

OPTION LETTER #2

State Agency Department of Health Care Policy and Financing	Option Letter Number 2
Contractor Magellan Medicaid Administration, Inc.,	Original Contract Number 2016000000000002089
Current Contract Maximum Amount	Option Contract Number 2016000000000002089OL2
Initial Term State Fiscal Year 2016 \$4,909,615.35	Contract Performance Beginning Date The later of the Effective Date or November 1, 2020
Extension Terms State Fiscal Year 2017 \$4,785,615.65 State Fiscal Year 2018 \$2,445,000.00 State Fiscal Year 2019 \$3,950,000.00 State Fiscal Year 2020 \$3,680,000.00 State Fiscal Year 2021 \$3,420,000.00 State Fiscal Year 2022 \$3,420,000.00 State Fiscal Year 2023 \$3,420,000.00 State Fiscal Year 2024 \$1,176,667.00	
Total for All State Fiscal Years \$31,206,898.00	Current Contract Expiration Date October 31, 2023

1. OPTIONS:

- A. Option to extend for an Extension Term

2. REQUIRED PROVISIONS:

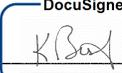
- A. In accordance with Section 5(D) of the Original Contract referenced above, the State hereby exercises its option for an additional term, beginning November 1, 2020 and ending on the current contract expiration date shown above, at the rates stated in the Original Contract, as amended.
- B. Contract Maximum Amount table on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown above.
- C. Section 7, Payments to Contractor, is included in this Option Letter to account for a scrivener's error in Amendment 4 of this Contract. The table in Section 7 is hereby deleted in its entirety and replaced with the following:

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 Stage – Year 8 (SFY2023-24)	\$237,500.00 (with \$162,500.00 due for October 2023)	4	\$875,000.00
*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			

3. OPTION EFFECTIVE DATE:

A. The effective date of this Option Letter is upon approval of the State Controller or November 1, 2020, whichever is later.

<p style="text-align: center;">STATE OF COLORADO Jared S. Polis, Governor Department of Health Care Policy and Financing Kim Bimestefer, Executive Director</p> <p>DocuSigned by:  By: _____ OB6A84797E48493 Date: <u>10/23/2020</u></p>	<p>In accordance with C.R.S. §24-30-202, this Option is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p style="text-align: center;">STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <p>DocuSigned by:  By: _____ 6A7B49A4B221490... Option Effective Date: <u>10/26/2020</u></p>
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