

CONTRACT NO.: DMS 13/14-011
BETWEEN
FLORIDA DEPARTMENT OF MANAGEMENT SERVICES
AND
CAREMARKPCS HEALTH, L.L.C.

AMENDMENT NO.: 1

This Amendment to the Pharmacy Benefit Management Services Contract No. DMS 13/14-011 ("Contract"), by and between the State of Florida, Department of Management Services ("Department"), and CaremarkPCS Health, L.L.C. ("Service Provider") and collectively known as the "Parties."

Therefore, the Parties agree to amend the Contract as follows:

1. Section 11.15 Public Records, of the Contract, is replaced in its entirety with the following:

11.15 Public Records

11.15.1 Access to Public Records

The Department may unilaterally cancel this Contract for refusal by the Service Provider to comply with this section by not allowing public access to all documents, papers, letters or other material made or received by the Service Provider in conjunction with the Contract, unless the records are exempt from section 24(a) of Article I of the State Constitution and section 119.07(1), Florida Statutes.

11.15.2 Redacted Copies of Confidential Information

If the Service Provider considers any portion of any documents, data, or records submitted to the Department to be confidential, proprietary, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority, the Service Provider must simultaneously provide the Department with a separate redacted copy of the information it claims as Confidential and briefly describe in writing the grounds for claiming exemption from the public records law, including the specific statutory citation for such exemption. This redacted copy shall contain the Contract name and number, and shall be clearly titled "Confidential." The redacted copy should only redact those portions of material that the Service Provider claims is confidential, proprietary, trade secret or otherwise not subject to disclosure.

11.15.3 Request for Redacted Information

In the event of a public records or other disclosure request pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority, to which documents that are marked as "Confidential" are responsive, the Department will provide the Service Provider-redacted copies to the requestor. If a requestor asserts a right to the Confidential Information, the Department will notify the Service Provider such an assertion has been made. It is the Service Provider's responsibility to assert that the information

in question is exempt from disclosure under Chapter 119 or other applicable law. If the Department becomes subject to a demand for discovery or disclosure of the Confidential Information of the Service Provider under legal process, the Department shall give the Service Provider prompt notice of the demand prior to releasing the information labeled "Confidential" (unless otherwise prohibited by applicable law). The Service Provider shall be responsible for defending its determination that the redacted portions of its response are confidential, proprietary, trade secret, or otherwise not subject to disclosure.

11.15.4 Indemnification

The Service Provider shall protect, defend and indemnify the Department for any and all claims arising from or relating to the Service Provider's determination that the redacted portions of its response are confidential, proprietary, trade secret, or otherwise not subject to disclosure. If the Service Provider fails to submit a redacted copy of information it claims is Confidential, the Department is authorized to produce the entire documents, data, or records submitted to the Department in answer to a public records request or other lawful request for these records.

11.15.5 Contractor as Agent

Solely for the purposes of this section, the Contract Manager is the agency's custodian of public records. If, under this Contract, the Service Provider is providing services and is acting on behalf of a public agency, as provided by section 119.0701, Florida Statutes, the Service Provider shall:

- a) Keep and maintain public records required by the public agency to perform the service.
- b) Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within reasonable time and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the Contract term and following the completion of the Contract if the Service Provider does not transfer the records to the public agency.
- d) Upon completion of the Contract, transfer, at no cost, to the public agency all public records in possession of the Service Provider or keep and maintain public records required by the public agency to perform the service. If the Service Provider transfers all public records to the public agency upon completion of the Contract, the Service Provider shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Service

Provider keeps and maintains public records upon completion of the Contract, the Service Provider shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

- e) **IF THE SERVICE PROVIDER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE SERVICE PROVIDER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE TELEPHONE NUMBER, EMAIL ADDRESS AND MAILING ADDRESS PROVIDED FOR THE CONTRACT MANAGER.**

- 2. The following is added as section 11.22 of the Contract:

11.22. Cooperation with the Inspector General

Pursuant to section 20.055(5), Florida Statutes, the Vendor and any subcontractors understand and will comply with their duty to cooperate with the inspector general in any investigation, audit, inspection, review or hearing.

- 3. Exhibit A: Minimum Service Requirements, Section XII., Payment Information, sub-item 148.c. is amended as follows:

Service Provider shall provide the Department the greater of one hundred percent (100%) pass-through of actual Manufacturer Payments (as defined in Section 1 - Definitions) or specified Per Prescription Rebate Guarantees or Per Brand Prescription Rebate Guarantees (as described below). Whether Service Provider will provide the Department with Per Prescription Rebate Guarantees or Per Brand Prescription Rebate Guarantees is determined at the sole discretion of the Department. The Department shall communicate its election of Per Prescription Rebate Guarantees or Per Brand Prescription Rebate Guarantees in writing annually, on a calendar year basis, prior to the start of the applicable calendar year.

- 4. The following paragraph is added to Exhibit A: Minimum Service Requirements, Section XII., Payment Information, sub-item 148.e.:

In lieu of the "Per Prescription Rebate Guarantees" the Department may, at its sole discretion, choose the Service Provider's proposed "Per Brand Prescription Rebate Guarantees". Under the Per Brand Prescription Rebate Guarantees option, specified amounts will apply to all brand drug prescriptions (e.g., all formulary brand drug, non-formulary brand drug, and specialty brand drug prescriptions regardless of delivery channel) dispensed under the Plan; including covered prescriptions where the participant paid the full cost of the drug and the

Plan paid zero; and excluding brand drugs dispensed in lieu of a generic at generic pricing levels (house generics).

5. Contract Exhibit E: Fees, Claims, Clinical Programs, and Drug Lists, in the section labeled "Pricing," the first paragraph on page three (3) is replaced in its entirety as follows:

Along with a 100% pass through of all Manufacturer Payments, Service Provider will provide the State with minimum Per Prescription or Per Brand Prescription Rebate Guarantees (regardless of drug type or formulary status). Quarterly payments for the minimum Per Prescription or Per Brand Prescription Rebate Guarantee amounts shall be paid to the Department no later than the 90th day following the end of the calendar quarter. Any Rebates received by the Service Provider and not previously remitted to the Department that are in excess of the minimum Per Prescription or Per Brand Prescription Rebate Guarantee amount for each of the previous quarters of the Contract shall be remitted no later than the 90th day following payment for the minimum Per Prescription or Per Brand Prescription Rebate Guarantee amounts.

6. Contract Exhibit E: Fees, Claims, Clinical Programs, and Drug Lists, the section labeled "Fees," is replaced in its entirety with the following:

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Annual Pricing Guarantees (100,000 - 129,999 Subscribers)						
Financial Offer	2015	2016	2017	2018	2019	2020
ADMINISTRATIVE FEES (dollar amount PEPM)						
1. Administrative Fee PEPM						
	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing
2. Medicare Part D Subsidy Support Fee per month per Medicare Eligible Participant <u>Not Enrolled in Part D</u>						
3. Paper Claim Processing fee (fee per paper claim)						
DISPENSING FEE GUARANTEES (dollar amount per Prescription)						
4. Retail 30-day (specialty and non-specialty)						
a. Brand Drugs						
b. Generic Drugs						
5. Mail Order and Retail 90-day						
a. Brand Drugs						
b. Generic Drugs						

[illegible]

PER PRESCRIPTION REBATE GUARANTEES (dollar amounts per prescription)

- With No Formulary Drug Exclusions

13.1.a. Retail 30 (non-specialty)	
13.1.b. Retail (specialty)	
13.1.c. Mail order and Retail 90 (plans with mandatory mail)	
13.1.d. Mail order and Retail 90 (plans with no mandatory mail)	
13.1.e. Specialty Pharmacy (Exclusive arrangement)	

PER BRAND PRESCRIPTION REBATE GUARANTEES (dollar amounts per brand prescription)

- With No Formulary Drug Exclusions

13.2.a. Retail 30 (non-specialty)	
13.2.b. Retail (specialty)	
13.2.c. Mail order and Retail 90 (plans with mandatory mail)	
13.2.d. Mail order and Retail 90 (plans with no mandatory mail)	
13.2.e. Specialty Pharmacy (Exclusive arrangement)	

Annual Pricing Guarantees (130,000 - 200,000 Subscribers)						
Financial Offer	2015	2016	2017	2018	2019	2020
ADMINISTRATIVE FEES (dollar amount PEPM)						
1. Administrative Fee PEPM						
	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing	Core Administrative Services: [REDACTED] PMPM; Drug Cost Report Upload & Reconciliation: additional [REDACTED] PMPM; Eligibility Submission & Reconciliation: additional [REDACTED] PMPM; Letter of Creditable Coverage: [REDACTED] per mailing
2. Medicare Part D Subsidy Support Fee per month per Medicare Eligible Participant <u>Not Enrolled in Part D</u>						
3. Paper Claim Processing fee (fee per paper claim)						
DISPENSING FEE GUARANTEES (dollar amount per Prescription)						
4. Retail 30-day (specialty and non-specialty)						
a. Brand Drugs						
b. Generic Drugs						
5. Mail Order and Retail 90-day						
a. Brand Drugs						

b. Generic Drugs
6. Specialty Pharmacy (Exclusive arrangement)
a. Brand Drugs
b. Generic Drugs

AWP DISCOUNT GUARANTEES (percent discount off AWP)

7. Retail 30 (non-specialty)
a. Brand Drugs
b. Generic Drugs
8. Retail (specialty)
a. Brand Drugs
b. Generic Drugs
9. Mail Order and Retail 90 (plans with mandatory maintenance-90)
a. Brand Drugs
b. Generic Drugs
10. Mail Order and Retail 90 (plans with no mandatory mail)
a. Brand Drugs
b. Generic Drugs
11. Specialty Pharmacy (Exclusive arrangement)
a. Brand Drugs
b. Generic Drugs

REBATE PASS-THROUGH (percent of Total Rebates shared with the Department)

- With No Formulary Drug Exclusions

12 a. Retail (non-specialty)
12 b. Retail (specialty)
12. c. Mail order (plans with mandatory mail)
12. d. Mail order (plans with no mandatory mail)
12. e. Specialty Pharmacy (Exclusive arrangement)

PER PRESCRIPTION REBATE GUARANTEES (dollar amounts per prescription)

- With No Formulary Drug Exclusions

13.1.a. Retail 30 (non-specialty)	
13.1.b. Retail (specialty)	
13.1.c. Mail order and Retail 90 (plans with mandatory mail)	
13.1.d. Mail order and Retail 90 (plans with no mandatory mail)	
13.1.e. Specialty Pharmacy (Exclusive arrangement)	

PER BRAND PRESCRIPTION REBATE GUARANTEES (dollar amounts per brand prescription)

- With No Formulary Drug Exclusions

13.2.a. Retail 30 (non-specialty)	
13.2.b. Retail (specialty)	
13.2.c. Mail order and Retail 90 (plans with mandatory mail)	
13.2.d. Mail order and Retail 90 (plans with no mandatory mail)	
13.2.e. Specialty Pharmacy (Exclusive arrangement)	

Annual Pricing Guarantees (200,001 - 240,000 Subscribers)						
Financial Offer	2015	2016	2017	2018	2019	2020
ADMINISTRATIVE FEES (dollar amount PEPM)						
1. Administrative Fee PEPM						
	Core Administrative Services: █████ PMPM; Drug Cost Report Upload & Reconciliation: additional █████ PMPM; Eligibility Submission & Reconciliation: additional █████ PMPM; Letter of Creditable Coverage: █████ per mailing	Core Administrative Services: █████ PMPM; Drug Cost Report Upload & Reconciliation: additional █████ PMPM; Eligibility Submission & Reconciliation: additional █████ PMPM; Letter of Creditable Coverage: █████ per mailing	Core Administrative Services: █████ PMPM; Drug Cost Report Upload & Reconciliation: additional █████ PMPM; Eligibility Submission & Reconciliation: additional █████ PMPM; Letter of Creditable Coverage: █████ per mailing	Core Administrative Services: █████ PMPM; Drug Cost Report Upload & Reconciliation: additional █████ PMPM; Eligibility Submission & Reconciliation: additional █████ PMPM; Letter of Creditable Coverage: █████ per mailing	Core Administrative Services: █████ PMPM; Drug Cost Report Upload & Reconciliation: additional █████ PMPM; Eligibility Submission & Reconciliation: additional █████ PMPM; Letter of Creditable Coverage: █████ per mailing	Core Administrative Services: █████ PMPM; Drug Cost Report Upload & Reconciliation: additional █████ PMPM; Eligibility Submission & Reconciliation: additional █████ PMPM; Letter of Creditable Coverage: █████ per mailing
2. Medicare Part D Subsidy Support Fee per month per Medicare Eligible Participant <u>Not Enrolled in Part D</u>						
3. Paper Claim Processing fee (fee per paper claim)						
DISPENSING FEE GUARANTEES (dollar amount per Prescription)						
4. Retail 30-day (specialty and non-specialty)						
a. Brand Drugs						
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b. Generic Drugs						

6. Specialty Pharmacy (Exclusive arrangement)	
a. Brand Drugs	
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AWP DISCOUNT GUARANTEES (percent discount off AWP)	
7. Retail 30 (non-specialty)	
a. Brand Drugs	
b. Generic Drugs	
8. Retail (specialty)	
a. Brand Drugs	
b. Generic Drugs	
9. Mail Order and Retail 90 (plans with mandatory maintenance-90)	
a. Brand Drugs	
b. Generic Drugs	
10. Mail Order and Retail 90 (plans with no mandatory mail)	
a. Brand Drugs	
b. Generic Drugs	
11. Specialty Pharmacy (Exclusive arrangement)	
a. Brand Drugs	
b. Generic Drugs	
REBATE PASS-THROUGH (percent of Total Rebates shared with the Department)	
<i>- With No Formulary Drug Exclusions</i>	
12 a. Retail (non-specialty)	
12 b. Retail (specialty)	
12. c. Mail order (plans with mandatory mail)	
12. d. Mail order (plans with no mandatory mail)	
12. e. Specialty Pharmacy (Exclusive arrangement)	

PER PRESCRIPTION REBATE GUARANTEES (dollar amounts per prescription)

- With No Formulary Drug Exclusions

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PER BRAND PRESCRIPTION REBATE GUARANTEES (dollar amounts per brand prescription)

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13.2.a. Retail 30 (non-specialty)	
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13.2.c. Mail order and Retail 90 (plans with mandatory mail)	
13.2.d. Mail order and Retail 90 (plans with no mandatory mail)	
13.2.e. Specialty Pharmacy (Exclusive arrangement)	

7. This Amendment is hereby made a part of this Contract. All other terms and conditions of the Contract shall remain in full force and effect. Except as otherwise expressly set forth herein, the terms and conditions contained in the Contract and subsequent amendments are unchanged. This Amendment sets forth the entire understanding between the Parties with regard to the subject matter hereof.
8. The Fees identified in Paragraph 6 shall be coded by the Service Provider no later than sixty (60) days after execution of this Amendment. This Amendment is effective upon signature, except Paragraphs 3, 4, 5, and 6, which shall become effective the first day of the month following the date that the Fees identified in Paragraph 6 are coded. The Annual Pricing Guarantees for calendar year 2017 shall remain in effect from January 1, 2018, until such time Paragraphs 3, 4, 5 and 6 of this Amendment come into effect.

SO AGREED by the Parties' authorized representatives on the dates noted below:

FLORIDA DEPARTMENT OF MANAGEMENT SERVICES



David Zeckman, Chief of Staff

December 26, 2017

Date

CAREMARKPCS HEALTH, L.L.C.



Signature

Diane Galo, Vice President and Group Head

December 22, 2017

Date

