of recovery
CIGNA PATHWELL SPECIALTY SM		
Cigna Pathwell Specialty	Cigna Pathwell Specialty SM is a network benefit that manages certain injected and infused specialty medication costs by guiding Members to cost-effective and clinically appropriate in-network Pathwell Specialty Providers ¹ , including specialty pharmacies (which may include CHLIC affiliates) and other treatment settings. It is supported by a high-touch Cigna Pathwell Specialty Care Management Team, which proactively guides Members using out-of-network providers to in-network benefits while also providing Members with education and referrals to other Cigna health programs, including those focused on wellness and behavioral health as appropriate. Additionally, both Members and providers have access to easy-to-use provider	All Medical Products Except Cigna SureFit, Comprehensive, Indemnity, Network, Network OA, Network POS, and Network POSOA

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	<p>look-up tools with geolocation features that identify in-network Pathwell Specialty Providers.</p> <p>¹ “Pathwell Specialty Providers” means an in-network specialty pharmacy the health care professional orders medication from or the place (location) where Participants are having their treatment done.</p> <p>Except as provided below, for in-network medical claims covered under the Pathwell Specialty benefit, Employer shall pay CHLIC according to the following Average Sales Price (ASP) schedule whereby the category equates to the type of Pathwell Specialty Provider. ASP is used to the extent available. If ASP is not available, CHLIC may use a reasonable substitute. CHLIC follows a rational, reasonable, and auditable process to establish categories and ASP ranges by category. Subject to execution of a mutually agreed upon audit agreement, third party audits of the process used to categorize a type of provider or the assignment of ASP % on a select set of claims can be arranged upon Employer request. Pathwell Specialty Providers will be assigned to a tier based on their contracted rates. Pathwell Specialty Providers will not be moved between tiers mid-calendar year unless there is a change in their contracted Pathwell Specialty rates or a market event. Review of provider tiers outside of changes to the contracted rates will occur on an annual basis. The distribution and list of providers across tiers within the Cigna Pathwell SpecialtySM network, will be provided upon Employer request.</p> <table border="1" data-bbox="516 959 1623 1349"> <thead> <tr> <th>Category</th> <th>ASP Range</th> </tr> </thead> <tbody> <tr> <td>Tier A: Office, Home, Free Standing Infusion Suites, and Specialty Pharmacies</td> <td>106% - 135% ASP</td> </tr> <tr> <td>Tier B: Office, Home, Free Standing Infusion Suites, and Specialty Pharmacies</td> <td>136% - 160% ASP</td> </tr> <tr> <td>Tier C: Office, Home, Free Standing Infusion Suites, and Specialty Pharmacies</td> <td>161% - 190% ASP</td> </tr> <tr> <td>Tier D: Outpatient Hospital</td> <td>120% - 155% ASP</td> </tr> <tr> <td>Tier E: Outpatient Hospital</td> <td>156% - 190% ASP</td> </tr> <tr> <td>Tier F: Outpatient Hospital</td> <td>191% - 225% ASP</td> </tr> <tr> <td>Tier G: Outpatient Hospital</td> <td>226% - 260% ASP</td> </tr> </tbody> </table> <p>Employer understands and agrees that the amount paid by CHLIC to the Pathwell</p>	Category	ASP Range	Tier A: Office, Home, Free Standing Infusion Suites, and Specialty Pharmacies	106% - 135% ASP	Tier B: Office, Home, Free Standing Infusion Suites, and Specialty Pharmacies	136% - 160% ASP	Tier C: Office, Home, Free Standing Infusion Suites, and Specialty Pharmacies	161% - 190% ASP	Tier D: Outpatient Hospital	120% - 155% ASP	Tier E: Outpatient Hospital	156% - 190% ASP	Tier F: Outpatient Hospital	191% - 225% ASP	Tier G: Outpatient Hospital	226% - 260% ASP	
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	<p>Specialty Provider for such claims may or may not be equal to the amount charged to Employer and CHLIC will absorb or retain any difference. Additional reporting available upon request.</p> <p>In some instances, the in-network charge for specialty medications from Pathwell Specialty Providers will be based upon their provider contract and not in accordance with the above ASP Schedule. In the event of contract or market changes, these Pathwell Specialty Providers may be added during a calendar year to a tier under the ASP Schedule and reimbursement would then be based upon the ASP Schedule. Similarly, a Pathwell Specialty Provider who began the calendar year in a tier under the ASP Schedule may be moved to charges for specialty medications based upon their provider contracts rather than the ASP Schedule in the event of a contract or market change.</p> <p>To the extent a claim is submitted by a Pathwell Specialty Provider such that a data error is indicated, the claim would not be subject to the ASP schedule, above.</p>	
<p>EMBARC BENEFIT PROTECTION® A NETWORK SOLUTION FOR CERTAIN HIGH-COST GENE THERAPY DRUGS</p>		
<p>Embarc Benefit Protection</p>	<p>To provide financial protection from the high cost of certain gene therapy drugs, CHLIC has contracted with an affiliate, eviCore (“eviCore” refers to eviCore healthcare MSI, LLC d/b/a/ eviCore healthcare and certain of its affiliates), to arrange for the provision of the gene therapy drugs listed on Cigna.com and Evernorth.com for Members when the indicated drugs are covered by the Plan administered by CHLIC, and medically necessary (as determined by CHLIC).</p> <p>Gene therapy drugs are continually being evaluated and may be added to the network solution after FDA approval. The complete list of included drugs and any associated contractual limitations can be found at both Cigna.com and Evernorth.com.</p> <p>As a result of this network contracting arrangement, eviCore is in most cases the exclusive, in-network Participating Provider of these drugs. eviCore arranges for the provision of these drugs through its network of specialty pharmacies (including its affiliate, Accredo), and certain facilities authorized to administer the gene therapies by the drug manufacturers. eviCore will reimburse these specialty pharmacies and facilities at negotiated reimbursement</p>	<p>\$0.99 per Member/per month.</p> <p>If, across eviCore’s entire Embarc Benefit Protection book of business (Cigna and non-Cigna clients), eviCore’s cost for the covered drugs provided in a given calendar year is lower than a predetermined percentage of the PMPM charges received, eviCore will refund the difference</p>

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	<p>rates. This network solution is called Embarc Benefit Protection.</p> <p>For arranging for the provision of these drugs, eviCore will be reimbursed by CHLIC on a fixed Per Member Per Month (PMPM) basis. eviCore’s PMPM fee (which is subject to change) will be charged to the Bank Account one month in arrears. (e.g., eviCore’s charges for January will be made in February.) These Bank Account Payments will appear in Employer’s monthly reporting. Embarc Benefit Protection does not provide financial protection from the cost of administering these drugs. These costs are small in comparison to the drug costs.</p> <p>When covered under the Plan and determined by CHLIC to be medically necessary for the treatment of the specified conditions, Members will not incur any out-of-pocket costs for the drugs and the Plan will not be required to reimburse any expenses for the drugs with the following exceptions:</p> <p><u>Exceptions:</u></p> <ol style="list-style-type: none"> 1. Members with an HSA must have met the applicable minimum deductible required for a high deductible health plan. 2. As otherwise stated on Cigna.com or Evernorth.com <p>eviCore’s Embarc Benefit Protection and PMPM charge do not apply to a plan that:</p> <ol style="list-style-type: none"> i. does not cover all drugs included in Embarc Benefit Protection; ii. covers any of the drugs exclusively under its pharmacy benefits which are not administered by CHLIC, or iii. does not utilize an eviCore participating provider. <p>Upon Employer’s request on or after the Effective Date, CHLIC shall provide to Employer an updated drug list, if applicable.</p> <p>CHLIC may revise charges/fees by giving Employer at least thirty (30) days’ prior written</p>	<p>pro rata, for both active and terminated clients, after having fully recovered the outstanding balance created by any prior year deficits. The refund, if any, will be determined on an eviCore Embarc benefit Protection book-of-business basis. The refund will be provided by March 31st of the following year.</p> <p>Assuring Transparency: After the refund is made for a particular calendar year, eviCore will, upon request, provide Embarc Benefit Protection book-of-business information for that calendar year.</p>
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	notice.			
ADVANCED CELLULAR THERAPY PROGRAM				
Advanced Cellular Therapy Program	<p>The Advanced Cellular Therapy Program (ACT) is an enhanced network benefit solution designed to manage the high cost of advanced cellular therapies (e.g. CAR T-cell therapy). This program delivers predictability, clinically appropriate care and maximizes affordability by leveraging a specially selected provider network, with benefit language that includes a travel benefit and a dedicated care management team to support Participating Members receiving these therapies.</p> <p>For all in-network medical claims covered under the ACT Program at an existing ACT participating provider, Employer shall pay CHLIC (who in turn will pay the rendering ACT participating provider) a Guaranteed Price for the covered advanced cellular therapy. The Guaranteed Price shall equal the Average Wholesale Price (AWP) of the covered advanced cellular therapy minus 10% and will be charged to the Bank Account.</p> <table border="1" style="width: 100%; margin: 10px 0;"> <tr> <td style="width: 60%;">Guaranteed Price for the covered advanced cellular therapy (ACT)</td> <td style="width: 40%;">AWP minus 10%</td> </tr> </table> <p>Employer understands and agrees that the amount paid by CHLIC for the therapy may or may not be equal to the Guaranteed Price charged to Employer and CHLIC will absorb or retain any difference.</p> <p>There are related costs for Participating Members receiving these therapies that will be paid as covered services according to the Plan.</p>	Guaranteed Price for the covered advanced cellular therapy (ACT)	AWP minus 10%	
Guaranteed Price for the covered advanced cellular therapy (ACT)	AWP minus 10%			
CARE MANAGEMENT/COST CONTAINMENT PROGRAM FEES				
	<p>CHLIC arranges for third parties to provide care management services to:</p> <ul style="list-style-type: none"> (i) contain the cost of specified health care services/items overall with respect to all plans insured and/or administered by CHLIC, and/or (ii) improve adherence to evidence based guidelines designed to promote patient safety and efficient patient care. <p>Unless otherwise specified in this Schedule of Financial Charges, charges for these services</p>	<p>Applicable third-party fees and care management program services are listed below, and additional details are available upon request.</p>		

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	will be processed through the Bank Account.	
	Medical Management (inclusive of Medical Necessity Review) of Chiropractic services.	National Average is \$0.16 PMPM; rates vary by market and are available upon request.
	In addition to such third parties, CHLIC has arranged for an affiliate, eviCore, to provide the following care management/cost-containment programs:	
	Pre-certification of coverage of radiation therapy services.	\$958.00 per episode of care (EOC)
	Pre-certification of coverage of diagnostic cardiology services.	\$0.19 PMPM
	Pre-certification of coverage of medical oncology services.	\$1,136.00 per episode of care (EOC)
	Pre-certification of coverage of musculoskeletal therapy services.	\$0.42 PMPM
	<p>Services related to the coverage of high-tech radiology which may include pre-certification.</p> <p>In certain instances, the Plan will pay eviCore a fee on a per member/per month basis for pre-certification, arranging care, and other services that eviCore may render. Such reimbursement will be in addition to the amount that the Plan pays to reimburse the provider through which eviCore arranged for the provision of the service or supply, which will be based on eviCore’s contracted rate with that provider. In such instances, Plan Benefits and member cost-share will be determined based on the rate that eviCore contracted to pay the provider for the provision of the service or supply.</p> <p>eviCore may also charge for services related to the provision of high-tech radiology as described below in “Other Vendors and Health Care Services Providers.”</p>	Fee reimbursement method and rates may vary by market and are available upon request.
	Pre-certification of coverage of gastroenterology services.	\$0.12 PMPM

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	Pre-certification of coverage for appropriate setting of care/service for high-tech radiology services	\$0.17 PMPM
	Pre-certification of coverage for appropriate setting of care/service for certain medical oncology drugs (redirection may be to Accredo, a CHLIC affiliate).	30.00% of shared savings (where savings is derived from the difference between drug dose cost at higher cost provider initially requested and drug dose cost at lower cost provider). Fee shall not exceed \$5,000.00 per dose for a maximum of three doses resulting in a maximum total of \$15,000.00. Note: CHLIC may retain a portion of the shared savings fee before reimbursing eviCore.
	Pre-certification of coverage of sleep management services.	\$0.13 PMPM
	Network management and care coordination of coverage of home health, durable medical equipment and home infusion services.	\$0.32 PMPM
	CHLIC may revise charges/fees by giving Employer at least sixty (60) days' prior written notice.	
EXTERNAL REVIEW AND CONSULTATIVE REVIEW FEES		
	When a Member elects an External Review (as that term is defined in the Patient Protection and Affordable Care Act (PPACA)) of a benefit determination by an independent third party,	\$500-\$1,500 Per Review

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	<p>the cost of a specific third party review is dependent on the nature and complexity of the issue on appeal. Third party review charges will be commensurate with the level of expertise necessary and the time required to complete the review.</p>	
STRATEGIC ALLIANCES		
	<p>CHLIC contracts directly or indirectly with other managed care entities and third party network vendors for access to their provider networks and discounts. These third parties charge a network access fee, which is included in CHLIC's monthly charges, as a result of the application of their discounts. Additional details regarding specific charges will be provided upon request.</p>	All Medical Products
OTHER VENDORS AND HEALTH CARE SERVICES PROVIDERS		
	<p>The fixed per person per period and/or fee-for-service charges that CHLIC has directly or indirectly negotiated with Participating Providers for in-network health care services and/or supplies will be charged to the Bank Account and will be used in calculating any applicable Member cost-sharing. In addition, performance-based payments to Participating Providers will be charged to the Bank Account. Such payments will be at the payment rates then in effect, which may be amended from time to time.</p> <p>For certain types of specialty care, including, but not limited to, home health care, durable medical equipment, sleep management, high tech radiology, chiropractic care, acupuncture, physical medicine (such as physical and occupational therapy), speech therapy, orthotics and prosthetics, implants, and hearing, in certain markets CHLIC may contract with various third parties and/or affiliated companies, including eviCore, (“Specialty Vendors”) to arrange for the provision of care through their own networks of health care providers on a fee-for-service basis. In addition to arranging for care through their own networks of providers, these Specialty Vendors may also provide additional services, including utilization management services and case management services designed to (i) improve adherence to coverage guidelines; and (ii) contain overall healthcare costs to the Plan. Specialty Vendors are included within the definition of “Participating Provider” set forth in this Agreement and in any benefit booklet covering the Plan.</p> <p>When care is arranged through a Specialty Vendor’s network of providers, the form of reimbursement to the Specialty Vendor will be through one of the following methods:</p> <ul style="list-style-type: none"> • Fee-For-Service Payment: In certain instances, the Plan will pay the Specialty Vendor 	All Products

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	<p>rather than the treating provider on a fee-for-service basis as a claim for Plan Benefits. The Specialty Vendors' fee-for-service charges may be higher than the amounts that the Specialty Vendor contracts to pay the provider for the provision of any particular service or supply, and some portion of the Specialty Vendor's charges may be attributable to the services that the Specialty Vendor provides in addition to those services or supplies provided by the Specialty Vendor's network of providers, including any utilization management services and case management services. In such instances, Plan Benefits and member cost-share will be determined based on the Specialty Vendor's charges according to Plan terms.</p> <ul style="list-style-type: none"> • <u>Administration Capitation Payment</u>: In certain instances, the Plan will pay the Specialty Vendor a fee on a per member/per month basis for arranging care and other services that the Specialty Vendor may render. Such reimbursement will be in addition to the amount that the Plan pays to reimburse the provider through which the Specialty Vendor arranged for the provision of the service or supply, which will be based on the Specialty Vendor's contracted rate with that provider. In such instances, Plan Benefits and member cost-share will be determined based on the rate that the Specialty Vendor contracted to pay the provider for the provision of the service or supply. • <u>All-Inclusive Capitation Payment</u>: In certain instances, the Plan will pay the Specialty Vendor a fee on a per member/per month basis that covers (i) the services that the Specialty Vendor may render, including arranging care, and (ii) the fees charged by the provider through which the Specialty Vendor arranged for the provision of the service or supply. In such instances, Plan Benefits and member cost-share will be determined based on the rate that the Specialty Vendor contracted to pay the provider for the provision of the service or supply. <p>CHLIC's arrangements with Specialty Vendors are subject to change at any time, and upon request, additional information can be provided that identifies current Specialty Vendors, their area of specialty(ies), whether they are CHLIC affiliates, and the form of payment that they currently receive.</p>	
NOTICE REGARDING PAYMENTS FROM THIRD PARTIES		
Rebate and Other Remuneration	CHLIC or its affiliates may contract with pharmaceutical manufacturers or other third parties for Rebates, Manufacturer Administrative Fees, and other remuneration on its or their own behalf and for its and their own benefit, and not on behalf of Employer or the Plan.	All Pharmacy Products

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<p>Disclosure (Pharmacy)</p>	<p>Accordingly, unless otherwise specified in this Schedule of Financial Charges, CHLIC and its affiliates retain all right, title and interest to any and all actual Rebates, Manufacturer Administrative Fees, and other remuneration received from manufacturers or other third parties; neither Employer, its Members, nor Employer’s Plan retains any beneficial or proprietary interest in any such remuneration, which shall be considered part of the general assets of CHLIC and its affiliates. As an example of the remuneration other than Rebates or Manufacturer Administrative Fees that CHLIC or its affiliates may earn, CHLIC or its affiliates may also directly or indirectly earn from pharmaceutical manufacturers remuneration in connection with value payments and/or services that CHLIC provides to Employer (“Value-Based Payments”). Notwithstanding anything in this Agreement to the contrary, any Value-Based Payments earned by CHLIC or its affiliates are separate and apart from any Rebates or Manufacturer Administrative Fees that CHLIC or its affiliates directly or indirectly earn from pharmaceutical manufacturers, and CHLIC and its affiliates may retain any Value-Based Payments it earns. As examples of the value payments and/or services that CHLIC may provide to Employer in connection with Value-Based Payments that CHLIC or its affiliates may earn, CHLIC may provide care management or related services to Employer and/or remit to Employer monetary credits if Members discontinue therapy on certain pharmaceutical products. Information regarding any services, and/or monetary credits or other financial value, for which Employer may be eligible with respect to specific pharmaceutical products or therapeutic classes/conditions, including the products for which monetary credits or other financial value may be available to Employer, the amount of that value, and other payment terms, is available upon request. Any value payments and/or services provided by CHLIC to Employer are subject to change or termination by CHLIC as the value program(s), if any, offered by CHLIC change(s) or terminate(s).</p> <p>Information on the projected aggregate amount of such Rebates with respect to the Plan Pharmacy Benefit will be provided upon request.</p> <p>This provision shall survive termination or expiration of the Agreement.</p>	
<p>Rebate and Other Remuneration Disclosure (Medical)</p>	<p>CHLIC may directly or indirectly receive and retain payments under contracts with pharmaceutical manufacturers or third parties with respect to Members' utilization of the manufacturer’s products covered under the Employer's Plan medical benefit. These payments may include rebates, service fees (e.g. administrative fees), or other remuneration. CHLIC directly or indirectly contracts with pharmaceutical manufacturers or other third parties for</p>	<p>All Medical Products</p>

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	<p>any remuneration on its own behalf, based on its book of business, and for its own benefit, and not on behalf of Employer or the Plan. Accordingly, CHLIC retains all right, title and interest to any and all such remuneration received from manufacturer; neither Employer, its Members, nor Employer's Plan retains any beneficial or proprietary interest in any such remuneration, which shall be considered part of the general assets of CHLIC.</p> <p>This provision shall survive termination or expiration of the Agreement.</p>	
Implementation/Referral Fee Disclosure	<p>From time to time, CHLIC, directly or through its affiliates, arranges with third parties (e.g., service vendors, provider network managers) to provide various services (e.g., cost-containment services or health care services) in connection with the Plan. CHLIC and its affiliates may receive payments from such third parties to help defray CHLIC's expenses associated with its implementation and/or ongoing administration of these arrangements or as a reimbursement for services or network access provided to such parties by CHLIC. CHLIC may also receive compensation from third-party vendors that Employer may retain based upon a referral from CHLIC or that Members may utilize following an introduction facilitated by CHLIC or an affiliate. CHLIC may also receive:</p> <ul style="list-style-type: none"> • network administration fees from some providers participating in its provider network, • credits from banks on balances in accounts utilized to administer claims, • non-material incidental compensation/benefits from other source as a result of administering the Plan. 	All Products
COMPLIANCE ASSISTANCE		
	<p>CHLIC shall provide the following services to assist Employer in meeting its compliance obligations under section 2715 of the Public Health Service Act as added by the Patient Protection and Affordable Care Act and applicable regulations with respect to the provision of the Summary of Benefits and Coverage (“SBC”), translation notice and glossary. Applicable to all medical plans including HRA and FSA which are considered "group health plans" subject to the SBC requirements.</p>	
1.	Preparation of SBC, translation notice. CHLIC will not be responsible for any changes that Employer makes to the SBC.	No charge
2.	Provide SBC, translation notices prepared by CHLIC to Employer electronically as well as	No charge

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	any updates or material modifications.	
3.	Include in SBC a summary of benefits administered by carve-out vendor if Employer or carve-out vendor provides CHLIC with necessary carve-out benefit information at least twelve (12) weeks prior to the date the SBCs are to be delivered to Employer.	\$500 for each benefit option under the Plan for which carve-out vendor benefits are included in SBC
ADDITIONAL SERVICES		
Service	Description	Charge
Behavioral Health	Access to inpatient and outpatient behavioral health services and focused utilization review and case management for both inpatient and outpatient, in-network behavioral health services. When applicable, only to Members in CA/VI.	For OAP Products: Included in Medical Access Fee
Health Advisor - A	<p>The Health Advisor program focuses on engaging targeted Members related to a variety of wellness and prevention topics, and is designed to facilitate healthy behaviors and promote achievement of health-related goals. The program includes the following components:</p> <ul style="list-style-type: none"> • Health and wellness coaching on high blood pressure, high cholesterol, healthy eating, physical activity, and pre-diabetes using multiple coaching sessions, behavior modification techniques and other motivational interviewing and coaching styles to encourage behavior change that helps Participants reach established goals. • Education and referral coaching on program topics with referral to appropriate internal and external resources available. • Access to educational materials and web-based Member tools and resources. • Identification of gaps in care and outreach to Member to provide coaching for those identified with gaps for high cholesterol, high blood pressure, and additional coaching on other gaps in care will also occur. • Support of Participants identified through predictive modeling with certain preference sensitive care conditions by supplying impartial evidence based medical information, to empower Participants' to understand the potential benefits/ disadvantages of a specific course of action and make more informed care decisions. This feature is only available when claim data is provided. 	For OAP Products: Included in Medical Access Fee

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	<ul style="list-style-type: none"> • Answering health and medical related questions. • Counseling Participants on prevention and the benefits of compliance with prescribed medications and treatments. 	
Comprehensive Maternity Program	<p>Cigna Healthy Pregnancies, Healthy Babies™ program is a comprehensive maternity management program. The goal of the program is to reduce the number of pre-term and underweight babies by promoting a healthy pregnancy. Expectant mothers can enroll using either the Cigna Pregnancy App (no additional cost for both Apple and Android platforms), or call to speak with a HPHB team member over the phone. The program delivers education and telephonic support to pregnant women through the post-partum period. Nurses answer medical related questions and make suggestions for behavior changes and medical interventions aimed at improving the health of the mother and baby. Program support also covers preconception and infertility. Financial incentives may be awarded to women at the completion of this self-referral program based on the trimester enrolled.</p> <p><u>Incentives Elected:</u></p>	
	Option 3 (Low): \$150 – 1st Trimester/\$ 75 – 2nd Trimester	For OAP Products: Included in Medical Access Fee
Comprehensive Oncology Program	<p><u>The Cigna Cancer Support Program</u> - A program designed to deliver comprehensive oncology support targeting Members through all stages of cancer; from those newly diagnosed, in post cancer care, in active treatment and with or without complications and/or end of life status. The program addresses cancer prevention through education; providing assistance to Members in active treatment, utilizing evidence based clinical resources, development of survivorship plans for cancer survivors, and supporting Members and their families with end-of-life decisions if appropriate.</p>	For OAP Products: Included in Medical Access Fee
Pharmacy Clinical Program(s)	<p><u>inMynd</u> - is a clinically-based Member and provider comprehensive behavioral health program that includes regular retrospective review of pharmacy and medical claim data to identify certain "at risk" (i.e., members with complex psychiatric conditions using multiple psychotropic medications) member utilization patterns to help both members and providers better recognize, treat and support mental and behavioral health conditions.</p>	Included at No Additional Cost

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	<p><u>Narcotics Therapy Management</u> - is a clinically-based provider program that consists of a quarterly, retrospective review of pharmacy and medical claims data which helps to identify those individuals with utilization patterns that may be indicative of risk of substance abuse, overdose, or diversion.</p>	
Pharmacy Utilization Management Program	<p><u>Custom/Non-Standard Package</u> - In administering the Pharmacy Benefit, CHLIC shall administer the standard utilization management package elected by Employer, with custom removals, additions, or modifications of prior authorization, step therapy or quantity limit edits from certain therapeutic classes or pharmaceutical products that are identified by Employer and which CHLIC has agreed to administer.</p>	Included in Pharmacy Administration Fee
Clinical Program	<p>A targeted condition medication therapy management program in which CHLIC provides support for Members using specialty medications for certain chronic conditions and that are obtained or administered at retail pharmacies or outpatient, office or home health care settings. As part of the program, Members are assisted with any questions they may have around medication side effects, given explanation around their Plan benefits, informed of the importance of adherence, assist with the prior authorization renewal coordination, assist with referrals to CHLIC Integrated Pharmacy Solutions clinicians and referrals to other Cigna coaching programs. CHLIC acts as the primary point of contact for Members enrolled in specialty condition counseling and works to ensure that Member needs are coordinated and referred appropriately. CHLIC conducts standardized assessments of Members to identify potential clinical issues and works in conjunction with nurses, pharmacists, and other parties to resolve. For the sake of clarity, if a specialty pharmacy affiliate of CHLIC provides therapy management for specialty medications the pharmacy dispenses to Members, then it does so in its capacity as a specialty pharmacy and not on behalf of CHLIC; CHLIC does not exert direction or control over the pharmacists at any specialty pharmacy affiliate.</p>	Included at No Additional Cost
SafeGuardRx Program	<p>A medication therapy management and cost containment program for select therapeutic conditions such as but not limited to oncology, inflammatory conditions, and multiple sclerosis and select drugs within therapeutic categories. This program seeks to help reduce drug therapy costs through its program offerings. For example, employers may qualify for the payment of discontinuation drug therapy credits and/or the reimbursement of drug therapy through drug cost caps, on select medications and therapeutic conditions. This program may also provide for Member outreach or counseling on select medications. CHLIC reserves the right to revise, modify, or terminate this program, in whole or in part, at any time. Additional</p>	Included at No Additional Cost

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	and specific program information is available upon request.	
Your Health First	<p>A proactive health education and improvement program for Members with a chronic condition. The program involves services that span across the Member's health needs. Behavioral coaching principles and evidence based medicine guidelines are utilized to optimize self-management skills and foster sustained health improvements.</p> <p>The program targets a chronic population at high and moderate risk for near term and future high cost medical expenses. Members are identified as having a chronic condition through a variety of sources which may include: claims data, referrals, and self-identification. A variety of resources is provided to those with a chronic condition, including access to online tools, personalized support, and targeted materials.</p> <p>The program includes the following components for those with a chronic condition:</p> <ul style="list-style-type: none"> • Chronic condition-specific coaching • Pre- and post-discharge calls • Lifestyle management coaching: stress, weight management and tobacco cessation • Treatment decision support and coaching 	For OAP Products: Included in Medical Access Fee
MotivateMe® Incentives Program	<p>The MotivateMe incentive program allows employers to reward Members for taking steps to achieve health goals or make progress towards improving their health. Participating Members can earn rewards for active participation in CHLIC's health improvement programs and activities that focus on prevention, lifestyle and behavior modification and disease management. Participating Members track their incentive activity online and earn rewards as has been designated per the Employer's annual elections.</p> <p>Reward types include: HRA and Healthy Awards Account fund deposits, debit and/or gift cards, and Employer self-administered awards such as HSA fund deposits, healthcare premium adjustment and payroll deposit.</p>	
	Value Package - includes administration of Employer selected CHLIC standard Incentives Program which provides Participating Members with Employer's pre-determined rewards. Activity to trigger incentives may include, but is not limited to, participation in the following	For OAP Products: \$1.45/employee/month Included in Medical

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	<p>available programs: Personal Health Analysis (CHLIC's health assessment), Wellness Screening (biometric), Online Health Coaching, Pre-Diabetes Digital Coaching, Self-Reported Activities, Steerage (Cigna Home Delivery, Cigna Care Designation, Cigna's Center of Excellence facility steerage), Health Coaching by Phone for chronic conditions, Case Management, Preventive Care (claim verified), and Employer specific programs.</p>	<p>Administration Charge</p>
<p>Transparency in Coverage and Consolidated Appropriations Act, 2021</p>	<p>CHLIC will make available an internet-based self-service tool for use by Members, as well as certain data in machine-readable file format on a public website, as required under the Transparency in Coverage rule. Members can access the cost estimator tool on myCigna.com. Updated machine-readable files can be found on Cigna.com and/or CignaForEmployers.com on a monthly basis.</p> <p>Pursuant to Consolidated Appropriations Act (CAA), Section 106, CHLIC will submit certain air ambulance claim information to the Department of Health and Human Services (HHS) in accordance with guidance issued by HHS.</p> <p>Subject to change based on government guidance for CAA Section 204, CHLIC will submit certain prescription drug and health care spending information to HHS through Plan Lists Files (P1-P3) and Data Files (D1-D8) (D1-D2 for employers without integrated pharmacy product) aggregated at the Market Segment and State level, as outlined in guidance.</p>	<p>Included in Medical Administration Fee</p>
<p>CHLIC Well-Being Coordinator</p>		
<p>Well-Being Coordinator</p>	<p><u>Well-Being Coordinator</u></p> <p>CHLIC shall provide to Employer Well Being Coordinator Services (“Well-Being Coordinator”) as described herein. Services will be restricted to health and wellness promotion topics and will exclude disease management. The following Services may be modified by the Manager of the Well-Being Coordinator, as necessary to meet the specific needs of the Employer and its employees.</p> <p>The Well-Being Coordinator will work closely with CHLIC’s Account Management Team and Employer's Health and Wellness team in executing the organization’s well-being strategy goals. The primary focus of the role is health promotion and engagement strategy to increase awareness and program engagement. A core objective is to facilitate and/or support well-being programs that educate and improve the health and vitality of employees in the</p>	<p>The Cost for Well-Being Coordinator is included in the Medical Administration Charge.</p>

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	<p>workplace.</p> <p>If different from the Effective Date of this Agreement/Amendment/Disclosure, the effective date of Well Being Services will be: January 1, 2025</p> <p>Number of Well-Being Coordinators: 1</p> <p>Number of hours per week: 40 hours</p> <p>Days per week: Monday - Friday</p> <p>Location of Services (Employer work site locations):</p> <p>FL</p> <p>*Note: Services may at times be performed virtually, especially if requested or required due to limitations on in-person gatherings, need for quarantine or other government action or regulation.</p> <p>Employer shall allow the Well-Being Coordinator eight (8) hours per week for resource planning, scheduling and development with CHLIC.</p> <p>As a CHLIC employee the Well-Being Coordinator participates in regular CHLIC meetings trainings and development opportunities with the Health Engagement and Account Management Team. The Employer shall allow the Well-Being Coordinator time for these activities each week.</p> <p><u>Well-Being Coordinator Services</u></p>	
	<p>General Responsibilities</p> <p>1. Workplace Well-being Strategy and Planning</p> <p> a. Partner and collaborate with aligned Employer to develop an Enterprise well-being strategy and operating plan.</p>	

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	<ul style="list-style-type: none"> b. Work with and alongside aligned Employer’s key partners and vendors to execute on strategy. c. Work with aligned Employer to develop infrastructure to support a culture of vitality in the workplace. <p>2. Communications planning and development</p> <ul style="list-style-type: none"> a. Identify and make recommendations to embed well-being into the workplace to develop and deploy annual well-being promotion communications, including strategy, planning and development. b. Support communication of campaigns, challenges, and activities. c. Develop relevant promotions, articles, and handouts, as necessary. d. Partner with vendors and internal partners to communicate well-being to the organization. <p>3. Well-being Champion Networks</p> <ul style="list-style-type: none"> a. Develop, build, engage and provide ongoing support for Employer well-being champion networks. b. Identify and make recommendations to embed well-being into the workplace. <p>4. Data and Program Evaluation</p> <ul style="list-style-type: none"> a. Identify trends to guide and support strategy. b. Track program participation, projects, and goals throughout the organization to determine success and new opportunities. <p>5. Activities and Implementation</p> <ul style="list-style-type: none"> a. Partner with Employer to provide well-being support, programs, and decisions as 	
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	<p>needed.</p> <ul style="list-style-type: none"> b. Develop and coordinate well-being events and campaigns. c. Coordinate, assist, and/or support well-being events/fairs. <p>6. Wellness Resources</p> <ul style="list-style-type: none"> a. Manage wellness bulletin board and electronic media board b. Share health and wellness related educational materials <p>6. Travel</p> <ul style="list-style-type: none"> a. Occasional travel expectation to identified locations within the organization for well-being purposes 	
	<p>Qualifications</p> <p>The Well-Being Coordinator will have:</p> <ul style="list-style-type: none"> 1. Minimum of 3-6 years of experience in health and wellness field 2. Industry Certification such as CHES worksite wellness certificate or other relevant certification 3. Bachelor's degree in health education, health promotion, or related field 4. Experience with workplace well-being strategy and implementation 5. Experience with design of workplace infrastructure and engagement solutions 6. Experience conducting educational presentations 7. Experience working with wellness and health data to identify trends, risks and program results 	

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	<p>8. Strong organizational and project management skills</p>	
	<p>Paid Time Off and Leave</p> <p>The Well-Being Coordinator shall be entitled to paid time off (PTO) and other leave (“Leave”) in accordance with CHLIC’s standard policies and procedures (“Policies”). PTO shall include: (a) vacation days; (b) personal days; (c) holidays; (d) floating holidays; (e) sick leave; and (f) other PTO in accordance with applicable law and current CHLIC Policies. Leave shall include: (a) military leave; (b) Family Medical Leave (FMLA); (c) disability leave; and (d) other leave in accordance with applicable law and current CHLIC Policies.</p> <p>CHLIC shall not be required to make any adjustments to Fees for PTO and Leave granted to the Well-Being Coordinator.</p> <p>In the event that Well-Being Coordinator is absent for an extended period of time due to military leave, FMLA, disability leave or any other Leave as defined under the current CHLIC policies and practices, the Parties shall discuss and mutually determine if CHLIC should reasonably attempt to find a temporary substitute. In the event that no substitute is placed, CHLIC shall prorate the fees for the Well-Being Coordinator. However, if a temporary substitute is placed, Employer shall be responsible for the payment of any temporary labor fees, and recruitment costs. CHLIC shall not be required to find a temporary substitute or prorate the fees for a Well-Being Coordinator due to any of the following:</p> <ol style="list-style-type: none"> 1. PTO; 2. Sick time not considered as short term disability under the current CHLIC policies; 3. Closure of the Employer's work site(s) within which the Well-Being Coordinator provides services under this Agreement, due to inclement weather, acts of nature, or acts of the public enemy; and 4. Short term disability or caregiver leave for which the Well-Being Coordinator is paid. 	
	<p>Equipment</p> <p>CHLIC's obligation is specifically conditioned upon Employer providing the following</p>	

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	<p>equipment and supplies necessary for the Well-Being Coordinator</p> <ol style="list-style-type: none"> 1. Office space or cubicle with electrical outlet 2. Standard office furnishings (desk, chair, etc.). 3. Locking file cabinet. 4. Telephone landline within Employer network 5. High Speed Internet Access equipment and services necessary for effective and efficient CHLIC VPN and wireless telephone connectivity. 6. Dedicated Employer DSL line OR Open DSL line 7. Employer desktop computer connected to Employer network, if Employer required 8. Employer printer connected to Employer network, if Employer required <p>CHLIC will provide the following equipment and supplies necessary for Well-Being Coordinator</p> <ol style="list-style-type: none"> 1. CHLIC laptop and VPN for connectivity to the CHLIC network 2. CHLIC printer and supplies 3. CHLIC cell-phone 	
	<p>Termination</p> <p>Either Party may terminate the services of the Well-Being Coordinator for cause by giving the other Party ninety (90) days advance written notice. Either Party may terminate the Agreement upon ten (10) days' written notice to the other Party upon the other Party's financial insolvency.</p>	
	<p>Non-Solicitation and Confidentiality of Information</p> <p>During the term of the Agreement, and for a period of one (1) year after termination of the</p>	

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	<p>Agreement for any reason, Employer shall not directly or indirectly, alone or in concert with others, solicit or entice the employee or independent contractor engaged by CHLIC to provide services under this Agreement, to leave the employment or engagement of CHLIC in order to provide substantially similar services as those provided in the Agreement, to or on behalf of Employer, or to otherwise work in competition with CHLIC. This shall include a prohibition on Employer cooperating with or allowing a third party to hire a CHLIC employee to work for the third party to provide substantially similar services as those provided in the Agreement.</p> <p>The Employer agrees and acknowledges that the Well-Being Coordinator will have access to proprietary and confidential information of CHLIC. The Employer agrees that any proprietary and/or confidential information of CHLIC that is utilized by the Well-Being Coordinator in these services shall only be used for the purpose of performing these services, and for no other purpose. The Employer agrees that such proprietary and/or confidential information will not be shared internally by Employer with any employee who does not have a need-to-know such information for the performance of these services.</p>	
	<p>No Co-Employment</p> <p>The services of the Well-Being Coordinator are those of an independent contractor and/or employee and/or agent engaged by CHLIC. Well-Being Coordinator shall not in any sense whatsoever be deemed an employee or agent of Employer or authorized to commit Employer to any liability or obligation whatsoever. The Well-Being Coordinator shall not look to Employer for health or life insurance, vacation pay, sick leave, retirement benefits, social security, worker’s compensation, disability or unemployment insurance benefits or any other benefits. Employer will not withhold taxes from the compensation paid to Well-Being Coordinator hereunder and shall not be responsible for any employer portion of taxes on any compensation paid to the Well-Being Coordinator.</p>	
	<p>CHLIC Staffing</p> <p>CHLIC shall recruit, interview, engage, hire, supervise and discharge any provided Well-Being Coordinator. All employment related decisions, including but not limited to hiring, firing, and performance management, shall be at the sole discretion of CHLIC and not</p>	

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	<p>Employer. Well-Being Coordinators shall in all events, and for all purposes, be employees of CHLIC and not Employer. CHLIC shall comply with all federal, state and local laws regulations and requirements relating to such employees. CHLIC, and not Employer, shall be fully responsible for the payment of all salaries, wages, payroll and other compensation, taxes, fees, workers compensation insurance and other charges or insurance levied or required by any federal, state, or local law, regulation or ordinance relating to the employment of the Well-Being Coordinator. CHLIC, and not Employer, shall be solely responsible for determining salaries, bonuses, and other compensation of Well-Being Coordinator.</p>	
	<p style="text-align: center;">Performance Management</p> <p>In the event that Employer is dissatisfied with the performance of any Well-Being Coordinator providing Well-Being Coordinator Services hereunder, or asserts that any Well-Being Coordinator has engaged in misconduct as defined by Employer or has materially failed to perform the Services in accordance with the Agreement, Employer shall so advise CHLIC immediately and provide in writing the facts necessary to validate the concern or complaint. CHLIC shall promptly consult with Employer as to the nature of the conduct complained of and the severity of Employer’s dissatisfaction, and shall endeavor to resolve such issues to the satisfaction of Employer provided such resolution is not unlawful or discriminatory. Employer acknowledges and agrees that the policies and procedures of CHLIC or its parent company as to the performance of Well-Being Coordinator Services shall govern, including any confidentiality requirements contained therein. Employer agrees, where necessary, to cooperate with CHLIC in conducting any investigation or inquiry, and in providing documentation and testimonial support in event of litigation concerning Well-Being Coordinator misconduct or failure to perform.</p>	
	<p style="text-align: center;">Force Majeure</p> <p>Neither CHLIC and/or Employer will be in default or otherwise liable for any delay or failure of its performance under this CHLIC Well-Being Coordinator section to the extent such delay or failure is due to causes beyond the reasonable control of CHLIC and/or Employer, such as, but not limited to, acts of God, acts of public enemy, the elements, adverse weather conditions, fire, floods, riots, strikes, accidents, disease, pandemic, war, governmental</p>	

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	<p>requirement, order or shutdown, act of civil or military authority, manufacturer delays, labor or transportation difficulties, acts or omissions of transportation common carriers, or other cause beyond the reasonable control and without the fault or negligence of affected CHLIC and/or Employer (“Force Majeure Event”). Additionally, Employer understands that in the event of a Force Majeure Event CHLIC’s ability to perform in part or in total, or ability to perform onsite, may be limited to the extent required by CHLIC HR minimal standards policies for the protection of CHLIC employees.</p>	
Health Improvement Fund		
<p>Health Improvement Fund</p>	<p>For clinical/wellness/behavioral programs offered by CHLIC that are purchased, CHLIC will establish a Health Improvement Fund in the amount of \$50,000.00. This fund will be used to defray the cost of CHLIC designated and arranged health and wellness improvement programs (e.g. biometric screenings, flu shots) for Employees of Employer and to reward participation in these programs.</p> <p>The Health Improvement Fund is a one-time credit to be used from January 1, 2025-December 31, 2025. Unused funds cannot be rolled over and CHLIC must pre-approve use of the Health Improvement Fund.</p> <p>The Health Improvement Fund shall be extinguished upon notice of termination of the Agreement and any fund amount not used prior to the notice of termination of the Agreement shall only be available to Employer for the purpose of funding the cost of those reimbursable services provided prior to such notice of termination.</p>	

Exhibit B – Services

BANKING AND ADMINISTRATION		
Excluding Health Savings Account		
	Furnishing CHLIC’s standard Bank Account activity data reports to Employer as and when agreed upon. CHLIC’s administration of the Plan does not include performing obligations, if any, under state escheat or unclaimed property laws. It is Employer’s responsibility to determine the extent to which these laws may apply to the Plan and to comply with such laws.	All Products
	<p>If Employer has elected, pursuant to section 63 of the New York Health Care Reform Act of 1996 (section 2807-t of the Public Health Law) ("the Act"), to pay the assessment on covered lives set forth in section 63 and has consented to the conditions set forth in section 63, CHLIC shall file such forms and pay such surcharge and assessment on covered lives on behalf of Employer through the Bank Account to the extent set forth in section 63. Such obligation shall end immediately upon Employer's failure to provide any information required by CHLIC to fulfill this obligation, the failure to comply with any requirement imposed upon Employer pursuant to the Act or the failure of Employer to sufficiently fund the Bank Account.</p> <p>In addition, where permitted and agreed to by CHLIC, CHLIC will file applicable forms and pay on behalf of Employer and/or the Plan any assessment, surcharge, tax or other similar charge which is required to be made by Employer and/or the Plan based on covered lives and/or paid claims or otherwise in accordance with and as required by other applicable state and/or federal laws and regulations and the Bank Account will be charged for any such payments made by CHLIC. CHLIC’s obligation to pay on behalf of Employer shall end immediately upon Employer’s failure to sufficiently fund the Bank Account.</p>	All Medical and Pharmacy Products
CLAIM ADMINISTRATION		
Excluding Health Savings Account		
	Calculate benefits, check and/or electronic payments disbursed from the Bank Account. Bank Account payments will appear in Employer’s standard Bank Account activity data reports.	All Products
	CHLIC’s generic claim forms are made available to Employer and eligible individuals.	All Products
	CHLIC’s Special Investigations Unit will investigate, pend, recommend denial of claims in whole or in part, and/or reprocess claims, as appropriate.	All Products
	Discuss claims, when appropriate, with providers of health services.	All Products
	Perform, based on CHLIC’s book of business internal audits of plan benefit payments on a random	All Products

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	sample basis.	
	Claim control procedures reported annually in Service Organization Controls (SOC) 1 Reports issued in accordance with American Institute of Certified Public Accountants Statement on Standards for Attestation Engagements (AICPA SSAE) No. 18 Report (or any applicable successor thereto).	All Products
	Respond to Insurance Department complaints.	All Products
	Designated toll-free telephone line for Member and Provider calls to CHLIC Service Centers.	All Products
	Member Explanation of Benefit (“EOB”) statements including, when applicable, notice of denied claims, denial reason(s) and appeal rights.	All Products (excluding Pharmacy)
	Verify enrollment and eligibility using Member information submitted by Employer and/or its authorized agent.	All Products
Medical Only		
	CHLIC’s enrollment methods are made available to Employer for enrolling individuals into the Plan.	All Medical Products
	CHLIC’s standard ID card with toll-free telephone number are prepared for Members.	All Medical Products
	Administration of subrogation/conditional Claim Payment (terms described in Exhibit E).	All Medical Products
PLAN BOOKLET		
	Prepare and make accessible Member benefit booklet drafts to Employer.	All Products
UNDERWRITING SERVICES		
	5500 Schedule C reporting.	All Products
	5500 Schedule A or Annual Reconciliation Disclosure reporting (when applicable)	All Products
	CHLIC’s standard Underwriting services: a) benefit design analysis b) projected cost analysis.	All Products
HIPAA INDIVIDUAL RIGHTS		
	Handling of requests from Members for access to, amendment and accounting of protected health information, and requests for restrictions and alternative communications as required under federal HIPAA law and regulations, as set out in this Agreement and its Exhibits.	All Products
COST CONTAINMENT		
	Maximum reimbursable charge determinations of non-Participating Provider charges for covered services.	All Medical Products

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	CHLIC’s standard cost containment controls: Application of non-duplication and coordination of benefits rules and coordination with Medicare.	All Medical Products
	Delivery of information, as necessary, regarding standard application of non-duplication or coordination of benefits.	All Medical Products
	Review of medical bills in accordance with CHLIC’s then current Medical Bill Review program.	All Medical Products
	Medical Cost Containment, as described in the Schedule of Financial Charges.	All Medical Products
	Annual reporting of CHLIC’s standard cost containment results upon Employer’s request.	All Medical Products
	Pharmacy Cost Containment, as described in the Schedule of Financial Charges.	All Pharmacy Products
REPORTING		
	Summary reports of medical and pharmacy cost and utilization experience (where applicable), upon completion of internal report generation, are available through Cigna's web site, CignaforEmployers.com.	All Medical and Pharmacy Products
	CHLIC’s standard pharmacy utilization reports.	Pharmacy Product Only
	Claim Reporting: CHLIC will provide standard banking and financial report information based upon paid claim data. CHLIC will not provide information on incurred-but-not reported claims, projected claims, pre-certifications of coverage, case management information or information on a Member’s prognosis or course of treatment.	All Medical and Pharmacy Products
	Individual Stop Loss Reporting is an optional service provided at an additional fee to employers who have individual stop loss through another entity other than CHLIC. CHLIC will provide its standard Individual stop loss reporting package, which includes banking and financial information based upon paid claims data, only after the stop loss carrier and Employer have executed CHLIC’s standard Hold Harmless/Confidentiality Agreement. Aggregate Stop Loss Reporting is not included as part of the standard reporting package and is not provided. CHLIC will not provide documentation and information, including but not limited to, incurred-but-not-paid claims, projected claims, pre-certifications of coverage, case management records and notes, course of treatment or prognosis, and internal audits. CHLIC does not allow stop loss carriers to audit CHLIC’s claims administration under the medical benefit plan, however, the Employer’s audit rights are set forth in the Agreement. For the sake of clarity, as it is possible that certain information, documentation, data and/or reports that are required by the stop loss carrier prior to	All Medical Products

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	reimbursement under Employer’s stop loss policy will not be available for stop loss policy administration, Employer is responsible for verifying any such required information with its stop loss carrier.	
MEMBER EXTERNAL REVIEW PROGRAM		
	CHLIC contracts with a minimum of three (3) independent review organizations that meet the Patient Protection and Affordable Care Act (PPACA) external review requirements. Members may appeal eligible claims requiring medical judgment to an external independent review organization which is selected by CHLIC on a random basis. If Employer has chosen not to participate in this program, the Employer may be responsible for making other arrangements to meet the Patient Protection and Affordable Care Act (PPACA) external review requirements.	All Medical Products
MEDICAL MANAGEMENT SERVICES		
	CHLIC provides integrated medical management that includes (depending upon the terms of the Plan) the following core services.	
	Pre-Admission Certification and Continued Stay Review (PAC/CSR) services to certify coverage of acute and sub-acute inpatient admissions/stays or provides guidance to appropriate alternative settings. Administered in accordance with CHLIC’s then applicable medical management and claims administration policies, practices and procedures.	All Medical Products
	Case Management, a service designed to provide assistance to a Member who is at risk of developing medical complexities or for whom a health incident has precipitated a need for rehabilitation or additional health care support.	All Medical Products
	Assist providers with resources and tools to enable them to develop long term treatment plans in the management of chronic or catastrophic cases.	All Medical Products
	The Cigna HealthCare Healthy Babies Program is an educational program which provides Member with prenatal care education and resources to help them better manage their pregnancy. Other benefits of this program include the Health Information Line, high risk maternity and pregnancy information on myCigna.com.	All Medical Products
	HealthCare Cost and Quality tools available on myCigna.com and myCigna mobile app.	All Medical Products
	A panel of physicians and other clinicians to assess the safety and effectiveness of new and emerging medical technologies. The panel meets monthly to review and update coverage policies.	All Medical Products
	Health Information Line is a service that provides twenty-four (24) hour toll free access to nurses who provide convenient and confidential services. Health Information Line nurses can help guide Members in finding the right care, make informed decisions about symptom-based health issues	All Medical Products

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	the Member is experiencing when they call the Health Information Line and recommend appropriate settings for care. Health Information Line nurses can help inform and educate Members about a wide variety of health and medical information, including access to a library of English and Spanish podcasts.	
	Cigna LifeSOURCE Transplant Network® contracts with more than one hundred seventy (170) independent transplant facilities which includes over eight hundred (800) transplant programs and provides access to solid organ and bone marrow/stem cell transplantation while improving cost containment and reducing financial risk.	All Medical Products
	A health education program that delivers mailings to Members with certain conditions.	All Medical Products
	Behavioral health services are provided/arranged by a CHLIC affiliate (details available upon request), including utilization review and case management for both inpatient and outpatient, in-network behavioral health services.	OAP Products: (All Members)
	Implement a quality oversight process that includes monitoring of utilization management performance measurements and a continuous quality improvement process when warranted.	All Medical Products
	Transition of care services to allow Members with defined conditions to continue treatment with non-Participating Providers after enrollment for continued uninterrupted care for a limited time.	All Medical Products Except Comprehensive and Indemnity
	Focused utilization management of outpatient procedures and identification of appropriate alternatives. Administered in accordance with CHLIC's then applicable medical management and claims administration policies, practices and procedures.	All Medical Products with Care Management Preferred
NETWORK MANAGEMENT SERVICES		
	CHLIC, and/or its affiliates or contracted vendors shall:	
	Provide or arrange access to the applicable network of Participating Providers to furnish health care services/products to Members at negotiated rates and methods of reimbursement (e.g. fee-for service, fixed per person per period, per diem charges, incentive bonuses, case rates, withholds etc.). The amount and type of negotiated reimbursement may vary depending upon the type of plan. For example, a hospital may accept less for patients enrolled in certain types of plans than others. In addition, CHLIC may contract with Participating Providers and other parties (for example Independent Practice Associations) for performance-based incentive payments to promote quality of care, patient safety and cost efficiency.	All Medical and Pharmacy Products

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	Credential and re-credential Participating Providers in accordance with CHLIC’s credentialing requirements and ensure that third-party network vendors credential/re-credential Participating Providers in accordance with CHLIC’s requirements;	All Medical and Pharmacy Products
	Monitor Participating Provider compliance with protocols and procedures for quality, Member satisfaction, and grievance resolution;	All Medical and Pharmacy Products
	Facilitate the identification of Participating Providers by Members; and	All Medical and Pharmacy Products
	Designated toll-free telephone line for Member and Provider calls to CHLIC Service Centers.	All Medical and Pharmacy Products
	Access to virtual on-demand urgent care, scheduled primary care, and scheduled behavioral health visits via phone or video, and virtual dermatology visits via secure messaging. Members may access this service via myCigna.com or the myCigna app.	All Medical Products
BEHAVIORAL HEALTH		
	CHLIC has contracted with an affiliate (details available upon request), to provide or arrange for the provision of managed in-network behavioral health services, the affiliate is a Participating Provider, and is reimbursed primarily on a monthly fixed fee basis. This fixed fee for behavioral health services will be paid as claims and will appear in Employer’s monthly reporting and on financial documents. Such payments will be at the relevant monthly rates then in effect. The monthly rates paid to the affiliate vary depending on geographic location of Members and on benefit design, and may be subject to change. The rates will be made available upon request. The fixed fee also includes applicable lifestyle management program and a cognitive behavioral modification program, InMynd pharmacy program, and a Narcotics Therapy Management pharmacy program. Behavioral claims from a client specific network are not included in the behavioral monthly fixed fee and will be paid from the Bank Account. In some states, payment for behavioral health services must be paid on a fee-for-service basis. In these states, fee-for-service payments for behavioral health services and the behavioral health administrative fee (including the applicable lifestyle management programs, a cognitive behavioral modification program, InMynd pharmacy program, and Narcotics Therapy Management pharmacy program) will be paid from the Bank Account as claims and will appear in Employer’s monthly reporting.	These services are included in the following products: OAP Products
EVERNORTH CARE GROUP SERVICES		
	The Cigna HealthCare of Arizona, Inc. staff model Evernorth Care Group (formerly known as Cigna Medical Group or “CMG”) is a multispecialty participating provider group located in metropolitan Phoenix, Arizona. Evernorth Care Group’s integrated care delivery model and population health management team work together to facilitate the way in which patients and	All Medical Products

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	<p>doctors communicate and interact in order to increase patient satisfaction and improve health outcomes.</p> <p>Plan Participants may at some time receive treatment from an Evernorth Care Group facility or provider even if they do not reside in Arizona (as when traveling). Plan Participants utilizing Cigna participating provider networks in Arizona may access certain specialty and/or ancillary services (such as urgent care services) through the Evernorth Care Group system.</p> <p>For covered services provided to Participants, Evernorth Care Group is paid at the rates in effect at the time of service (as may be revised from time to time). Representative rates for routinely performed services are available upon request.</p> <p>If the Plan requires or allows Participants to select a primary care provider (“PCP”), Phoenix area Participants who do not select a PCP during open enrollment may be assigned to or otherwise encouraged to consider an Evernorth Care Group PCP. Evernorth Care Group has established collaborative referral relationships with specialty and ancillary providers in Cigna's participating provider networks, which includes affiliated entities.</p> <p>Evernorth Care Group may also receive applicable performance-based incentive payments for its participation in programs designed to improve quality, patient safety and affordability. The incentive payments that Evernorth Care Group may receive will be determined using the same performance measures and reward formula as used in determining the incentive payments made to similarly situated non-Cigna affiliated provider entities.</p>	
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Appendix A – Pharmacy Benefit Management Services

PHARMACY BENEFIT MANAGEMENT - DEFINITIONS

Definitions

Any capitalized term not defined below shall have the meaning given to such term in the Agreement. Any capitalized term utilized in the Schedule of Financial Charges or Exhibit B shall have the meaning given to such term in the Agreement, including the meanings set forth below.

- “340B Claims” means (i) Claims submitted by 340B contracted pharmacies that adjudicate at a 340B price or are submitted with a submission clarification code of “20” or such equivalent codes for such participating network pharmacies under the applicable NCPDP format (or any successor format); (ii) claims submitted by a 340B covered entity-owned or 340B contracted pharmacies which are categorized as Type 39 or Type 38 (or such equivalent codes) in the NCPDP DataQ database or otherwise identified as a 340B Claim by the dispensing pharmacy; or (iii) claims identified as a 340B Claim by a third party administrator; or (iv) Claims identified as a 340B Claim by a pharmaceutical manufacturer and in which CHLIC may reduce a subsequent Rebate payment (or Rebate reconciliation payment, if applicable) to account for any previously-paid Rebate amounts attributable to such claim.
- "Actuarially Estimated" shall mean that the discount(s) listed in the Schedule of Financial Charges are estimated, but not guaranteed, to result in a particular average discount for Covered Drugs administered by CHLIC under this Agreement. Actuarially estimated discounts are calculated based on evaluation of an expected distribution of drug utilization across CHLIC's aggregate group client book of business. As measured in the aggregate for Employer's Pharmacy Benefit, Employer's average discount results may vary based on the Plan-specific factors such as drug mix utilization.
- “Authorized Generic” shall mean a pharmaceutical product sold, licensed, or marketed under a new drug application (NDA) approved by the Food and Drug Administration (FDA) under section 505(c) of the Federal Food, Drug and Cosmetic Act (FFDCA) that is marketed, sold or distributed under a different labeler code, product code, trade name, trademark, or packaging (other than repackaging the listed drug for use in institutions) than the innovator brand name drug.
- "Average Wholesale Price" or "AWP" shall mean the average wholesale price of a Covered Drug as established and reported by Medi-Span. The applied AWP of a Covered Drug shall be the AWP for the actual eleven (11) digit National Drug Code ("NDC"), Covered Drug specific, quantity appropriate actual package size (or the manufacturer-packaged quantity closest to the dispensed size), submitted by a Retail Pharmacy, Home Delivery Pharmacy, or Specialty Pharmacy at the time that the Covered Drug is adjudicated. Notwithstanding any other provision in this Agreement, in the event of any major change in market conditions affecting the pharmaceutical or pharmacy benefit management market, including, for example, any change in the markup, methodologies, processes or algorithms underlying the published AWP(s), CHLIC may adjust any or all of the Rebates, charges, rates, discounts, guarantees and/or

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fees in connection with CHLIC's administration of the Pharmacy Benefit hereunder, including any that are based on AWP, as it reasonably deems necessary to preserve the economic value or benefit of this Agreement to CHLIC as it existed immediately prior to such change. Additionally, and notwithstanding any other provision in this Agreement, CHLIC may replace AWP as its pharmaceutical pricing benchmark with an alternative benchmark and/or may replace Medi-Span, or other such publication, as its source for the AWP or alternative benchmark with a different pricing source, provided that CHLIC adjusts any or all such AWP-based charges or such alternative benchmark-based charges as it reasonably deems necessary to preserve the economic value or benefit of this Agreement to CHLIC as it existed immediately prior to such replacement or immediately prior to the event(s) giving rise to such replacement, as the case may be.

- "Biosimilar " shall mean a "biosimilar" biological product as defined in the Biologics Price Competition and Innovation Act of 2009 at 42 U.S.C. §262(i)(2) and approved under Section 351(k) of the Public Health Services Act.
- "Brand Drug" shall mean a prescription drug identified as such in CHLIC's master drug file using indicators from First Databank (or other source nationally recognized in the prescription drug industry) on the basis of a standard Brand/Generic Algorithm, a copy of which may be made available for review by Employer or its auditor upon request at the time of audit. Except if and where the language expressly states otherwise, a Brand Drug does not include a Specialty Brand Drug for ingredient cost discount purposes.
- "Brand /Generic Algorithm" or "BGA" shall mean the standard and proprietary brand/generic algorithm, a copy of which may be made available for review by Employer or its auditor upon request at the time of audit. The purposes of the algorithm are to stabilize products "flipping" between brand and generic status and to reduce Employer, Member and provider confusion due to fluctuations in brand/generic status. Employer or its auditor may audit CHLIC's application of its BGA to confirm that CHLIC is making brand and generic drug determinations consistent with such algorithm.
- "Cigna Home Delivery Pharmacy" shall mean a duly licensed pharmacy operated by CHLIC or its affiliates, where prescriptions are filled and delivered via the mail service, which may include, for example, Accredo Health Group, Inc., ESI Mail Pharmacy Service, Inc., Express Scripts Pharmacy Inc., Express Scripts Specialty Distribution Services, Inc. and Lynnfield Drug, Inc. (dba Freedom Fertility Pharmacy).
- "Claim," for purposes of this Appendix A, is a claim or request for coverage under the Pharmacy Benefit.
- "Compound Drug" shall mean a medication that (a) is comprised of two or more gaseous, solid, semi-solid, or liquid ingredients (other than water or flavoring added to any preparation) that are weighed or measured at a pharmacy and then prepared according to the prescriber's order and the pharmacist's art; (b) contains at least one FDA-approved federal legend drug as an active ingredient; (c) is not otherwise generally available in its compound form; and (d) is not a compound preparation administered by infusion or injection.

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- “Covered Drugs” shall mean those prescription drugs, supplies, and other items that are covered by the Plan under the Pharmacy Benefit.
- "Dispensing Fee" means an amount paid to a pharmacy for providing professional services necessary to dispense a Covered Drug to a Member.
- "FDA" shall mean the U.S. Food and Drug Administration.
- "Formulary" shall mean the list of FDA-approved prescription drugs and supplies developed and managed by CHLIC across its self-funded and insured group book of business and that is selected and adopted by Employer. The drugs and supplies included on the Formulary will be modified by CHLIC from time to time as a result of factors including, but not limited to, economic and clinical factors like clinical appropriateness, manufacturer Rebate arrangements and patent expirations. Any changes CHLIC makes to the Formulary are hereby adopted by Employer, subject to Employer’s discretion to elect not to implement any such addition or deletion through the set-up process, any such election shall be considered an Employer change to the Formulary.
- “Generic Drug” shall mean a prescription drug, whether identified by its its chemical, proprietary, or non-proprietary name, that is therapeutically equivalent and interchangeable with drugs having an identical amount of the same active ingredient(s) and approved by the FDA, and which is identified as such in CHLIC’s master drug file using indicators from First Databank (or other source nationally recognized in the prescription drug industry) on the basis of a standard Brand/Generic Algorithm, a copy of which may be made available for review by Employer or its auditor upon request at the time of audit. For pricing purposes, a Generic Drug excludes a Covered Drug that is either marketed under one (1) Abbreviated New Drug Application pursuant to 21 U.S.C. §355, and its implementing regulations, or cannot be purchased by the pharmaceutical industry at large from more than one (1) pharmaceutical wholesaler. For pricing purposes, a Generic Drug also excludes a Biosimilar.
- “Limited Distribution Drug” or “Exclusive Distribution Drug” shall mean a Specialty Drug that is not generally available from most or all pharmacies but is restricted to select pharmacies as determined by a pharmaceutical manufacturer. The list of Limited Distribution Drugs and Exclusive Distribution Drugs will be maintained by CHLIC.
- "Maximum Allowable Charge" shall mean the maximum unit price for a Covered Drug included on the applicable MAC List as set forth on such MAC List.
- "MAC List" shall mean a then-current list maintained by CHLIC of prescription drugs, devices, supplies and over-the-counter drugs identified as readily available as a Generic Drug or generally equivalent to a Brand Drug (in which case it may also be on a MAC List) and that, in each case, are deemed to require or are otherwise capable of pricing management due to the number of manufacturers, utilization and/or pricing volatility.

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- “Manufacturer Administrative Fees” shall mean administrative fees paid by pharmaceutical manufacturers to CHLIC or its affiliate or subcontractor directly in connection with administering, invoicing, allocating and collecting Rebates.
- "Pharmacy Benefits" shall mean amounts payable for covered pharmacy benefit services and products under the terms of the Plan; Pharmacy Benefits shall be considered Plan Benefits for purposes of this Agreement.
- "P&T Committee" shall mean a committee comprised of clinicians that represent a range of clinical specialties. The committee regularly reviews pharmaceutical products, new pharmaceutical products, for safety and efficacy, the findings of which clinical reviews inform coverage status decisions made by CHLIC. The P&T Committee’s review may be based on consideration of, without limitation, FDA-approved labeling, standard medical reference compendia, or scientific studies published in peer-reviewed English-language bio-medical journals.
- "PBM Proprietary Information" shall mean information relating to CHLIC's pharmacy benefit management products and services, including, without limitation, CHLIC's reporting and web-based applications, eligibility and adjudication systems and coding methodologies, system formats and databanks, clinical or formulary management operations or programs, information and agreements relating to Rebates and other financial information, prescription drug evaluation criteria and coverage policies, drug pricing information, including MAC List and Specialty Drug pricing, paid Claims information integrated into CHLIC's adjudication systems, and pharmaceutical manufacturer, vendor or pharmacy network agreements.
- “Prescription Drug Charge” shall mean the amount that, prior to application of the Plan’s cost-share requirement(s), Employer is obligated to pay for a Covered Drug dispensed at a Retail Pharmacy or Cigna Home Delivery Pharmacy, including any ingredient cost, applicable Dispensing Fee, service fee, and tax. The ingredient cost charged to Employer may be expressed as, for example, a discount off of AWP or other benchmark price, or a MAC.
- "Rebate" shall mean retrospective formulary rebates received by CHLIC pursuant to the terms of a formulary rebate contract negotiated independently and directly attributable to or arising from the utilization by Members of certain Covered Drugs manufactured, sold, marketed, or distributed by a manufacturer.

However, “Rebates” shall exclude: (i) pricing adjustments, payments and credits made in the ordinary course by any manufacturer on account of product returns, delivery errors or shipping damage or losses arising from drugs and other products purchased from such manufacturer by or on behalf of CHLIC (ii) pricing discounts paid or credited by a manufacturer to pharmacies affiliated with CHLIC for prescription drugs and other products purchased from such manufacturer; (iii) any fees or other compensation paid by any manufacturer in consideration of any services, products, activities or programs performed, provided or implemented by CHLIC or any of its affiliates for such manufacturer; (iv) Manufacturer Administrative Fees; (v) Value-Based Payments; (vi) any rebates or other amounts that are allocated to reduce and/or partially or wholly satisfy a Member’s cost-sharing obligation for a Covered Drug; and (vii) rebates or other

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amounts paid to CHLIC for prescription drugs that are administered or otherwise provided to Members in providers' offices, home health care settings, or outpatient clinics.

- "Retail Pharmacy" shall mean any licensed retail pharmacy with which CHLIC has contracted directly or indirectly with a third party, to provide Covered Drugs to Members, and is not a mail order pharmacy. A mail order pharmacy is a pharmacy that primarily fills and delivers pharmaceutical products via the mail service. The term "Retail", when immediately preceding the term "Brand Drug Claim", "Generic Drug Claim", "Specialty Drug Claim", "Specialty Brand Drug Claim", or "Specialty Generic Drug Claim" means that the resulting term (e.g., "Retail Brand Drug Claim") refers to such claim as dispensed by a Retail Pharmacy.
- "Specialty Drug" shall mean a pharmaceutical product, including a Covered Drug, considered by CHLIC to be a Specialty Drug based on consideration of the following factors: (i) whether the pharmaceutical product is prescribed and used for the treatment of a complex, chronic or rare condition; (ii) whether the pharmaceutical product has a high acquisition cost; and, (iii) whether the pharmaceutical product is subject to limited or restricted distribution, requires special handling and/or requires enhanced patient education, provider coordination or clinical oversight. A Specialty Drug may not possess all or most of the foregoing characteristics, and the presence of any one such characteristic does not guarantee that a pharmaceutical product will be considered a Specialty Drug. The term "Specialty," when immediately preceding the terms "Generic Drug" or "Brand Drug", means that the resulting term (e.g. "Specialty Generic Drug") refers to a Generic Drug or Brand Drug that is considered a Specialty Drug, respectively.
- "Specialty Pharmacy" shall mean a duly licensed pharmacy designated by or operated by CHLIC or its affiliates that primarily dispenses Specialty Drugs or provides services related thereto; provided, however, that when the Cigna Home Delivery Pharmacy dispenses a Specialty Drug, it shall be considered a Specialty Pharmacy hereunder.
- "Submitted Cash Price" means the cash price submitted by the Participating Pharmacy as part of the adjudication for a pharmacy claim and included in the lesser of adjudication pricing logic.
- "U&C Charge" shall mean the price the applicable Retail Pharmacy would charge a regular cash-paying Member for a Covered Drug (and any services related to the dispensing thereof) on the day on which the Covered Drug is dispensed.

PHARMACY BENEFIT MANAGEMENT - SERVICES TO BE PROVIDED

1. Retail Pharmacy Network.

- (a) General. CHLIC shall maintain a Retail Pharmacy network. Retail Pharmacies included in the network shall provide Covered Drugs to which the Retail Pharmacies have access to Members during their normal business hours. A list of the Retail Pharmacies included in the network, as updated from time to time, shall be made available to Members online. CHLIC maintains multiple networks and/or sub-networks and may periodically consolidate networks and/or migrate clients, including Employer, between networks and sub-networks. CHLIC shall require each Retail Pharmacy included in the network to meet its requirements for

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participation in the Retail Pharmacy network, which include, but are not limited to, satisfaction of licensing and insurance requirements.

- (b) Retail Pharmacy Audits and Overpayments. A CHLIC affiliate shall conduct an automated review of 100% of all claims. Claims that are identified during an automated review as requiring additional review by CHLIC's auditor, will then select a subset of claims for validation to ensure that each Retail Pharmacy is complying with the terms of its contract with CHLIC. In the event that CHLIC discovers that an overpayment has been made to a Retail Pharmacy, CHLIC shall take reasonable steps to recover the overpayment pursuant to the terms of this Agreement.
- (c) Independent Contractors. The Retail Pharmacies are independent contractors, and as such CHLIC does not direct or exercise any control over the pharmacists at Retail Pharmacies or the professional judgement exercised by any pharmacies in the dispensing or filling of prescriptions or performing other pharmaceutical services. Neither CHLIC nor any CHLIC affiliate shall have any liability to Employer, any Member or any other person or entity for any act or omission of any Retail Pharmacy or its agents or employees.
- (d) Collection of Cost Sharing. CHLIC shall require Retail Pharmacies to collect all applicable Plan cost-shares from Members.

2. Cigna Home Delivery Pharmacy.

- (a) General. Members may submit new or refill prescription orders for fulfillment through Cigna Home Delivery Pharmacy or such other mail service pharmacy that CHLIC in its sole discretion may select from time to time. Such orders may be placed via mail, telephone, or electronic means. Subject to Applicable Law, Employer shall permit communication with Members regarding the availability and use of the Cigna Home Delivery Pharmacy, and potential cost savings associated therewith, and the provision of supporting services (e.g. pharmacist consultation) in connection with any prescription dispensed by the Cigna Home Delivery Pharmacy. Cigna Home Delivery Pharmacy shall deliver all drugs to Members in accordance with its standard procedures. For the purposes of clarity, CHLIC does not exert direction or control over the pharmacists at Cigna Home Delivery Pharmacy in filling prescriptions or performing other pharmaceutical services.
- (b) Cost Sharing. Members are responsible for the payment of the applicable cost sharing to Cigna Home Delivery Pharmacy for each prescription or prescription refill. Employer acknowledges that Cigna Home Delivery Pharmacy may suspend services to a Member who is in default of any cost-sharing obligations, in accordance with Cigna Home Delivery Pharmacy's standard credit policy. If payment of such cost-sharing has not been received from the Member within one hundred twenty (120) days of dispensing of the product, the Plan will be billed for the outstanding amount following the one hundred twenty (120) day collection period.

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- (c) Affiliation with CHLIC. Accredo Health Group, Inc., ESI Mail Pharmacy Service, Inc., Express Scripts Pharmacy Inc., Express Scripts Specialty Distribution Services, Inc. and Lynnfield Drug, Inc. (dba Freedom Fertility Pharmacy) are licensed pharmacy affiliates of CHLIC that fill and deliver Covered Drugs to Members via the mail service.

3. Claims Processing.

- (a) General. CHLIC, in accordance with Section 2 of the Agreement, shall perform claims processing services for Covered Drugs dispensed by Retail Pharmacies or Cigna Home Delivery Pharmacy. In-network Claims shall be submitted via paper or electronically. Members using out-of-network covered services are required to submit a paper claim form. A separate charge may apply for the submission of any paper claim form, whether in-network or out-of-network. CHLIC is not required to provide coordination of benefits (COB) services for Claims for drugs dispensed, and electronically processed, at a pharmacy; Claims may be processed without consideration of a Member's coverage under another plan.
- (b) Drug Utilization Review. CHLIC shall perform a concurrent Drug Utilization Review (“DUR”) analysis of each prescription submitted for processing. Such DUR Analysis may include, for example: (1) prescribed dosage within a safe range; (2) drug-to-drug interaction; (3) drug-to-allergy interaction; (4) age-to-drug interaction; (5) duplicate therapy; (6) quantity limitations; and (7) days' supply. DUR processes shall not override the prescriber's, the pharmacist's or other health care provider's professional judgment.

4. Utilization Management Program. CHLIC shall, in accordance with Section 2 of the Agreement administer the Pharmacy Benefit utilization management program(s) identified in this Agreement. Employer acknowledges that CHLIC's coverage policies and claims administration procedures, which are utilized across CHLIC's self-funded and insured book-of-business to adjudicate claims and administer appeals, may change periodically. As an example of the coverage criteria that may apply to a pharmaceutical product, a Member may have to try one or more preferred pharmaceutical products, or demonstrate why trying the preferred pharmaceutical product(s) would be clinically inappropriate, in order to obtain coverage under the Plan for a given pharmaceutical product Employer further authorizes CHLIC to allow coverage for a use that would otherwise be excluded in the event of co-morbidities, complications and other factors not expressly addressed by the coverage policies utilized by CHLIC in reviewing Claims for coverage. CHLIC may rely wholly upon information about the Member and the prescriber's diagnosis of the Member's condition. CHLIC shall not substitute its judgment for the judgment of the prescribing physician, nor shall it determine medical necessity or make other medical determinations other than for coverage purposes.

5. Rebate Management. CHLIC shall pay Employer amounts equal to the Rebate amounts specified in the Schedule of Financial Charges.

6. Drug-Related Services.

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- (a) Specialty Drugs. CHLIC shall process Claims regarding Specialty Drugs subject to the following provisions:
- (1) The Specialty Pharmacy shall fill prescriptions for Specialty Drugs based on the professional judgment of the dispensing pharmacist, accepted pharmacy practices and product guidelines.
 - (2) A list of Specialty Drugs available via the Specialty Pharmacy and the pricing for those Specialty Drugs shall be made available as in effect on the Effective Date, as set forth in Appendix B. After the Effective Date, Employer may request that CHLIC provide it with an updated list of Specialty Drugs available via the Specialty Pharmacy and the pricing with respect thereto.
 - (3) To the extent acting in the capacity as a mail order pharmacy, the Specialty Pharmacy shall ship Specialty Drugs to Members in accordance with its standard procedures.
 - (4) Members are responsible for the payment of the applicable cost sharing to the Specialty Pharmacy for each prescription or prescription refill. Employer acknowledges that the Specialty Pharmacy may suspend services to a Member who is in default of any cost-sharing obligations, in accordance with the Specialty Pharmacy's standard credit policy. If payment has not been received from the Member within one hundred twenty (120) days of dispensing, the Plan will be billed following the one hundred twenty (120) day collection period.
 - (5) For the purposes of clarity, CHLIC does not exert direction or control over the pharmacists at the Specialty Pharmacy in filling prescriptions or performing other pharmaceutical services.
- (b) Compound Drugs. CHLIC shall process prescribed Compound Drugs to the extent covered under the Plan. CHLIC shall treat as Covered Drugs only those components of a Compound Drug that would otherwise be treated as Covered Drugs were they not part of a Compound Drug.
- (c) Discount Card Program. In order to help reduce Member pharmacy costs, CHLIC may partner and apply pharmacy discount card program market pricing where available for certain Generic Drugs. As such, certain, eligible claims may be processed by a pharmacy discount card provider when there is price favorability to the Member. Such claims will adjudicate at the pharmacy discount card market price as a cash claim. Claims will adjudicate in accordance with Employer's Plan design and clinical rules, and Member paid amounts may be applied toward deductible and out of pocket accumulator amounts unless Employer opts out of program enrollment. Claims processed under the program will be included in Rebate and pharmacy financial guarantees, where such guarantees apply. Member direct claims are excluded from the program. Program terms and conditions are subject to change upon no less than forty-five (45) days' prior notice.

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7. Member Communications and Services.

- (a) Member Communication. CHLIC shall provide to Members an ID card and instructions to access Member materials online, including the Formulary, the Retail Pharmacy directory, Cigna Home Delivery Pharmacy information, and an out-of-network Claim reimbursement form.
- (b) Rx Savings Messenger. CHLIC may send personalized mailings to Members regarding the Generic Drugs and preferred Brand Drugs and savings available from Cigna Home Delivery Pharmacy.
- (c) Call Center. CHLIC shall maintain toll-free customer service lines twenty-four (24) hours per day, seven (7) days per week for the purpose of responding to inquiries from Members regarding Retail Pharmacy, Cigna Home Delivery Pharmacy or Claims issues.

8. Formulary Management; Clinical Programs; Other Services.

CHLIC shall provide Formulary management services, which shall include implementing Formulary placement decisions and determinations to apply utilization management requirements made by CHLIC. CHLIC makes Formulary determinations based on consideration of clinical and economic factors. Clinical factors may include, but are not limited to, the CHLIC P&T Committee’s evaluation of the place in therapy, relative safety or relative efficacy of the drug, as well as whether certain supply limits or other utilization management requirements should apply. Economic factors may include, but are not limited to, the drug’s acquisition cost including, but not limited to, assessments on the cost effectiveness of the drug and available Rebates. Employer acknowledges that the Formulary, utilization management requirements, and coverage policies used by CHLIC to perform coverage reviews, including any changes made thereto, are adopted by Employer. When considering a drug for Formulary placement or other coverage conditions, CHLIC reviews clinical and economic factors regarding enrollees as a general population across its relevant book-of-business. CHLIC may also provide the clinical, safety and/or trend programs, or other programs and services to Employer, some of which may require payment of additional fees by Employer. If additional fees are required for such a program or service, CHLIC shall include the fee in the Schedule of Financial Charges or otherwise communicate the same in writing to by Employer.

PHARMACY BENEFIT MANAGEMENT - PROGRAM OPERATIONS

1. Implementation of Agreement.

- (a) Project Plan. Employer and CHLIC shall develop an agreed upon implementation project plan with respect to the Agreement prior to the Effective Date or prior to the implementation with respect to any new Pharmacy Benefit under this Agreement following the Effective Date.

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(b) Initial Data and Commencement of Pharmacy Benefit Management Services. Prior to the Effective Date, Employer shall provide CHLIC with all data and/or documentation necessary for CHLIC to provide the services specified in this Agreement. Such data and/or documentation shall include, but is not necessarily limited to, claims history and Member prior authorization history. Assuming all data specified in the preceding sentence is received sufficiently in advance of the Effective Date, CHLIC shall commence providing services under this Agreement as of the Effective Date.

2. Timely Provision of Data by Employer. Employer acknowledges that CHLIC shall not be held responsible for, and shall be released from, fulfilling any obligation or performing any service under this Agreement if Employer or its designee does not provide accurate information in a timely manner.

3. Reporting. CHLIC shall make available to Employer CHLIC's standard reporting applications, subject to Applicable Law and Exhibit D, including, without limitation, HIPAA and state privacy laws.

4. Claims Data.

(a) Retention. CHLIC shall retain data with respect to Claims for at least ten (10) years from the date the prescription is filled. Following the close of such retention period, CHLIC shall retain and dispose of such Claims data pursuant to its then-current standard policies and procedures, Applicable Law and the Business Associate Agreement described in the Agreement.

(b) Disclosure to Vendor. Upon Employer's written request and subject to execution of a non-disclosure agreement acceptable to CHLIC, CHLIC shall provide prescription Claims data in its standard format to a vendor contracted with Employer and otherwise acceptable to CHLIC solely for the purposes of such vendor's support of Plan administration functions. Employer agrees that its vendors may not utilize Claims data for any other purpose, including, without limitation, developing products and services, analyzing the Claims data against market benchmarks or CHLIC competitors or adding to a normative database (even if de-identified and/or blinded as to Member and PBM/carrier) for the Employer's or vendor's commercial use. Employer shall be responsible for any use or disclosure of Claims data, or any services provided, by the vendor. Notwithstanding the foregoing, all audits of any pricing guarantees, Rebate-sharing obligations or Claims processing accuracy shall be conducted in accordance with the terms in this Agreement specifically relating to such audits.

(c) De-Identified Data. During and after the term of this Agreement, CHLIC may use Claims, drug, and medical data that has been de-identified in accordance with HIPAA for research, provider evaluation, database maintenance, and other commercial purposes.

This provision shall survive termination or expiration of the Agreement.

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5. Pharmacy Claims Processing Audits.

- (a) Employer may, to the extent specified below and at no additional charge, conduct a claims processing audit of CHLIC's administration of Plan Benefits, once every Plan Year provided that the Agreement has been duly executed by Employer and Employer is current in the payment of all pharmacy claims under the Agreement. Audits may be initiated from February through October and new audits shall not be initiated until all parties have agreed that any and all prior pharmacy-related audits are closed. In order to balance the need to adequately support the audit process for all CHLIC clients, with an efficient allocation of resources, employers who choose to audit one or more components of the pharmacy arrangement must do so through a single annual audit.

- (b) Claims processing audits shall be subject to the following conditions: (1) the audit may take place while the Agreement is in effect or within one (1) year after the termination or expiration of the Agreement; (2) the initial audit period for a retrospective claims audit shall not exceed the twenty-four (24) months period immediately preceding CHLIC's receipt of the request to audit; (3) Employer shall be responsible for its incurred costs regarding the audit; (4) Employer shall designate, with CHLIC's consent, such consent not to be unreasonably withheld, an independent, third party auditor to conduct the audit (the "Auditor") so long as such Auditor is not engaged in providing services for Employer (including, but not limited to the Auditor's engagement as an expert witness in litigation against CHLIC or its affiliates), or otherwise, that conflict with the scope or independent nature of the audit (as determined by CHLIC acting reasonably and in good faith), and provided that Employer's Auditor executes a mutually acceptable confidentiality agreement; (5) Employer shall provide to CHLIC at least thirty (30) days prior written notice of its intent to audit, and any request by Employer to permit an Auditor to perform an audit will constitute Employer's direction and authorization to CHLIC to disclose PHI to the Auditor; (6) CHLIC will provide all data as reasonably necessary for Auditor to perform the claims processing audit within thirty (30) days following the latter of the audit kick-off call and the confidentiality agreement being fully executed or, when applicable, as otherwise agreed upon by the Parties; (7) following Auditor's initial review of the claims, Auditor will provide CHLIC in writing with all suspected categories of claim errors, if any, together with an electronic data file, in a mutually agreed upon format, containing up to three-hundred (300) claims, so that CHLIC may evaluate and investigate Auditor's suspected errors; (8) CHLIC will respond to the suspected errors within sixty (60) days from CHLIC's receipt of such written findings; (9) upon receipt and review of CHLIC's responses, Auditor will provide CHLIC with a written report of Auditor's findings and recommendations before or at the same time such audit report is provided to Employer; (10) CHLIC will respond to the audit report within thirty (30) days of the issuance of Auditor's report; (11) once both Parties have accepted the audit results, the audit shall be considered closed and final; (12) to the extent the mutually accepted audit results demonstrate claims errors, CHLIC will reprocess the claims and make corresponding adjustments to Employer; (13) CHLIC's obligations to respond within the designated periods above is conditioned upon a good faith and cooperative working relationship between Employer and/or its Auditor and CHLIC, including but not limited to no new or additional issues that appear in the final report that were not otherwise provided to CHLIC during the preliminary review of suspected errors.

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This provision shall survive termination or expiration of the Agreement.

6. Pharmacy Rebate Audits.

- (a) Employer may, to the extent specified below, in accordance with the following requirements, and at no additional charge, audit CHLIC's payment of Rebates provided that the Agreement has been duly executed by Employer and Employer is current in the payment of all pharmacy claims under the Agreement. Any Rebate audit shall occur following CHLIC's issuance of the annual financial reconciliation to Employer once in each twelve (12) month period. Audits may be initiated from February through October and new audits shall not be initiated until all parties have agreed that all prior pharmacy-related audits are closed. In order to balance the need to adequately support the audit process for all CHLIC clients, with an efficient allocation of resources, employers who desire to audit one or more components of the pharmacy arrangement must do so through a single annual audit.
- (b) Rebate audits shall be subject to the following conditions: (1) Employer shall be responsible for its incurred costs regarding the audit; (2) Employer shall designate, with CHLIC's consent, such consent not to be unreasonably withheld, an independent, third party auditor to conduct the audit (the "Auditor") so long as such Auditor is not engaged in providing services for Employer (including, but not limited to the Auditor's engagement as an expert witness in litigation against CHLIC or its affiliates), or otherwise, that conflict with the scope or independent nature of the audit (as determined by CHLIC acting reasonably and in good faith), and provided that Employer's Auditor executes a mutually acceptable confidentiality agreement; (3) Access to and audit of rebate 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); (4) Employer shall provide CHLIC with at least thirty (30) days prior written notice of its intent to audit, and any request by Employer to permit an Auditor to perform an audit will constitute Employer's direction and authorization to CHLIC to disclose PHI to the Auditor; (5) the scope of records to be audited as being necessary to determine CHLIC's compliance with its contractual Rebate payment obligations under the Agreement shall be as mutually agreed upon by the Auditor and CHLIC, and CHLIC will provide such data within thirty (30) days following the latter of the audit kick-off call and the confidentiality agreement being fully executed or, when applicable, as otherwise agreed upon by the Parties; (6) the Auditor may select for audit purposes the records of up to five (5) manufacturers for two (2) calendar quarters from the last reconciled plan year immediately preceding the written request to audit; (7) the audit shall be conducted at a mutually acceptable time during regular business hours at CHLIC's offices where such records are located; (8) following Auditor's initial rebate audit, Auditor will provide CHLIC with suspected errors, if any, and CHLIC will respond to the suspected errors in no more than sixty (60) days from receipt of such findings; (9) records shall not be removed or photocopied without CHLIC's express written consent; (10) for the sole purpose of confirming compliance with the audit confidentiality agreement, Auditor will first submit in draft to CHLIC, and prior to

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submission to Employer, its Rebate audit report, so that CHLIC can confirm that no terms of the applicable rebate agreements which are confidential, are disclosed in the audit report; (11) the Auditor shall provide its final audit report to CHLIC and Employer at the same time; (12) CHLIC will respond to the audit report within thirty (30) days of the issuance of Auditor's report; and (13) the Auditor may disclose the aggregate amount of Rebates due Employer but no other details of CHLIC's rebate contracts of which the Auditor is apprised, if any.

This provision shall survive termination or expiration of the Agreement.

7. Pharmacy Financial Guarantee Reconciliation Audits.

- (a) Employer may, to the extent specified below and at no additional charge, conduct a Financial Guarantee Reconciliation audit once every Plan Year following CHLIC's issuance of the annual financial reconciliation to Employer, provided that the Agreement has been duly executed by Employer and Employer is current in the payment of all pharmacy claims under the Agreement. Audits may be initiated from February through October and new audits shall not be initiated until all parties have agreed that all prior pharmacy-related audits are closed. In order to balance the need to adequately support the audit process for all CHLIC clients, with an efficient allocation of resources, employers who choose to audit one or more components of the pharmacy arrangement must do so through a single annual audit.
- (b) Financial Guarantee audits shall be subject to the following conditions: (1) the audit may take place while the Agreement is in effect or within one (1) year after the termination or expiration of the Agreement; (2) such audit may cover up to two prior contract years to the extent such prior contract years have not previously been audited; (3) Employer shall be responsible for its incurred costs regarding the audit; (4) Employer shall designate with CHLIC's consent, such consent not to be unreasonably withheld, an independent, third party auditor to conduct the audit (the "Auditor") so long as such Auditor is not engaged in providing services for Employer (including, but not limited to the Auditor's engagement as an expert witness in litigation against CHLIC or its affiliates), or otherwise, that conflict with the scope or independent nature of the audit (as determined by CHLIC acting reasonably and in good faith), and provided that Employer's Auditor executes a mutually acceptable confidentiality agreement; (5) Employer shall provide CHLIC with at least thirty (30) days' prior written request for the audit, and any request by Employer to permit an Auditor to perform an audit will constitute Employer's direction and authorization to CHLIC to disclose PHI to the Auditor; (6) CHLIC will provide all data as reasonably necessary for Auditor to determine that CHLIC has performed in accordance with its contractual obligations regarding the financial guarantees, and CHLIC will provide such data within thirty (30) days following the latter of the audit kick-off call and the confidentiality agreement being fully executed or, when applicable, as otherwise agreed upon by the Parties; (7) any adjustments resulting from the audit will be based upon the actual Claims reviewed and not upon statistical projections or extrapolations, as the Auditor will be furnished with 100% of the paid Claims processed during the applicable contract period for purposes of the audit; (8) following Auditor's initial review and prior to the

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submission of its written audit report, the Auditor will provide CHLIC in writing with all of the suspected errors, if any, and CHLIC will respond to such suspected errors within sixty (60) days from CHLIC's receipt of such preliminary findings; (9) CHLIC will respond to any audit report issued by the Auditor within thirty (30) days of the issuance of same; and (10) CHLIC will reconcile mutually agreed upon amounts due to Employer within a reasonable period of time following mutual agreement regarding any amount due to the Employer. CHLIC's obligations to respond within the designated periods above is conditioned upon a good faith and cooperative working relationship between Employer and/or its Auditor and CHLIC, including but not limited to no new or additional issues that appear in the final report that were not otherwise provided to CHLIC during the preliminary review of suspected errors.

This provision shall survive termination or expiration of the Agreement.

PHARMACY BENEFIT MANAGEMENT - FUNDING AND PAYMENT OF CLAIMS; CHARGES

1. **Funding and Payment of Claims.** With respect to Pharmacy Benefits, (1) CHLIC may withdraw funds from the Bank Account for the purposes specified in Section 3 of the Agreement five times per month, and (2) any recovered overpayments shall be credited to Employer via a line item on its invoice, less the fee set forth on the Schedule of Financial Charges.
2. **Retroactive Member Changes and Terminations.** Notwithstanding anything in the Agreement to the contrary, Employer shall remain responsible for all charges and Bank Account Payments incurred or charged through the date CHLIC processed Employer's notice of a retroactive change or termination of a Member's enrollment in the Plan. Notwithstanding anything to the contrary in Section 4.c. of the Agreement, with respect to Pharmacy Benefits, CHLIC generally will implement eligibility updates received from Employer that adhere to CHLIC's standard electronic format as soon as reasonably practicable following receipt of such updates.

PHARMACY BENEFIT MANAGEMENT - FIDUCIARY ACKNOWLEDGMENTS

CHLIC offers pharmacy benefit management services for consideration by Employer and other entities. The general parameters of such services and the supporting systems have been developed by CHLIC as part of CHLIC's administration of its general business as a pharmacy benefit manager for entities that sponsor group health plans. The Parties have negotiated the terms of this Agreement in an arm's-length fashion. Except to the extent CHLIC conducts the final level of internal appeal as set forth in Section 2.c of the Agreement, the Parties assert that neither Party intends that CHLIC shall be a fiduciary with respect to Pharmacy Benefits for either ERISA (if applicable) or state law purposes, and neither Party shall name CHLIC or any of its affiliates as a "plan fiduciary" with respect to its management of Pharmacy Benefits. Employer acknowledges and agrees that CHLIC (i) does not have discretionary authority or control respecting management of the Pharmacy Benefits, and (ii) does not exercise any authority or control respecting management or disposition of the assets relating to Pharmacy Benefits or of Employer. Rather, Employer retains all such authority and control. The Parties agree that, upon reasonable notice, CHLIC shall have the right to terminate its Pharmacy Benefit services under this Agreement to any Plan and/or Members located in a state that requires a pharmacy benefit manager to be a fiduciary to Employer, the Plan or a Member.

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This provision shall survive termination or expiration of the Agreement.

PHARMACY BENEFIT MANAGEMENT - FINANCIAL ARRANGEMENTS

- 1. General.** CHLIC contracts with its PBM affiliate for the provision of pharmacy benefit services and financial arrangements. As such, CHLIC or its PBM affiliate, directly or indirectly contract on their own accounts with Retail Pharmacies and Cigna Home Delivery Pharmacy to dispense covered pharmaceutical products to Employer’s Members, and not on behalf of, or for the benefit of, Employer or the Plan; accordingly, any discounts or other remuneration CHLIC or its PBM affiliate earns under an arrangement with a Retail Pharmacy or Cigna Home Delivery Pharmacy are obtained for, and inure to, the sole and exclusive benefit of CHLIC or the PBM affiliate, and not the Employer or the Plan. Amounts paid by CHLIC or its PBM affiliate or by the PBM affiliate for Retail Pharmacy or Cigna Home Delivery Pharmacy for Brand Drug, Generic Drug, or Specialty Drug Claims may or may not be equal to the amount charged to Employer and/or Member. If the amount paid by Employer and/or Member does not equal the amount paid by CHLIC or its PBM affiliate or by the PBM affiliate to a particular pharmacy, CHLIC and its PBM affiliate will absorb or retain such difference. CHLIC may directly or indirectly contract for Rebates, Manufacturer Administrative Fees, and other remuneration on its own behalf and for its own benefit, and not on behalf of Employer or the Plan. As an example of other remuneration other than Rebates or Manufacturer Administrative Fees that CHLIC may earn, CHLIC may also directly or indirectly earn pharmaceutical manufacturers remuneration in connection with value payments and/or services that CHLIC provides to Employer (“Value-Based Payments”). Notwithstanding anything in this Agreement to the contrary, any Value-Based Payments earned by CHLIC are separate and apart from any Rebates or Manufacturer Administrative Fees that CHLIC directly or indirectly earns from pharmaceutical manufacturers, and CHLIC may retain any Value-Based Payments it earns. As examples of the value payments and/or services that CHLIC may provide to Employer in connection with Value-Based Payments that CHLIC may earn, CHLIC may provide care management or other services to Employer and/or remit to Employer monetary credits if Members discontinue therapy on certain pharmaceutical products. Information regarding any services, and/or monetary credits or other financial value, for which Employer may be eligible with respect to specific pharmaceutical products or therapeutic classes/conditions, including the products for which monetary credits or other financial value may be available to Employer, the amount of that value, and other payment terms, is available upon request. Any value payments and/or services provided by CHLIC to Employer are subject to change or termination by CHLIC as the value program(s), if any, offered by CHLIC change(s) or terminate(s). Accordingly, CHLIC retains all right, title and interest to any and all actual Rebates, Manufacturer Administrative Fees, Value-Based Payments, and other remuneration received directly or indirectly from manufacturers. CHLIC may provide Employer amounts equal to all or some portion of the Rebate and Manufacturer Administrative Fee amounts, or other financial value generated in connection with any value program(s), allocated to Employer, if any, and as specified on the Schedule of Financial Charges, from CHLIC's general assets (neither Employer, its Members, nor Employer’s Plan retains any beneficial or proprietary interest in CHLIC's general assets). Rebate and Manufacturer Administrative Fee amounts received vary based on factors including, without limitation, Employer-specific utilization, the volume of utilization as well as Formulary position applicable to the drug or supplies, and adherence to various formulary management controls, benefit design requirements, and Claims volume. Employer acknowledges and agrees that neither it, its Members nor its Plan will have a right to interest on, or the time value of, any Claim payments charged by

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CHLIC to Employer or any Rebate, Manufacturer Administrative Fee or other payments received by CHLIC during the collection period of moneys payable under this section, if any, and that CHLIC shall retain any such remuneration. For purposes of this provision, the term CHLIC shall also include and mean CHLIC's PBM affiliate, Express Scripts, Inc.

2. **Affiliates.** Cigna Home Delivery Pharmacy may maintain product purchase discount arrangements and/or fee-for-service arrangements with pharmaceutical manufacturers and wholesale distributors in its capacity as a mail service and/or specialty pharmacy. Cigna Home Delivery Pharmacy may contract for these arrangements on its own account in support of its pharmacy operations, and not on behalf of, or for the benefit of, Employer or the Plan. Accordingly, Cigna Home Delivery Pharmacy retains the sole and exclusive benefit of any difference between its acquisition cost for a pharmaceutical product and the amount charged to Employer under this Agreement. Further these arrangements relate to services provided outside of this Agreement and other pharmacy benefit management arrangements and may be entered into without regard to whether a specific drug is on one of the formularies that CHLIC offers to entities that sponsor group health plans. Discounts and fee-for-service payments received by Cigna Home Delivery Pharmacy are not part of the pharmacy benefit management formulary rebates or associated administrative fees or charges paid to CHLIC in connection with CHLIC's pharmacy benefit management formulary rebate programs.

This provision shall survive termination or expiration of the Agreement.

PHARMACY BENEFIT MANAGEMENT - OBLIGATIONS UPON TERMINATION

Upon notice of termination of this Agreement, the following provisions shall apply with respect to Pharmacy Benefits:

- a) Employer shall notify Members at least thirty (30) days prior to the termination of the Agreement becoming effective of any transition to a successor pharmacy benefit manager.
- b) If mutually agreed upon by CHLIC and Employer, CHLIC shall provide services following termination of the Agreement at CHLIC's then-prevailing rate. Such services, if any, shall be determined by mutual agreement of CHLIC and Employer in advance of the termination of the Agreement becoming effective.
- c) Upon request by Employer and subject to execution of a nondisclosure agreement acceptable to CHLIC, CHLIC shall transition Claims files and/or history to the pharmacy benefit manager or other third party specified by Employer and otherwise acceptable to CHLIC. Any disclosure of Claims files and/or history shall be limited to the information the successor pharmacy benefit manager or other third party needs to implement or administer Employer's pharmacy benefits. CHLIC shall not be required to directly or indirectly release, and Employer shall not release, PBM Proprietary Information to any such third party.
- d) Upon termination of the Agreement for any reason, the Parties shall handle Confidential Information, PBM Proprietary Information and Protected Health Information (as defined in the Business Associate Agreement attached as Exhibit D) pursuant to

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the terms of the Agreement.

- e) In the event that CHLIC terminates the Agreement pursuant to Section 1.vi of the Agreement, CHLIC shall have no further obligation following the date of such termination to pay Employer any Rebates, or any other amount that may otherwise be payable by CHLIC to Employer.

This provision shall survive termination or expiration of the Agreement.

PHARMACY BENEFIT MANAGEMENT - CONFIDENTIALITY

- 1. General.** Employer acknowledges and agrees that CHLIC's PBM Proprietary Information constitutes competitively sensitive trade secrets, and that its misuse or mis-disclosure could result in material financial and legal loss or liability to CHLIC, its affiliates and their respective subcontractors. CHLIC shall not be required to disclose PBM Proprietary Information to Employer except to the extent necessary for Employer to exercise any audit rights expressly provided hereunder or perform other Plan administration functions. If CHLIC discloses PBM Proprietary Information to Employer, or, if CHLIC consents, to the Employer's vendor or designee, CHLIC may require Employer, or its vendor or designee, to execute a non-disclosure agreement specifically relating to the requested PBM Proprietary Information. Employer agrees that it and its vendors may not utilize PBM Proprietary Information for any purpose other than performing Plan administration functions, including, without limitation, developing products and services, de-identifying, blinding or analyzing the PBM Proprietary Information against market benchmarks or CHLIC competitors or adding to a normative database for the Employer's, or vendor's or designee's, commercial use. For the purposes of clarity, information shall not cease to qualify as PBM Proprietary Information if Employer or its vendor or designee de-identifies and/or blinds the PBM Proprietary Information such that the information cannot be traced or identified to a Member or CHLIC, its affiliates or their respective subcontractors. Employer shall be solely responsible for any disclosure of PBM Proprietary Information by CHLIC to Employer or its vendor or designee, or any subsequent use or disclosure by Employer or its vendor or designee, or services provided by the same. Notwithstanding anything herein to the contrary, in no event will CHLIC be required to disclose to Employer, or its vendor or designee, information related to, or including, its pharmacy network agreements, vendor agreements or pharmaceutical manufacturer agreements.
- 2. Compelled Disclosures.** If at any time Employer, or its vendor or designee, is required by law, court order or other valid legal process to disclose any Confidential Information, it will promptly notify CHLIC prior to any such compelled disclosure and, upon request, cooperate with CHLIC in seeking a protective order or other available relief to contest or limit the scope of such compelled disclosure.
- 3. Return or Destruction of Information.** At any time upon CHLIC's request or upon expiration or termination of this Appendix A or the Agreement, whichever occurs first, Employer will, at CHLIC's option, promptly deliver, or, as the case may be, compel its vendor or designee to deliver, to CHLIC all PBM Proprietary Information or other Confidential Information (or such portion thereof as requested) and not retain any copies in whole or in part of such PBM Proprietary Information or other Confidential Information, or securely destroy or dispose, or, as the case may be, compel its vendor or designee to destroy or dispose, of those portions of documents and other

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materials in any form, including electronic form, prepared by or received by the Employer or its vendor or designee, that contain or reflect such PBM Proprietary Information or other Confidential Information. Employer, or its vendor or designee, shall certify such return and destruction, as the case may be, to CHLIC.

Appendix B - Cigna Home Delivery Pharmacy Specialty Drug List

THIS SPECIALTY DRUG LIST IS CONFIDENTIAL, PROPRIETARY INFORMATION OF CHLIC. IT IS PROVIDED SOLELY FOR EMPLOYER'S PLAN ADMINISTRATION PURPOSES. RE-DISCLOSURE IS STRICTLY PROHIBITED EXCEPT AS OTHERWISE PROVIDED BY APPLICABLE LAW. CHLIC RESERVES ALL LEGAL RIGHTS AND REMEDIES TO ENFORCE THESE PROHIBITIONS ON USE AND DISCLOSURE.

The Specialty Drug List shall be provided separately to Employer, and is hereby incorporated into the Agreement by reference, inclusive of any changes made subsequent to CHLIC's initial issuance of the Specialty Drug List to Employer to the pharmaceutical products included on the Specialty Drug List or the discounts pertaining to such pharmaceutical products. Upon Employer's request on or after the Effective Date, CHLIC shall provide to Employer an updated Specialty Drug List.

Currently Marketed Specialty Drugs on this Specialty Drug List. The discounts in this Specialty Drug List are the discounts that will be adjudicated in CHLIC's claim processing system for the drug indicated when dispensed by Cigna Home Delivery Pharmacy, subject to all of the following.

- The discounts in this Specialty Drug List are based on the terms and design of the Pharmacy Benefit that Employer has adopted and disclosed to CHLIC. Accordingly, if Employer fails to disclose to CHLIC, for example, that it uses or intends to use a consumer-driven health plan, a major cost-sharing program, or a utilization management program promoting generic or OTC drugs over brand drugs, CHLIC may adjust the discounts as it reasonably deems necessary to preserve the economic value or benefit of this Agreement as CHLIC anticipated based on the terms and design of the Pharmacy Benefit previously disclosed to CHLIC and prior to CHLIC's discovery of the Pharmacy Benefit design feature that materially impacts CHLIC's discounts in this Specialty Drug List.
- The discounts in this Specialty Drug List shall not apply to Compound Drug claims, Claims that process at U&C, direct member reimbursement (DMR) Claims, and drugs adjudicated under the medical benefit.
- Any or all of the discounts in this Specialty Drug List may be adjusted by CHLIC to the extent reasonably necessary to preserve the economic value of this Agreement as it existed immediately prior to the occurrence of any of the following events: (a) there are any significant changes in the composition of CHLIC's pharmacy network or in CHLIC's pharmacy network contract compensation rates, or the structure of the pharmacy stores/chains/vendors that are contracted with CHLIC, including but not limited to disruption in the retail pharmacy delivery model, or bankruptcy of a chain pharmacy; or (b) there is a change in government laws or regulations which has a significant impact on pharmacy claim costs; or (c) any material manufacturer-rebate contracts with or for the benefit of CHLIC are terminated or modified in whole or in part; or (d) there is any legal action or Law that materially affects or could materially affect the manner in which CHLIC's rebate program is administered or an existing Law is interpreted so as to materially affect or potentially have a material effect on CHLIC's administration of the Pharmacy Benefit; (e) there is a material change in the Plan or the Plan's Pharmacy Benefit that is initiated by Employer which impacts CHLIC's costs or (f) a major change in market conditions affecting the pharmaceutical or pharmacy benefit management market, a drug shortage in the market, an issue involving the safety of the drug supply, or similar market situation.

New-to-Market Specialty Products. Specialty Drug Claims, excluding Limited Distribution Drugs and

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Exclusive Distribution Drugs, that are for new-to-market drugs will have a minimum market-introduction guaranteed discount of 11.45% off the drug's AWP.

“Limited Distribution Drug” or “Exclusive Distribution Drug” shall mean a Specialty Drug that is not generally available from most or all pharmacies and is restricted to select pharmacies as determined by a pharmaceutical manufacturer. The list of Limited Distribution Drugs and Exclusive Distribution Drugs will be maintained by CHLIC.