

CONTRACT AMENDMENT NO. 4

Original Contract Number 2016000000000002089

1. PARTIES

This Amendment to the above-referenced Original Contract (hereinafter called the "Contract") is entered into by and between Magellan Medicaid Administration, Inc., 11013 W. Broad Street, Suite 500, Glen Allen, VA 23060, (hereinafter called "Contractor"), and the STATE OF COLORADO, acting by and through the Department of Health Care Policy and Financing, 1570 Grant Street, Denver, Colorado 80203 (hereinafter called "Department" or "State.")

2. EFFECTIVE DATE AND ENFORCEABILITY

This Amendment shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "Effective Date.") The Department shall not be liable to pay or reimburse Contractor for any performance hereunder, including, but not limited to, costs or expenses incurred, or be bound by any provision hereof prior to the Effective Date.

3. FACTUAL RECITALS

The Parties entered into the Contract to develop and install the Pharmacy Benefit Management System (PBMS) and to provide services related to the PBMS. The purpose of this Amendment is to allow Contractor to establish data exchange agreements with laboratory provider(s) to obtain HCPF member data, integrate the data into the PBMS system, and pass it on to the State's BIDM, which enables more effective management of member's prescription drug claims ("Lab Link" Program). The performance of Contractor is contingent upon (a) HCPF providing a letter to the laboratory provider(s) authorizing, as the Covered Entity under HIPAA, the laboratory provider(s) to share data with Contractor, and (b) agreement and performance by the laboratory provider(s). The laboratory provider(s) is the originator of the data and responsible for accuracy and completeness.

4. CONSIDERATION

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Amendment.

5. LIMITS OF EFFECT

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments thereto, if any, remain in full force and effect except as specifically modified herein.

6. MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

A. Section 7, Payments to Contractor,

i. A. Maximum Amount

- ii. The maximum amount payable under this Contract to Contractor by the State is shown in the following table, as determined by the State from available funds. Payments to Contractor are limited to the unpaid obligated balance of the Contract at the rates set forth in Exhibit E, Compensation and Quality Maintenance Payments. The maximum amount payable by the State to Contractor is:

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State Fiscal Year 2015-16	\$4,909,615.35
State Fiscal Year 2016-17	\$4,785,615.65
State Fiscal Year 2017-18	\$2,445,000.00
State Fiscal Year 2018-19	\$4,230,000.00
State Fiscal Year 2019-20	\$3,700,000.00
State Fiscal Year 2020-21	\$3,420,000.00
State Fiscal Year 2021-22	\$3,420,000.00
State Fiscal Year 2022-23	\$3,420,000.00
State Fiscal Year 2023-24	\$1,176,667.00
Total for All State Fiscal Years	\$31,506,898.00
<i>Funding Changes in Contract Amendment 5</i>	
<ul style="list-style-type: none">• Added \$280,000.00 to State Fiscal Year 2019-2020	

B. Exhibit C, Requirements, Section 53, Pharmacy Reference Data Management, Subsection 53.4 is hereby added as follows:

- 53.4. Establish data exchange agreements with laboratory providers for the HIPAA compliant sharing of laboratory informatics to be integrated into the State's Medicaid member profiles within the PBMS system. The performance of Contractor is contingent upon (a) HCPF providing a letter to the laboratory provider(s) authorizing, as the Covered Entity under HIPAA, the laboratory provider(s) to share data with Contractor, and (b) agreement and performance by the laboratory provider(s). The

laboratory provider(s) is the originator of the data and responsible for accuracy and completeness. The State will not own the lab data, but will have a limited license to use the data for HIPAA permissible purposes, specifically the Lab Link program.

- 53.4.1. Implementation – Key Milestones:
 - 53.4.1.1. Agreements established with lab providers to support the Lab Link program for the State. Contractor does not guarantee that lab providers will enter into Agreements, but Contractor shall endeavor to establish the Agreements.
 - 53.4.1.2. Testing exchange of the State member eligibility file with contracted lab providers
 - 53.4.1.3. Testing of the lab results data files received from contracted lab providers in the industry standard HL7 format and load to Contractor's pharmacy claims processing system (FirstRx)
 - 53.4.1.4. Establish and initiate production processes with contracted lab providers for the lab data results
- 53.4.2. The Contractor shall integrate lab results data to enable complete, comprehensive, clinical decision-making capabilities in PBM processes, such as prescription drug claim processing and prior authorizations:
 - 53.4.2.1. Contractor shall identify clinical criteria for the State which require or could require evaluation of lab results data; the State can also make recommendations to the Contractor of any criteria that could use evaluation of lab results data.
 - 53.4.2.2. Contractor shall present recommendations to the State for modifying clinical edits and prior authorizations in Contractor's pharmacy claims processing system (FirstRx) and FirstTrax as a part of the prior authorization decision tree process.
 - 53.4.2.3. Once the State approves of the proposed clinical edit modifications, the Contractor will configure those changes in the pharmacy claims processing and management systems and/or add them to the prior authorization criteria utilized by the Contractor's call center, and perform testing for the State's approval
- 53.4.3. Contractor Approach: Contractor shall establish a secure data connection with chosen laboratory providers to obtain lab results data for State Medicaid members via regular (weekly/daily/monthly) secure data transmissions. The lab results data is to be used for claims adjudication, Prior Authorization (PA) determinations, or any other purpose as designated by the Department Contractor shall provide quarterly reports to the Department detailing the transmissions between PBMS and BIDM.
- 53.4.4. Contractor shall ensure lab results data are transmitted to and received by BIDM.
- 53.4.5. Contractor shall conduct regular testing of data exchange process and file formatting via the appropriate testing environment to ensure successful, accurate, and timely transmission of data.
- 53.4.6. Contractor shall provide regular reports to the Department containing, but not limited to the following information:

- 53.4.6.1. Status and functioning of the data bridge
- 53.4.6.2. Areas of data use
- 53.4.6.3. Error reporting and fixes
- 53.4.6.4. Timeliness of data transfer
- 53.4.6.5. Verification all data is transmitted via secure file transfer protocol
- 53.4.6.6. Any real or potential security breaches of that data
- 53.4.6.7. Any additional troubleshooting or issues with the data as it arises.
 - 53.4.6.7.1. DELIVERABLE: Data Bridge Weekly Reports
 - 53.4.6.7.2. DUE: Monthly, 3 business days following the end of the previous month for which the report covers, with the final report due on June 30 of that fiscal year.

C. Exhibit C, Requirements, Section 62, Diagnostic Lab Results Integration, is hereby added as follows

- 62. Contractor shall endeavor to establish a HIPAA-compliant data exchange process with up to three (3) diagnostic laboratory companies approved by the Department, and then integrate those lab results data into the PBMS. Contractor may choose to establish a data exchange process with more than three (3) diagnostic laboratory companies but may not charge the Department for any additional exchange processes with additional diagnostic laboratory companies.
 - 62.1. Contractor shall establish a HL7 data exchange process. The data exchange shall include, but not be limited to:
 - 62.1.1. Secure EDI processes with the subcontracted lab companies.
 - 62.1.2. Contractor shall send a full eligibility file for all Colorado Medicaid FFS and MCO recipients to the lab companies on a pre-defined time period basis.
 - 62.1.3. Contractor shall ensure lab results are returned in the industry standard HL7 format, and will load these into the FirstRX POS system.
 - 62.1.4. Contractor shall send a copy of the lab results data from Contractor to BIDM, in HL7 format.
 - 62.1.5. Contractor shall provide quarterly reports to the Department detailing the transmissions between labs and THE PBMS.

6.2.1.6. Contractor shall provide regular reports to the Department containing, but not limited to the following information:

- Status and functioning of the data bridge
- 53.4.2.2. Areas of data use
- 53.4.2.3. Error reporting and fixes
- 53.4.2.4. Timeliness of data transfer
- 53.4.2.5. Verification all data is transmitted via secure file transfer protocol
- 53.4.2.6. Any real or potential security breaches of that data
- 53.4.2.7. Any additional troubleshooting or issues with the data as it arises.

- 109.1.1. DELIVERABLE: Diagnostic lab results integration with up to three (3) diagnostic laboratory companies.

DUE: Must provide diagnostic lab results integration to the Department for up to three (3) diagnostic laboratory companies by June 15, 2020.

- i. D.62.4(a). The lab results data Magellan shall share is data that Magellan is legally allowed, as a Business Associate, to share with the BIDM system, hosted by IBM, as requested by the Department.

D. Exhibit C, REQUIREMENTS, Subsection 26, (DELIVERABLE REQUIREMENTS), Paragraph 26.6, is hereby deleted in its entirety and replaced with the following:

26.6. Contractor shall track any on-going changes to the DSDs and conduct quarterly reviews of all DSD language to determine if updates are necessary. Contractor shall inform the Department of the status of their review and if changes are necessary. Contractor shall initiate the formal review process.

26.6.1. Delivery Stage: All Contract Stages

26.7. Reference #2176: Deliverables shall meet the Department-approved standards, format and content requirements, and the Department will specify the number of copies and type of media for each Deliverable.

26.7.1. Contractor Approach: The Contractor shall submit documentation deliverables that shall meet the Department approved standards which will be fully documented by the Department prior to the delivery of the first deliverable by the Contractor. The documentation provided by the Department to the Contractor will specify the number of copies, type of media and other standards. The Contractor's implementation manager shall oversee the Contractor's compliance with the agreed-upon attributes of each deliverable.

26.7.2. Requirement Stage: All Contract Stages.

E. Exhibit E, COMPENSATION AND QUALITY MAINTENANCE PAYMENTS, Paragraph 1.1.1.1, is hereby deleted in its entirety and replaced with the following:

7. **A. MONTHLY CONTRACT STAGE PAYMENT TABLE:**

Contract Stage	Monthly Contract Stage Payment Amount	Maximum Number of Monthly Payments	Stage Maximum Payment Amount*
PBMS Implementation Contract Stage	\$553,846.15 (with \$478,846.15 due for October 2015 and October 2016)	13	\$7,049,999.95
PBMS Ongoing Operations and Enhancement Contract	\$237,500.00	8	\$1,900,000.00

Stage – Year 1 (SFY2016-17)			
PBMS Ongoing Operations and Enhancement Contract Stage – Year 2 (SFY2017-18)	\$237,500.00 (with \$162,500.00 due for October 2017)	12	\$2,775,000.00
PBMS Ongoing Operations and Enhancement Contract Stage – Year 3 (SFY2018-19)	\$237,500.00 (with \$162,500.00 due for October 2018)	12	\$2,775,000.00
PBMS Ongoing Operations and Enhancement Contract Stage – Year 4 (SFY2019-20)	\$237,500.00 (with \$162,500.00 due for October 2019)	12	\$2,775,000.00
Lab results Integration (SFY2019-20)	\$13,333.33 Per integration	N/A	Up to \$40,000.00
Diagnostic Lab Results (SFY2019-20)	\$5,000.00	12	\$60,000.00
Diagnostic Lab Results (SFY2020-21)	\$5,000.00	12	\$60,000.00
Diagnostic Lab Results (SFY2021-22)	\$5,000.00	12	\$60,000.00
Diagnostic Lab Results (SFY2022-23)	\$5,000.00	12	\$60,000.00
Diagnostic Lab Results (SFY2023-24)	\$5,000.00	12	\$60,000.00
PBMS Ongoing Operations and Enhancement Contract Stage – Year 5 (SFY2020-21)	\$237,500.00 (with \$162,500.00 due for October 2020)	12	\$2,775,000.00
PBMS Ongoing Operations and Enhancement Contract Stage – Year 6 (SFY2021-22)	\$237,500.00 (with \$162,500.00 due for October 2021)	12	\$2,775,000.00
PBMS Ongoing Operations and Enhancement Contract Stage – Year 7 (SFY2022-23)	\$237,500.00 (with \$162,500.00 due for October 2022)	12	\$2,775,000.00
PBMS Ongoing Operations and Enhancement Contract	\$237,500.00 (with \$162,500.00 due for October 2023)	4	\$875,000.00

Stage – Year 8 (SFY2023-24)			
*Does not include Quality Maintenance Payment or postage. Includes reduction of \$75,000.00 each October as described in Section 1.1.1.2.4			

8. START DATE

This Amendment shall take effect on its Effective Date.

9. ORDER OF PRECEDENCE

Except for the Special Provisions and the HIPAA Business Associates Addendum, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The most recent version of the Special Provisions incorporated into the Contract or any amendment shall always control other provisions in the Contract or any amendments.

10. AVAILABLE FUNDS

Financial obligations of the state payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise made available to the Department by the federal government, state government and/or grantor.


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THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

CONTRACTOR:

(Meredith Delk, Magellan Management Administration, Inc.) Senior Vice President, Government Markets

By: 
Signature of Authorized Officer


Date: 10.24.19

MEREDITH DELK
Printed Name of Authorized Officer

SUP+Gm Government Markets
Printed Title of Authorized Officer

STATE OF COLORADO:

Jared S. Polis, Governor

By: 
Kim Bimestefer
Executive Director
Department of Health Care Policy and Financing

Date: 11/12/19

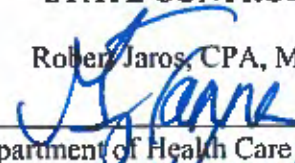
LEGAL REVIEW:
Phil Weiser, Attorney General

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

STATE CONTROLLER:

Robert Jaros, CPA, MBA, JD

By: 
Department of Health Care Policy and Financing

Date: 11/22/19



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/17/2020

9/12/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies 1185 Avenue of the Americas, Suite 2010 New York NY 10036 646-572-7300	CONTACT NAME:	
	PHONE (A/C No., Ext):	FAX (A/C No.):
	E-MAIL ADDRESS:	
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A:	Lexington Insurance Company	19437
INSURER B:	Liberty Mutual Fire Insurance Company	23035
INSURER C:	Liberty Insurance Corporation	42404
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES CERTIFICATE NUMBER: 13720272 REVISION NUMBER: XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDD INSD	BUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:	Y	Y	7055341	6/17/2019	6/17/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> COMP. \$1,000 <input checked="" type="checkbox"/> COLL. \$1,000 <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	AS2-651-004219-119	10/1/2019	10/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX \$ XXXXXXXX \$ XXXXXXXX
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC-651-004219-109	10/1/2019	10/1/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A A A	MANAGECARE LIAB. CLAIMS MADE	N	N	01-465-00-56 SIR applies per policy terms & conditions	6/17/2019	6/17/2020	\$10,000,000 per Med Incident \$10,000,000 Aggregate

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 104, Additional Remarks Schedule, may be attached if more space is required)
 Insured: Magellan Rx Management, Inc. Certificate Holder is named as additional insured under auto and general liability policy. Waiver of subrogation under Workers' Compensation, Auto and General Liability policy in favor of Certificate Holder. General Liability coverage is primary non-contributory in favor of Certificate Holder.

CERTIFICATE HOLDER**CANCELLATION**

13720272
 STATE OF COLORADO
 DEPARTMENT OF HEALTH CARE POLICY & FINANCING
 ATTN: Lee Finley-Blasi
 1570 GRANT STREET
 DENVER CO 80203

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

