

**FOURTH MODIFICATION TO PHARMACY BENEFITS PLAN MANAGEMENT SERVICES AND PHARMACY PURCHASING POOL MANAGEMENT CONTRACT**

THIS FOURTH MODIFICATION AGREEMENT is made this 23 of March 2013 by and between Express Scripts Inc. (Contractor) and the State of Maryland, acting through the Department of Budget and Management.

IN CONSIDERATION of the promises and the covenants herein contained, the parties agree to modify the Contract for Pharmacy Benefits Plan Management Services and Pharmacy Purchasing Pool Management dated February 12, 2012, as amended by a First Modification dated May 4, 2012, a Second Modification dated August 13, 2012, and a Third Modification dated October 19, 2012 between the Contractor and the State of Maryland, acting through the Department of Budget and Management as follows:

**1. Definitions**

In this Modification, the following words have the meanings indicated:

- 1.1 "Calendar Plan Year" means the twelve-month period of benefit coverage beginning January 1 and ending December 31.
- 1.2 "Contract" means the Contract for Pharmacy Benefits Plan Management Services and Pharmacy Purchasing Pool Management between the Contractor and the State of Maryland acting through the Department of Budget and Management dated February 12, 2012.
- 1.3 "Contractor" means Express Scripts, Inc.
- 1.4 "Contract Year 2" means the second year of the Contract beginning July 1, 2013 through June 30, 2014, as defined in the Financial Proposal.
- 1.5 "Department" means the Maryland Department of Budget and Management.
- 1.6 "Financial Proposal" means the Contractor's Best and Final Financial Offer, submitted November 12, 2010, and dated in some respects November 11, 2010.
- 1.7 "Fiscal Plan Year" means the twelve-month period of benefit coverage beginning July 1 and ending June 30.
- 1.8 "Modification" means this Modification Agreement.
- 1.9 "RFP" means the Request for Proposals for Pharmacy Benefits Plan Management Services and Pharmacy Purchasing Pool Management, No. F10B0400006, dated December 8, 2009, including addenda, attachments, and Excel worksheets, as amended through August 16, 2010.

- 1.10 "Short Plan Year" means the six-month period of benefit coverage beginning July 1, 2013 and ending December 31, 2013.
- 1.11 "Short Plan Year Open Enrollment" means the Open Enrollment period prior to the Short Plan Year.
- 1.12 "State" means the State of Maryland.
- 1.13 "Technical Proposal" means Contractor's Technical Proposal, dated March 12, 2010, as supplemented and revised by the Contractor's subsequent responses to questions, requests for cure, and Best and Final Offer (BAFO) submissions through November 12, 2010.

**2. Scope of Modification**

This Modification amends the Contract specifically as described herein. Except as specifically revised by the terms of this Modification, all of the terms of the Contract shall remain in full force and effect and shall apply to this Modification.

**3. Term of the Contract**

Section 3 of the Contract shall be amended to extend the Contract end date from June 30, 2017 to December 31, 2017.

**4. Plan Year**

- 4.1 The 2014 Fiscal Plan Year, beginning July 1, 2013, will be converted to the Short Plan Year ending December 31, 2013.
- 4.2 A Calendar Plan Year will commence January 1, 2014 and terminate at the end of the Contract, as amended in this Modification, on December 31, 2014.
- 4.3 All references in the Contract, including documents incorporated therein, to "fiscal year", "plan year", or "year" with regard to plan design, administering benefits, and obligations of the Contractor impacted by the change from the Fiscal Year Plan to the Calendar Year Plan are replaced with "Calendar Plan Year", as the case may be.

**5. Open Enrollment Services**

The Contractor agrees to provide all Open Enrollment Services, as specified in the Contract, for both the Short Plan Year and each subsequent Calendar Plan Year.

**6. Short Plan Year Provisions**

- 6.1 The Contract Year 2 Administration Fees, Dispensing Fees, Percentages off AWP for Ingredient Costs, and Rebate guarantee amounts per prescription required by the RFP,

Attachment K-4, and any and all rates and guarantees quoted by the Contractor in its Financial Proposal with regard to Contract Year 2 shall apply to the Short Plan Year without increase. All provisions in the RFP, Contract, and all documents incorporated therein specific to Contract Year 2, or the Fiscal Plan Year period of July 1, 2013 through June 30, 2014 shall apply to the Short Plan Year.

**6.2** Out-of-Pocket Maximums will be cut in half for the Short Plan Year and the Contract amended as follows:

**(a)** Short Plan Year In-Network Out-Of-Pocket Maximum (Active Employees):

Individual: \$500  
Family: \$750

**(b)** Short Plan Year In-Network Out-Of-Pocket Maximum (Retirees):

Individual: \$750  
Family: \$1000

**(c)** Short Plan Year In-Network Out-Of-Pocket Maximum (SLEOLA):

Family: \$350

**6.3** Performance Guarantees and Reporting Requirements as defined in the RFP shall remain in effect for the Short Plan Year except as modified as follows:

**(a)** All Fiscal Plan Year annual Performance Guarantees, annual Reporting Requirements, and any annual provision of the Technical Proposal apply to the Short Plan Year covering the period July 1, 2013 through December 31, 2013.

**(b)** During the Short Plan Year, Fiscal Plan Year quarterly Performance Guarantees, quarterly Reporting Requirements, and any quarterly provision of the Technical Proposal will be made available for Quarter 1 (ending September 30, 2013) and Quarter 2 (ending December 31, 2013).

**7. Calendar Plan Year Provisions**

**7.1** The Contract Year 2 Administration Fees, Dispensing Fees, Percentages off AWP for Ingredient Costs, and Rebate guarantee amounts per prescription required by the RFP, Attachment K-4, and any and all rates and guarantees quoted by the Contractor in its Financial Proposal with regard to Contract Year 2 shall apply to the 2014 Calendar Plan Year without increase. All provisions in the RFP, Contract, and all documents incorporated therein specific to Contract Year 2, or the Fiscal Plan Year period of July 1, 2013 through June 30, 2014 shall apply to the 2014 Calendar Plan Year.

7.2 The Contract Years 3, 4, and 5 Administration Fees, Dispensing Fees, Percentages off AWP for Ingredient Costs, and Rebate guarantee amounts per prescription required by the RFP, Attachment K-4, and any and all rates and guarantees quoted by the Contractor in its Financial Proposal with regard to Contract Years 3, 4, and 5 shall apply without increase to the 2015, 2016, and 2017 Calendar Plan Years, respectively. All provisions in the RFP, Contract, and all documents incorporated therein specific to Contract Years 3, 4, and 5, or the corresponding Fiscal Plan Year periods shall apply to the 2015, 2016, and 2017 Calendar Plan Years, as the case may be.

7.3 Performance Guarantees and Reporting Requirements as defined in the RFP shall apply to the Calendar Plan Year as provided in the Contract and as amended herein.

7.4 For the Calendar Plan Year, the Quarterly periods will be amended and defined as follows:

First Quarter:	January-March
Second Quarter:	April-June
Third Quarter:	July-September
Fourth Quarter:	October-December

## 8.0 Copays

In accordance with August 2011 guidelines provided by the federal Department of Health and Human Services which expanded the list of women's preventive care that is not subject to copays under the Affordable Care Act of March 2010, the following modifications are added to this Contract:

No copay will apply to the following items purchased through a participating pharmacy pursuant to a written prescription from the member's physician:

- Generic tobacco cessation drug Zyban (Bupropion)
- Generic oral contraceptives
- Diaphragms
- Levonorgestrel (Generic Plan B)

IN WITNESS THEREOF, the parties have executed this Fourth Modification Agreement as of the date hereinabove set forth.

**CONTRACTOR:**  
Express Scripts, Inc.

  
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By:

3-28-13 Sean Donnelly  
Date President - Commercial Division

  
Witness 

**STATE OF MARYLAND:**  
**DEPARTMENT OF BUDGET AND**  
**MANAGEMENT**

  
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By: T. Eloise Foster, Secretary

4/3/13  
Date

  
Witness 

APPROVED FOR FORM AND LEGAL SUFFICIENCY  
THIS 2<sup>d</sup> DAY OF April, 2013.

  
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ASSISTANT ATTORNEY GENERAL

APPROVED BY BPW: 3/23/13  
(Date)

14-5-Mod  
(BPW Item#)