

NINTH MODIFICATION TO PHARMACY BENEFITS PURCHASING POOL MANAGEMENT AND PHARMACY BENEFITS PLAN ADMINISTRATION SERVICES CONTRACT

THIS NINTH MODIFICATION AGREEMENT is made effective this 24th day of June, 2011 by and between Catalyst Rx, 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 as follows:

1. Definitions.

- 1.1 "Contract" means the Contract for Pharmacy Benefits Purchasing Pool Management and Pharmacy Benefits Administration Services dated April 4, 2007, as amended by a first modification dated July 1, 2008, a second modification dated July 1, 2008, a third modification dated July 1, 2008, a fourth modification dated November 25, 2008, a fifth modification dated August 27, 2009, a sixth modification dated September 28, 2009, a seventh modification dated December 22, 2010, and an eighth modification dated April 6, 2011 between the Contractor and the State of Maryland, acting through the Department of Budget and Management.
- 1.2 "Contractor" means Catalyst Rx, Inc., a Nevada corporation with a principal business address of 800 King Farm Boulevard, Rockville, MD 20850.
- 1.3 "Department" means the Maryland Department of Budget and Management.
- 1.4 "Modification" means this Ninth Modification Agreement.
- 1.5 "Procurement Officer" is the individual identified in Section 1.6 of the RFP or a successor designated by the Department.
- 1.6 "Retiree" means a retiree participant in the State's self-funded prescription benefits plan.
- 1.7 "RFP" means the Request for Proposal for Pharmacy Benefits Plan Management Services and Pharmacy Purchasing Pool Management, Project No. F10B0400006, dated December 8, 2009, including all addendums and attachments issued by the Procurement Officer through August 16, 2010.
- 1.8 "State" means the State of Maryland.
- 1.9 "SLEOLA" means the "State Law Enforcement Officers Labor Alliance," the exclusive representative for all State employees in Bargaining Unit I.

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. Scope of Work.

The General Assembly in the 2012 budget has bifurcated the drug coverage in the State's self-funded prescription benefits plan for active employees and Retirees and developed separate plan designs and premium schedules for retirees and SLEOLA active employees. These changes will become effective July 1, 2011.

A. Changes affecting Retirees

1. Annual prescription drug copay out of pocket maximum for Retirees shall be \$1,500 per individual or \$2,000 per family.
2. Retiree contribution for prescription drug benefit coverage shall be 25% of prescription premium.

B. Changes affecting SLEOLA employees

1. For retail claims the following co-payments shall be charged to SLEOLA employees:
 - (a) For each 45-day or less supply:

| | |
|--------------------------------|------------------------|
| For Generic Drugs: | \$ 5 per fill/re-fill |
| For Preferred Brand Drugs: | \$ 15 per fill/re-fill |
| For Non-Preferred Brand Drugs: | \$ 25 per fill/re-fill |
 - (b) For each 46 to 90-day supply:

| | |
|--------------------------------|-----------------------|
| For Generic Drugs: | \$10 per fill/re-fill |
| For Preferred Brand Drugs: | \$30 per fill/re-fill |
| For Non-Preferred Brand Drugs: | \$50 per fill/re-fill |
2. For voluntary mail order claims, the following co-payment shall be charged to SLEOLA employees:
 - (a) For each 45-day or less supply:

| | |
|--------------------------------|-----------------------|
| For Generic Drugs: | \$ 5 per fill/re-fill |
| For Preferred Brand Drugs: | \$15 per fill/re-fill |
| For Non-Preferred Brand Drugs: | \$20 per fill/re-fill |
 - (b) For each 46 to 90-day supply:

| | |
|--------------------------------|-----------------------|
| For Generic Drugs: | \$10 per fill/re-fill |
| For Preferred Brand Drugs: | \$20 per fill/re-fill |
| For Non-Preferred Brand Drugs: | \$20 per fill/re-fill |
3. Annual prescription drug co-pay out of pocket maximum for SLEOLA active employees shall be \$700 per family unit.
4. Pursuant to Section 2713 of the Public Health Service Act, which was added by Section 1001 of the Patient Protection and Affordable Care Act (PPACA), the following preventive services are added to this Contract.

- (a) Aspirin for adults to prevent cardiovascular disease (CVD) in accordance with the current recommendations of the U.S. Preventative Services Task Force ("USPSTF") as updated from time to time; Generic only, OTC (requires a prescription).
- (b) Oral fluoride supplementation for children for the chemoprevention of dental caries (cavities) in accordance with the current recommendations of the USPSTF as updated from time to time; prescription products only.
- (c) Folic acid supplementation for women in accordance with the current recommendations of the USPSTF as updated from time to time; OTC (requires a prescription).
- (d) Iron supplementation for children in accordance with the current recommendations of the USPSTF as updated from time to time; prescription or OTC (requires a prescription).

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

CONTRACTOR

STATE OF MARYLAND
DEPARTMENT OF BUDGET AND
MANAGEMENT

 /24/11
By: Richard A. Bates Date
President and Chief Operating Officer

 6/30/11
By: T. Eloise Foster Date
Secretary

 6/24/11
Witness Date

 6/30/11
Witness Date

Approved for form and legal
sufficiency this 30th day June, 2011.

Assistant Attorney General