

RIDER A

CareMC License Agreement

This CAREMC LICENSE AGREEMENT (the “CareMC License Agreement”) is incorporated into the Services Agreement (the “Services Agreement”) to which it is attached as an Exhibit. The parties acknowledge and agree that the terms and conditions under which the Managed Care Services are provided by CorVel and received by Customer shall be governed by the Services Agreement (including without limitation all additional Exhibits and applicable Schedules attached thereto), while the terms and conditions under which Customer may access and use the Online Services shall be governed by the terms and conditions of this CareMC License Agreement. All defined terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Services Agreement.

1. ACCESS TO THE CAREMC APPLICATION

A. Terms of Use. The parties acknowledge and agree that the terms and conditions under which particular Managed Care Services are provided by CorVel and the terms and conditions under which Customer may access and use the CareMC Application in order to utilize the online and automated components of such Managed Care Service (the “Online Services”) shall be governed by the terms and conditions of this License Agreement.

B. Registration Information. Prior to accessing the CareMC Application, Customer shall provide CorVel with certain registration information requested therein (“Registration Information”). Customer represents and warrants that (i) the Registration Information Customer provides is true, accurate, current and complete, and (ii) the Registration Information will be updated as necessary to keep such data true, accurate, current and complete.

C. Passwords and Levels of Access. As soon as practicable after the execution of this License Agreement, CorVel shall provide a master password to Customer that allows Customer initial access to the Online Services (the “Master Password”). Customer shall then designate two groups of Authorized Users. The first group of Authorized Users (“Restricted Users”) shall have access to all data available on the CareMC Site except data that constitutes or contains “protected health information” (“PHI Data”). Each Restricted User shall initially access the Online Services by means of the Master Password, then shall be required to choose his/her own unique password (each, a “Restricted Password”) for all future access. The second group of Authorized Users (“Non-Restricted Users”) shall have access to all data available through the CareMC Application, including PHI Data, but shall only have access to PHI Data to the extent necessary for Customer to render payment on a claim, and then only to those portions or amounts of PHI Data that are determined by CorVel, in its sole discretion, to be the minimum necessary for Customer to render payment on such claim. Each Non-Restricted User will be required to choose a second unique password (each, a “Non-Restricted Password”) which will enable his/her to access PHI Data on the foregoing terms.

D. Non-Restricted Users. Customer represents and warrants to CorVel that each Non-Restricted User who accesses PHI Data will do so solely in order for Customer to render payment on the applicable claim.

E. Security of Passwords. Customer acknowledges and agrees that it shall be solely responsible for (i) selecting Authorized Users, (ii) assigning the various levels of authority and access each Authorized User may have to the CareMC Application, Online Services and Customer Data, including by determining which Authorized Users shall be Non-Restricted Users, (iii) ensuring that only Authorized Users have access to the Master Password, only Restricted Users have access to the Restricted Passwords and only Non-Restricted Users have access to Non-Restricted Passwords, (iv) implementing a system to control, track and account for all Restricted Passwords and Non-Restricted Passwords, (v) strictly maintaining the confidentiality and integrity of the Master Password, Restricted Passwords and Non-Restricted Passwords and levels of authority among Authorized Users, and (iv) ensuring that Authorized Users shall at all times comply with the terms and conditions of this License Agreement. Customer further agrees that it shall notify CorVel immediately in writing if the security or integrity of a password has been compromised.

F. Customer Data. Responsibility for ensuring that the content and data input into the CareMC Application by Customer or Authorized Users (“Customer Data”) is accurate, reflects Customer’s requirements and is entered correctly lies solely with Customer. All data generated by and through Customer’s use of the CareMC Application and Online Services shall reside on CorVel’s server and Microsoft’s Azure cloud system. CorVel reserves the right to temporarily suspend access to any Customer Data that it determines, in its sole discretion, violates the terms and conditions of this License Agreement or any applicable laws.

G. Use of Customer Data. CorVel shall have the right to use Customer Data to fulfill its obligations under this License Agreement. Further, nothing shall prohibit CorVel from using aggregate, non-identifying, statistical data generated through its customers', including Customer's, use of the CareMC Application, Online Services and CareMC Site for analytical purposes, provided that CorVel shall not use or disclose any such data or information in a manner that would reveal the identity of, or other confidential information concerning, Customer. Such aggregate, non-identifying statistical data could include, without limitation, statistics regarding the usage of, number of case referrals generated by and/or efficiencies gained by CorVel customers through their use of the CareMC Application, Online Services and/or CareMC Site.

H. Changes to the CareMC Application. CorVel reserves the right, at any time in its sole discretion and without liability to Customer, to delete or change features of the CareMC Application, CareMC Site or Online Services provided such changes do not materially alter the functionality, efficiency or performance of the CareMC Application.

2. LICENSE AND RESTRICTIONS

A. Limited License. Subject to the terms and conditions of this License Agreement, CorVel grants to Customer during the License Term (as defined in Section 7A below) a limited, non-exclusive, non-transferable, non-sublicensable license to access and use, and allow Authorized Users to access and use, the CareMC Application via the CareMC Site solely for Customer's own internal business use and operations. Customer shall access and use the CareMC Application in accordance with the user's guides and online instruction provided to Customer by CorVel ("Documentation") and all applicable laws, statutes, rules and regulations.

B. Restrictions. Customer shall not, and shall not allow Authorized Users or any third party to (i) rent, lease, re-license or otherwise provide access to the CareMC Application or Online Services to any third party, (ii) alter, modify or create derivative works of the CareMC Application, (iii) use any reverse compilation, decompilation or disassembly techniques or similar methods to determine any design structure, concepts and construction method of the CareMC Application or replicate the functionality of the CareMC Application for any purpose, or (iv) copy the CareMC Application or any content, materials, information and other data provided by CorVel on the CareMC Site or used in providing the Online Services ("CorVel Content") and/or Documentation without CorVel's prior written consent.

C. Third Parties. Customer shall not allow any third party to have access to the CareMC Application or Online Services without prior written consent of CorVel and ensuring that (i) such third party enters into a legally enforceable written agreement with CorVel, or (ii) CorVel and Customer enter into a Letter Agreement whereby Customer assumes all responsibility and liability for such access by third party.

D. Ownership. CorVel owns and shall retain all right, title and interest in and to the CareMC Application, Documentation, CareMC Site, Online Services, CorVel Content and any intellectual property rights inherent therein or arising therefrom. In addition to CorVel's rights in the individual elements of the CorVel Content, CorVel owns a copyright in the selection, coordination, arrangement and enhancement of the CorVel Content. Neither Customer nor any Authorized User shall obtain any ownership rights, express or implied, or any other rights other than those expressly set forth herein in the CareMC Application, Documentation or CorVel Content.

E. Compliance Monitoring and Audits. CorVel may monitor and, at its expense, perform an audit of Customer's use of the CareMC Application and CareMC Site to verify that Customer and Authorized Users are using the CareMC Application in compliance with the terms of this License Agreement. CorVel reserves the right to temporarily suspend Customer's or any Authorized User's access to the CareMC Application in the event Customer or such Authorized User engages in, or CorVel in good faith suspects is engaged in, any unauthorized conduct. CorVel shall use reasonable efforts to immediately notify Customer in writing of its suspension in services, the reasons for such suspension, including the facts and circumstances it believes constitute Customer's unauthorized conduct and shall agree to a reasonable time to conduct the review of the suspension in access.

3. INFRASTRUCTURE, MAINTENANCE AND SUPPORT

A. CorVel Infrastructure Obligations. Subject to Customer's compliance with the terms and conditions of this License Agreement, CorVel shall be responsible for providing and maintaining the hardware, software and other equipment required to host the CareMC Application for Customer ("CareMC Infrastructure"). The CareMC Infrastructure is subject to modification by CorVel from time to time for purposes such as adding new functionality, maximizing operating efficiency and upgrading hardware, provided such modifications shall not degrade the performance of the Online Services utilized by Customer. Customer understands and acknowledges that such modifications may require changes to Customer's Internet access and/or telecommunications infrastructure to

maintain Customer's desired level of performance. CorVel shall give Customer a thirty (30) day prior written notice of any such modifications.

B. Customer Infrastructure Obligations. Except for the CareMC Infrastructure, which will be provided by CorVel, Customer shall be responsible for obtaining and maintaining all hardware, software, equipment, Internet access and/or telecommunications services and other items or services furnished by third party vendors or providers ("Third Party Providers") required to enable Customer to access and use the CareMC Application and CareMC Site as contemplated hereunder.

C. Support. CorVel will provide general support regarding questions on the CareMC Application and CareMC Site via email and by telephone from Monday through Friday between the hours of 5:00 a.m. and 6:00 p.m. Pacific Standard Time, excluding holidays.

D. Scheduled Maintenance. CorVel will use reasonable efforts to (i) perform any scheduled downtime outside of Customer's normal business hours, (ii) notify Customer of all scheduled downtimes at least seventy-two (72) hours in advance, and (iii) perform software updates to the CareMC Application with minimal disruption to Customer's use of the Online Services.

E. System Monitoring. CorVel will use reasonable efforts to continuously monitor its web servers and database servers to ensure that they are functioning properly.

F. Security. CorVel will comply with information technology security as described in the County's Hosting Security and On Premise Security Exhibits attached and incorporated into the Agreement as Exhibits A and B and will implement and use industry standard processes to maintain secure systems through the use of firewalls, virtual private networks (VPN), and other security technologies. Any security violations that affect the data of Customer will, within twenty-four (24) hours of a confirmed breach, be immediately report to Customer.

G. Disaster Recovery and Backup. CorVel will perform nightly backups of essential data on its web servers and database servers. CorVel has implemented third party backup and restoration technology to enable high speed recovery of data. CorVel utilizes redundant load balanced industry standard servers for 24x7, 365 day access, except for regularly scheduled system maintenance and upgrade processes. SQL Server databases are hosted on clustered servers offering fail-over capability, redundant communication links, and load balanced application servers. Backup tapes are restored into a test environment not less than quarterly to confirm validity of backups. The CareMC Site has redundant inbound Internet and Intranet connectivity.

H. Professional Managed Care Services. If Customer requires any additional professional services relating to the CareMC Application or Online Services from CorVel including but not limited to integration with Customer's electronic data interfaces (EDIs) or other Customer systems, Customer shall submit a written request to CorVel for such services. CorVel shall, in good faith, consider providing such services at its then-current professional services fee rate and standard terms and conditions. Any change in services under the terms of this Agreement shall not be effective until the parties have executed a written amendment setting forth, at minimum, a description of the additional services, cost and delivery period.

4. REPRESENTATIONS AND WARRANTIES

A. Customer Representations. Customer represents that (i) it has the legal authority to provide the Customer Data to CorVel hereunder, and (ii) it is fully aware and knowledgeable of and shall comply with its duties and responsibilities with respect to the privacy and confidentiality of medical records and protected health information under applicable federal and state laws, including but not limited to those imposed by state and federal privacy laws. Upon written notice to Customer, CorVel may modify or temporarily suspend Customer's access to and use of the CareMC Application, Online Services and/or CareMC Site as necessary to comply with any law or regulation.

B. CorVel Warranties. CorVel warrants that (i) it shall use commercially reasonable professional practices and good workmanship in providing the CareMC Application, and (ii) Customer support will be performed consistent with generally accepted industry standards. These warranties extend only to Customer.

Exclusive Remedy. For any breach of the foregoing warranties, CorVel's entire liability and Customer's exclusive remedy will be the correction of the problems or errors that cause the breach of warranty, if feasible, or termination of the Agreement.

5. DISCLAIMERS AND LIMITATIONS A. DISCLAIMERS. TO THE EXTENT ALLOWED BY APPLICABLE LAW, EXCEPT FOR THE LIMITED WARRANTIES DESCRIBED IN SECTION 4B ABOVE, CORVEL MAKES NO OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, AND EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A

PARTICULAR PURPOSE. CUSTOMER SPECIFICALLY ACKNOWLEDGES AND AGREES AS FOLLOWS:

(i) Internet Usage. Customer acknowledges that the Internet is essentially an unregulated, insecure and unreliable environment, and that the ability of Customer to access and use the CareMC Application is dependent on the Internet and hardware, software and services provided by various Third Party Providers. CORVEL SHALL NOT BE RESPONSIBLE FOR CUSTOMER'S INABILITY TO ACCESS OR USE THE CAREMC APPLICATION TO THE EXTENT SOLELY CAUSED BY FAILURES OR INTERRUPTIONS OF ANY HARDWARE, SOFTWARE OR SERVICES PROVIDED BY CUSTOMER OR THIRD PARTY PROVIDERS.

(ii) CareMC Application. CUSTOMER ACKNOWLEDGES AND AGREES THAT CORVEL DOES NOT WARRANT THAT THE CAREMC APPLICATION OR ONLINE SERVICES ARE ERROR FREE, THAT CUSTOMER WILL BE ABLE TO ACCESS OR USE THE CAREMC APPLICATION OR ONLINE SERVICES WITHOUT PROBLEMS OR INTERRUPTIONS.

B. Limitations of Liability.

(i) **Aggregate Liability. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, AND EXCEPT AS TO DEATH; PERSONAL INJURY; BODILY INJURY; DAMAGE TO TANGIBLE PERSONAL PROPERTY; CORVEL'S GROSS OR WILLFUL MICONDUCT; CORVEL'S FAILURE TO SAFEGUARD NON-PUBLIC DATA RESULTING IN AN UNAUTHORIZED RELEASE OF NON-PUBLIC DATA; OR CORVEL'S FAILURE TO MEET THE DATA PRACTICES, CONFIDENTIALITY, AND SECURITY OBLIGATIONS IN THIS AGREEMENT; CUSTOMER AGREES THAT REGARDLESS OF WHETHER ANY REMEDY IN THIS AGREEMENT FAILS OF ITS ESSENTIAL PURPOSE, IN NO EVENT WILL CORVEL'S AGGREGATE LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT ACTUALLY PAID BY CUSTOMER TO CORVEL UNDER THIS AGREEMENT IN THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE DATE ON WHICH THE FIRST CLAIM ARISES UNDER THIS AGREEMENT, REGARDLESS OF WHETHER CLAIMS UNDER THIS AGREEMENT ARE BROUGHT UNDER TORT, CONTRACT OR ANY OTHER LEGAL OR EQUITABLE THEORY.**

(ii) Exclusion of Damages. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOST PROFITS OR LOST REVENUES) UNDER THIS AGREEMENT, WHETHER OR NOT FORESEEABLE AND REGARDLESS OF WHETHER CLAIMS UNDER THIS AGREEMENT ARE BROUGHT UNDER TORT, CONTRACT OR ANY OTHER LEGAL OR EQUITABLE THEORY.

(iii) THE COUNTY'S LIABILITY IS GOVERNED BY THE MUNICIPAL TORT CLAIMS ACT, MINN. STAT. 466 AND OTHER APPLICABLE LAWS.

(iv) Acknowledgment. The parties acknowledge that the limitations and disclaimers set forth in this Agreement were an essential element in setting consideration under this Agreement.

6. INDEMNIFICATION

A. Indemnification-Infringement. Subject to Section 6C below, CorVel shall defend any third party suit or action against Customer to the extent such suit or action is based on a claim that Customer's permitted use of the CareMC Application under this Agreement constitutes an infringement of a United States patent, trademark, trade name, trade secret, copyright or other United States intellectual property right, and CorVel will pay those Losses finally awarded against Customer in any monetary settlement or final, non-appealable judgment of such suit or action which are specifically attributable to such claim. This indemnity does not apply to any claims based on Customer's use of the CareMC Application (i) in violation of this Agreement or the Documentation (as defined in the CareMC License Agreement), (ii) in combination with any other software, hardware, network or system where

the alleged infringement relates to such combination, or (iii) based on CorVel's compliance with Customer's instructions, designs or specifications where the alleged infringement relates to such compliance. If any portion of the CareMC Application becomes, or in CorVel's opinion is likely to become, the subject of a claim of infringement, then CorVel may, at its option and expense, procure for Customer the right to continue using the CareMC Application or replace or modify the affected portion of the CareMC Application subject to the County's written approval so that it becomes non-infringing. If neither alternative is reasonably available, CorVel may terminate this Agreement. THE FOREGOING STATES CORVEL'S ENTIRE LIABILITY AND CUSTOMER'S SOLE REMEDY FOR INFRINGEMENT CLAIMS. Notwithstanding the above, the Contractor shall not be responsible for the County's negligent acts, omissions or willful misconduct.

B. Indemnification-General. CorVel shall indemnify, hold harmless and defend Customer, its officials, employees, and agents from any and all liability, loss, costs, damages, expenses, claims or actions, including attorney's fees, which Customer, its officials, employees, and agents may hereafter sustain, incur or be required to pay, arising out of or by reason of any negligent act, omission or willful misconduct of CorVel, its officers, employees, or agents in the execution, performance, or failure to adequately perform CorVel's obligations pursuant to this Agreement. Notwithstanding the above, the Contractor shall not be responsible for the County's negligent acts, omissions or willful misconduct.

C. Conditions. CorVel's indemnification obligations under this Section 6 are contingent upon: (i) the Customer giving prompt written notice to CorVel of any claim under this Section (provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent, and only to the extent, that CorVel shall have been actually prejudiced as a result of such failure), and (ii) at CorVel's request and expense, Customer cooperating in the investigation and defense of such claim(s). Customer shall be entitled to participate in (but not control) such defense and to retain its own counsel, at its own expense. CorVel shall not settle or consent to an adverse judgment in any such claim that adversely affects the rights or interests of Customer or imposes additional obligations on Customer, without the prior express written consent of Customer.

7. LICENSE TERM AND TERMINATION

A. Term. Unless provided otherwise, the Term of this Agreement shall run coterminous with the Services Agreement.

B. Termination for Convenience. Either party shall have the right to terminate this License Agreement for any reason or for no reason, upon ninety (90) calendar days written notice to the other party.

C. Termination for Cause. This License Agreement may be terminated by either party for cause as follows: (i) upon thirty (30) calendar days written notice if the other party breaches or defaults under any material provision of this Agreement and does not cures such breach prior to the end of such thirty (30) day period, (ii) effective immediately and without notice if the other party ceases to do business, or otherwise terminates its business operations, except as a result of an assignment, as permitted under the terms and conditions of this License Agreement, or (iii) effective immediately and without notice if the other party becomes insolvent or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other (and not dismissed within ninety (90) calendar days).

D. Effect. Except to the extent expressly provided to the contrary herein, any right of action for breach of the License Agreement prior to termination, and the following provisions shall survive the termination of this License Agreement: Sections 1G, 2D, 4, 5 and 6. Additionally, upon termination or expiration of the License Agreement (i) CorVel shall provide Customer with any proprietary data belonging to Customer, in the current format in which it is stored at CorVel at the termination of the License Agreement, (ii) all licenses granted under this License Agreement shall terminate immediately, (iii) all rights to use the CareMC Application and Online Services shall cease immediately, and (iv) each party shall promptly return all information, documents, manuals and other materials belonging to the other party related to this License Agreement, whether in printed or electronic form, except as otherwise provided in this License Agreement, including without limitation all confidential information of the other party then currently in its possession.

E. Funding Out Clause. This agreement depends on continued availability of appropriated funds and expenditure authority from the Legislature (including that of the United States, State of Minnesota, and the Ramsey County Board of Commissioners) for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be

terminated by Customer upon a thirty (30) calendar day prior written notice. Termination for any of these reasons is not a default by the Customer nor does it give rise to a claim against Customer.

SCHEDULES DESCRIPTIONS OF SERVICES:

Case Management Services Terms and Conditions

1. DESCRIPTION OF SERVICES

- (a) Case management services are provided to manage a claimant's case in order to identify the most appropriate rehabilitative treatment and/or most cost-effective health care alternatives ("Case Management Services"). Case managers may confer with the adjuster, attending physician, other medical providers, employer(s), attorney(s), the patient and the patient's family.
- (b) In certain states if requested by Customer, Case Management Services may include vocational rehabilitation services.

2. DELIVERY OF SERVICES

- (a) CorVel shall provide Case Management Services to Customer upon receipt by CorVel of specific requests from Customer and as mutually agreed through the special handling instructions.
- (b) Telephonic Case Management: Telephonic case management ("TCM") includes a four-point contact with claimant, employer, claims professional and provider. CorVel case managers ("CMs") do the following: (i) facilitate communication among all appropriate parties regarding the diagnosis, prognosis and treatment plan provided by claimant's treating physician, (ii) channel or direct claimant to a PPO Network provider as appropriate, (iii) monitor and facilitate treatment planning, (iv) coordinate early return to work, and (v) subsequently provide periodic assessments of treatment and return to work plans. CMs may recommend additional services or coordinate claim closure, as appropriate.
- (c) Medical/Field Case Management: CorVel's medical/field case management ("MCM") personnel perform field based case management services as directed by the employer and/or Authorized TPA which may include on-site contact with claimant, employer, and provider, as well as telephonic communication with the claims professional. MCM's provide the CM services set forth in Section A above.
- (d) Vocational Case Management: Vocational case management services may include the following: (i) coordinating return to work, (ii) providing job analysis, (iii) assisting with job placement, (iv) providing expert testimony, (v) assisting with job development, (vi) providing job analysis of essential and non-essential duties for employers under the American's With Disabilities Act, (vii) providing vocational testimony, (viii) providing advice regarding job seeking skills, and (ix) providing transferable skills analysis.
- (e) Utilization Review:
 - (i) CorVel's utilization management program reviews proposed inpatient hospital admissions and ambulatory care to determine the appropriateness, frequency, length of stay, and setting for such proposed treatment. In addition, CorVel can monitor and assess the appropriate utilization

of treatment for all orthopedic and soft tissue injuries requiring ambulatory diagnostics and treatment.

- (ii) CorVel nurses make recommendations to the claims adjuster based on nationally accepted medical guidelines, including Optimized Managed Care System, a clinical protocol software; the American College of Occupational and Environmental Medicine (ACOEM) Occupational Medicine Practice Guidelines: Evaluation and Management of Common Health Problems and Functional Recovery in Workers; other nationally accepted treatment practice guidelines, as well as any state mandated treatment guidelines.
- (iii) Any nurse recommendations for limitation or denial of care based on lack of medical necessity are reviewed by a CorVel Physician Advisor. The Physician Advisor makes a final recommendation to the claims adjuster to approve or deny. If a final recommendation is made to deny treatment, the treating physician is notified in writing of the decision and the appeals process.

Bill Audit, Review and Payment Services

Terms and Conditions

1. DESCRIPTION OF SERVICES

- (a) CorVel's proprietary computerized bill review software program enables an application of the appropriate Fee Schedule or usual and customary value, and further value-added applications subscribed to by client which includes PPO, Professional Review, Enhanced Bill Review (CERiS), Onsite, and Check writing Services applied to medical provider bills ("Provider Bills"), hospital bills ("Hospital Bills") and, both together, "Bills").
- (b) Fee Schedule or usual and customary services includes:
 - (i) review of current procedural terminology ("CPT"), revenue code, healthcare common procedure coding ("HCPCS") and national drug code ("NDC") at the rate is published and incorporated into the state fee schedule or usual and customary value.
 - (ii) allowance based on specified conversion factor (s) multiply by referenced value(s)

2. DELIVERY OF SERVICES

- (a) Customer's Obligations
 - (i) During the term of this Agreement, unless agreed to otherwise by the parties in writing, Customer shall utilize CorVel exclusively (even as to Customer) for audit, review and repricing services for Bills related to workers' compensation, auto liability and general liability claims. A breach of the foregoing obligation shall constitute a material breach under this Agreement. Without limiting any other remedies available under law, a breach of the foregoing obligation with respect to PPO (as defined in Schedule 7) Provider Bills will result in immediate termination of all PPO discounts provided by CorVel.
- (b) CorVel's Obligations
 - (i) CorVel shall provide Bill Review Services described herein to Customer upon receipt of specific requests from Customer. In the absence of instructions from Customer to the contrary, which CorVel must approve, Bill Review Services shall be performed as described herein.
 - (ii) Bill Review Services shall be completed within five (5) business days of CorVel's receipt from receipt by CorVel of all necessary billing information from Customer ("Complete Billing Information").

- (iii) To facilitate timely processing CorVel shall process (A) each Provider Bill no later than ten (10) days after CorVel's receipt thereof, and (B) batches of Provider Bills on a daily basis or as volume dictates.
 - (iv) CorVel shall process PPO Provider reimbursements on behalf of Customer within fourteen (14) days from receipt of the corresponding Bill Review Audit analysis from CorVel.
 - (v) CorVel will be responsible for monitoring, "flagging" and returning to Customer duplicate copies of a Bill ("Duplicates").
 - (vi) Any conflicts or complaints from medical providers ("Complaints") concerning Bill Review Services completed by CorVel initially will be handled directly by CorVel. CorVel will provide an initial response to a Complaint within one (1) business day following the date on which CorVel received the Complaint. CorVel will send a written response to the complainant within five (5) working days that summarizes the nature of the Complaint and the steps CorVel has taken to resolve it. A copy of this response will be sent to the attention of the designated Customer representative. Different or more specific parameters of CorVel's authority to respond to and resolve Complaints hereunder may be agreed to the parties. Further, Customer shall have the right, but not the obligation, at any time, to interject itself into a Complaint between CorVel and a medical provider and to resolve the Complaint in a manner acceptable to Customer at its sole discretion. Notwithstanding the foregoing, Customer shall retain full responsibility for payment of all benefits and any other expenses or services required to be paid or provided under applicable policies or state and federal workers' compensation laws.
 - (vii) CorVel agrees to supply Customer, at no additional cost, in the format in which it is then customarily stored by CorVel, a transmission or tape reflecting the results of the Bill Review Services provided hereunder. Such data shall be provided as to further allow for the application of Bill Review fees to the individual claim file, the preparation of insured specific savings reports and the payment of Bill Review fees.
- (c) Savings for the Fee schedule or usual and customary service shall be:
- (i) for states having a state mandated Fee Schedule: (A) the medical provider's original bill amount; less (B) the billed amount resulting from the allowance based on specified conversion factor(s) multiply by referenced value(s).
 - (ii) for states not having a state mandated Fee Schedule: (A) the medical provider's original bill amount; less (B) the bill amount resulting from Usual and customary value.
- (d) Scanning Services
- (i) CorVel shall provide Optical Character Recognition ("OCR") Services set forth herein to Customer on request of Customer. Upon receipt of such request CorVel shall scan all bills and attached medical notes delivered to CorVel necessary for providing Bill Review services within seventy-two (72) business hours of CorVel's receipt of such information. Customer shall mark and date/time stamp the claims as instructed by CorVel.
 - (ii) Subject to applicable law and obtaining any required authorizations, CorVel also shall provide OCR Services for such additional claim-related documentation as Customer reasonably requests, for example, case notes, peer review information and independent medical examinations.
 - (iii) All material scanned by CorVel hereunder shall be accessible to Customer on the Internet pursuant to CorVel's CareMC Agreement with Customer.

Check Writing Services
Terms and Conditions

1. DESCRIPTION OF SERVICES

- (a) CorVel shall provide check writing services as described below (“Check Writing”) as an integrated component of bill review services during the term of this Agreement. Fees for Check Writing services are set forth in Exhibit B, Schedule of Fees, appended hereto.
- (b) CorVel agrees to supply Customer with automated provider reimbursement through Check Writing services in accordance with Customer specifications. A transmission reflecting the results of the hospital and medical bill audit/review services rendered by CorVel will be submitted to CorVel’s national Check Writing division in Portland, Oregon, wherein a check for each EOB will be automatically generated. CorVel will transmit the results of all Bill Review integrated services to Customer for the express purpose of downloading the data into Customer’s claims management system, which tracks provider payments and Bill Review fees back to the appropriate and corresponding Customer claim file. Such checks shall be held for mailing to the provider until CorVel receives confirmation that Customer has deposited the appropriate funds into a designated account to cover such provider payments. Sufficient programming to enable the automatic download of the Bill Review data transmitted by CorVel will be developed by Customer. Any manual entry of completed check writing information, conducted by a Bill Review analyst on behalf of Customer will require Customer to pay an additional fee to CorVel over and above the standard Check Writing fees. CorVel will provide a dedicated line for Customer transmissions. CorVel will use commercially reasonable efforts to deliver the Bill Review data file to Customer on a schedule mutually agreed upon by the CorVel and Customer. If no such data is available, a “0” (zero) data transmission will be sent to Customer.
- (c) The checks referred to in the above paragraph will be drawn on CorVel’s account at Wells Fargo Bank, Portland, Oregon (hereafter, the “Bank”). Check Writing services shall also include IRS form 1099 filing and associated follow-up, bank reconciliation, and bank fees specifically related to such processing.
- (d) Customer will initiate a charge to a Customer bank account for each check production run by CorVel and Customer has the option to either send a check, ACH or wire sufficient funds on a mutually agreed upon basis to cover such check run. At the end of the month CorVel will also provide Customer with the Bank’s statement, monthly reconciliation report, summarized check register and balance sheet the cost of which shall be included in CorVel’s Check Writing fees. The cost of any wire transmission of funds initiated by Customer will be paid by Customer.

Professional Review Services
Terms and Conditions

1. DESCRIPTION OF SERVICES

- (a) Professional Review Services. CorVel may provide professional review services to evaluate various state specific complex rules and verify coding by providers are valid. This can include clinical review to validate coding is correct for all applicable Provider bills, Ambulatory Surgical Center bills, and all Hospital Bills (inpatient and outpatient) including:

- (i) review and analysis of codes, charges and billing structure for incorrect coding, incorrect billing, bundling, and up-coding of procedures which effect Fee Schedule values;
- (ii) review of bills, records, and documentation by a nurse and/or coder;
- (iii) separation of charges not related to the compensable injury;
- (iv) review and apply complex state specific rules;
- (v) application of utilization review determinations and clinical edits
- (vi) diagnostic related group validation (i.e., verification that the diagnostic related group billed is appropriate for the services rendered); and
- (vii) cost shifting of revenue and CPT codes.

2. DELIVERY OF SERVICES

- (a) Unless CorVel otherwise notifies Customer, CorVel shall complete Professional Review Services and return the reviewed Bills to Customer, with any adjustments to identified overcharges, within ten (10) business days from receipt of Bills.
- (b) Savings for the Professional Review Services shall be:
 - (i) for states having a state mandated Fee Schedule: (A) the bill amount in the Fee Schedule; less (B) the bill amount resulting from the nurse review services.
 - (ii) for states not having a state mandated Fee Schedule: (A) the medical provider's original bill amount; less (B) the bill amount resulting from the nurse review services.
 - (iii) for states having a state mandated Fee schedule (A) the medical provider's original bill amount; less (B) the bill amount resulting from complex review services.
 - (iv) CorVel shall pay bills on behalf the Customer for bills reviewed by CorVel in a timely manner in accordance with all state guidelines.
 - (v) CorVel will identify all bills that are not eligible for Professional Review Services due to: (A) compensability; (B) a pre-negotiated rate with Customer or other previously established discount; (C) services that are "review only" due to litigation or other non-payment issues; and (D) duplicate bills.
- (c) If a medical provider questions the adjustment and/or balance bills the patient, and the claim payor notifies CorVel of such communication, CorVel will provide documentation of its findings. If the hospital provides corrective or qualifying information sufficient to alter our original adjustments, CorVel will revise its report, advise the claim payor of the new, corrected adjustment. Only in the event of a successful appeal of the reduction of the bill by the medical provider shall Customer be entitled to receive a credit for the portion of the fee previously charged for the amount of the adjustment successfully appealed.

Enhanced Bill Review Services (CERiS)

(Hospital Bill Itemization Review Services; Negotiation Services; Implant cost Review Service) Terms and Conditions

1. DESCRIPTION OF SERVICES

- (a) Hospital Line Itemization Review Services. CorVel's Enhanced Bill Review Services (CERiS) are performed on Hospital Bills (inpatient and outpatient) in excess of two thousand five-hundred dollars (\$2,500) and consist of procurement of actual bill itemization, (i) a line-by-line validation and comparison of the itemization description charges actually billed by a particular hospital to

what CMS billing guidelines allow to be separately billed for in order to disallow inappropriate charges, and then will compare the valid itemization descriptions to the average itemization description charges utilized by other hospitals within a pre-designated geographic area, and (ii) a review of charges that fall outside of any pre-contracted discounts or fee schedules, and generates payment recommendations in accordance with the Customer's "Payors Allowable" language. This service does not itself include negotiation services nor Implant Cost Services.

- (b) Negotiation Services. CorVel's Enhanced Bill Review Services (CERiS) can provide negotiation services with respect to all Hospital Bills (inpatient and outpatient) in excess of two thousand five-hundred dollars (\$2,500). CorVel will contact the provider for agreement of the negotiated rate. A signed agreement regarding such rates will be maintained by CorVel. CorVel will use its commercially reasonable efforts to enter into an agreement regarding negotiated rates in accordance with a mutually agreed upon schedule.
- (c) Implant Cost Review Service. CorVel's Enhanced Bill Review Services (CERiS) can include Implant Cost Review services with respect to the applicability of the Customer's "Payors Allowable" plan or policy language that specifically addresses implant payments. CorVel will identify and provide the manufacturers implant cost through its proprietary repository of national implant invoice data. CorVel then determines the recommended payment in accordance with the Customer's "Payors Allowable". In the event there is insufficient implant invoice data for the requested implant, CorVel will notify the Customer and CorVel shall not be responsible for any costs, fees, damages or penalties for any such inability of CorVel to produce a cost savings per Customer's request.

2. DELIVERY OF SERVICES

- (d) Unless CorVel otherwise notifies Customer, CorVel shall complete Enhanced Bill Review Services and return the reviewed Hospital Bills to Customer, together with a written summary of any adjustments to identified overcharges, within ten (10) business days from receipt of Bills.
- (e) Savings for the Enhanced Bill Review Services shall be:
 - (i) for states having a state mandated Fee Schedule: (A) the bill amount in the Fee Schedule; less (B) the bill amount resulting from the Enhanced Bill Review Services.
 - (ii) for states not having a state mandated Fee Schedule: (A) the medical provider's original bill amount; less (B) the bill amount resulting from the Enhanced Bill Review Services.
 - (iii) CorVel shall pay bills on behalf of the Customer for bills reviewed by CorVel in a timely manner in accordance with all state guidelines.
- (c) If a medical provider questions the adjustment and/or balance bills the patient, and the claim payor notifies CorVel of such communication, CorVel will provide documentation of its findings. If the hospital provides corrective or qualifying information sufficient to alter our original adjustments, CorVel will revise its report, advise the claim payor of the new, corrected adjustment. Only in the event of a successful appeal of the reduction of the bill by the medical provider shall Customer be entitled to receive a credit for the portion of the fee previously charged for the amount of the adjustment successfully appealed.

Preferred Provider Network Access Services (PPO) Terms and Conditions

I. DESCRIPTION OF SERVICES

- (a) CorVel's preferred provider organization is a network of hospitals, physicians and other health care providers ("Participating Providers") that offer services at pre-negotiated rates ("PPO Network").

II. DELIVERY OF SERVICES

- (a) CorVel shall provide Customer with access to its PPO Network provided it is the exclusive preferred provider organization utilized by Customer for workers' compensation, auto liability, and general liability claimants. CorVel may at any time and in its sole discretion add and/or terminate any provider to or from the PPO Network.
- (b) CorVel shall provide, upon Customer request, a listing of PPO Network providers and/or PPO Network providers may be found by visiting the CorVel website, www.corvel.com. As CorVel continues to expand its PPO through the development of proprietary networks, Customer will be notified of their availability in the PPO listing described above and shall be provided access to them, replacing or supplementing the then-current PPO, if applicable,
- (c) Customer agrees that, during the Term of this Agreement and for (12) twelve month period thereafter, Customer will not contract directly or indirectly with Participating Providers made known to Customer under this Agreement.
- (d) Customer will make reasonable effort to channel all Covered Persons to the Participating Providers as are allowed under the laws of that service area or state.
- (e) Savings for the PPO Network shall be:
 - (i) for non fee schedule negotiated contracts: (A) the medical provider's original bill amount; less (B) the bill amount resulting from the contract rate.
 - (ii) for fee schedule negotiated contracts; (A) the fee schedule amount less (B) the bill amount resulting from the contract rate.

CareIQ Services **Terms and Conditions**

I. PAYMENT FOR CAREIQ SERVICES

- (a) Customer will pay CorVel for services provided hereunder at the rates set forth in Schedule 1 attached hereto. Rates reflect the amount payable to the CorVel network provider for providing Covered Services and the amount payable to CorVel for its services provided hereunder and represent a discounted total. Customer shall pay CorVel the full contract rate amount.
- (b) CorVel shall invoice and bill the CareIQ Services directly to the specific file.
- (c) CorVel reserves the right to amend the rates set forth herein by notifying Customer of such amendment in writing, and Customer shall, if such amendment is unacceptable, have thirty (30) days from the date said notice is received to reject such amendment by delivery of written notice of rejection to CorVel. If CorVel does not receive such notice of termination within such thirty (30) day period, the amendment to the rates shall be deemed accepted by Customer and this Agreement shall continue in full force and effect, as so amended.

II. INDEPENDENT MEDICAL EXAMINATION SERVICES (IME)

- (a) **DESCRIPTION OF SERVICES.**
 - (i) CorVel shall provide access, and deliver the services described in this Schedule 5 in connection with such access, to a panel of medical professionals who have been credentialed by CorVel as "Credentialed Providers" and who will perform Independent Medical Examinations (IMEs).
- (b) **DELIVERY OF SERVICES.**

- (i) CorVel shall arrange for IMEs at the request of Customer.
- (ii) CorVel shall work only with Credentialed Providers under this Agreement. “Credentialed Providers” are medical professionals with respect to whom CorVel has performed, its standard credentialing process. CorVel shall also verify that the medical professionals who are Credentialed Providers meet all applicable statutory and/or legal requirements regarding who can conduct an IME.
- (iii) CorVel shall require medical professionals who are providing IMEs to comply with CorVel’s reporting and communications requirements.
- (iv) CorVel shall ensure that IMEs are assigned to providers and performed by such providers in accordance with applicable law. CorVel will schedule the IME with the type of medical expert requested. For example, if an orthopedic surgeon is requested, an orthopedic surgeon must be scheduled, not a general practitioner who deals with soft tissue type injuries. If CorVel does not have an IME medical professional in the requested geographic area or in the requested specialty, CorVel will contact the Customer file handler for advice on how to proceed.
- (v) CorVel shall ensure that the IME appointment is scheduled within 2 business days of receipt of request or in accordance with applicable State law. CorVel will send appropriate communication to the Customer file handler, claimant, and claimant’s legal counsel (when necessary) regarding such scheduling. CorVel will place a reminder call to the claimant 1 – 2 business days prior to the IME appointment. CorVel claimant attended the scheduled IME appointment. CorVel will re-schedule any IME appointment no-shows by the claimant and notify the Customer file handler within 2 business days. If a second IME appointment no-show should occur, CorVel shall contact Customer file handler unless locally CorVel is aware that no additional IME exam appointments should be scheduled.
- (vi) CorVel shall deliver to Customer completed IME reports within 7 business days from the date of the exam. Prior to such delivery to Customer, CorVel shall complete its quality review of such report. All reports shall comply with applicable state law.
- (vii) CorVel shall provide Customer quarterly activity reports within twenty (20) business days following the applicable quarter.

III. DURABLE MEDICAL EQUIPMENT (DME)

(a) DESCRIPTION OF SERVICES

- (i) CorVel agrees to make durable medical equipment services (“DME Services”) available through CareMC to Customer’s customers. The services will be available in every area where CorVel has a fully established network. CorVel will provide Customer with updated PPO Network directories through CareMC.
- (ii) CorVel will provide training materials to Customer claims adjusters and case managers to inform those with referral responsibilities of the appropriate process for accessing CorVel reduced rates, at no cost to Customer.
- (iii) CorVel will handle DME Services according to the following Customer Services Procedures:
 - (1) Referral Processing (faxed or called in, or received via CareMC)
 - A. Obtain all relevant information to process referral from party placing order (i.e. case manager, adjuster, physicians office).

B. Input data in CorVel Medical Manager System.

(2) Orders are fulfilled using local, preferred equipment distributors, and billing and reimbursement for each transaction is automatically processed.

(b) **DELIVERY OF SERVICES**

(i) CorVel will coordinate delivery of all services from the time of referral to delivery to patient through the CorVel Call Center. The CorVel Call Center coordinates services from 7:00AM to 9:00PM EST Monday through Friday except for public holidays.

(ii) CorVel shall invoice and bill the CareIQ Services directly to the specific file.

IV. MEDICAL IMAGING SERVICES

(a) **DESCRIPTION OF SERVICES – Preferred Provider Organization (PPO) Network**

(i) CorVel agrees to make Medical Imaging Services and scheduling services available through its Medical Imaging PPO Networks to Customer's customers for injured workers. The services will be available in every area where CorVel has a fully established network.

(ii) CorVel will customize the PPO Network to meet the needs of Customer's customers. CorVel will request opinions and preferences from Customer claims adjusters and case managers and will use every effort to recruit requested providers into the PPO Network at CorVel's preferred rates.

(iii) CorVel will provide Customer with updated PPO Network directories on at least a quarterly basis to those Customer offices that request PPO directories, at no cost to Customer.

(iv) CorVel will provide training materials to Customer claims adjusters and case managers to inform those with referral responsibilities of the appropriate process for accessing CorVel reduced rates, at no cost to Customer.

(v) CorVel will handle Medical Imaging Services referrals according to the following Customer Services Procedures:

(1) Referral Processing (faxed or called in)

A. Obtain all relevant information to process referral from party placing order (i.e. case manager, adjuster, physicians office).

B. Input data in CorVel Medical Manager System.

(2) Assign appropriate center to the referral based on locality, procedure, client/physician preference and patient conditions.

(3) Perform pre-screening of patients as deemed appropriate.

(4) Schedule at facility appropriate to patient conditions/client requirements.

(5) Contact patient to advise of scheduled appointment date, time and location.

(6) Fax appointment confirmation to case manager, adjuster, and referring physician indicating date and time of procedure, type of procedure, and center name, address and phone number.

(7) Within 24 to 48 hours after completion of procedure, fax medical reports to appropriate parties.

(b) **DESCRIPTION OF SERVICES – Second Opinion Program**

- (i) CorVel will provide a second reading of any questioned MRI, CT or Bone Scan by a second board certified radiologist through its second opinion program. This second reading is available for diagnoses resulting from medical imaging examinations that were scheduled by CorVel at a CorVel Network Provider. This second opinion reading will be provided free of charge.
- (ii) In the event a Customer adjuster believes a second opinion is required for an MRI, CT or Bone Scan, the adjuster will call CorVel at 1-800-414-4MRI (4674) to request the second opinion. CorVel will ask the adjuster for the patient's name, the name and phone number of the center who conducted the examination, and the adjuster's name and phone number.
- (iii) CorVel will contact the center that performed the medical imaging examination and request that the films be sent to a CorVel board certified radiologist for review.
- (iv) In some cases, a release of responsibility may be requested by the MRI center that conducted the study. If so, CorVel will contact the Customer claims adjuster to arrange for a release to be sent via fax to the MRI center. Once release is obtained, CorVel will instruct the MRI center to send the films by two-day carrier.
- (v) CorVel's computerized scheduling program will diary each referral for second opinion and monitor the status of each request. CorVel will enter the data obtained into the CDL system and run quality assurance reports twice daily to monitor the status of each second opinion requested and assure that it is being handled in an expedient manner.
- (vi) CorVel will then inform the board certified radiologists that a review is requested. CorVel will request that the second opinion be completed within two business days from receipt of the films.
- (vii) CorVel will continue to monitor the status of the second opinion and will place calls to the radiologists to confirm that the films were received and that the second opinion will be completed on time.
- (viii) The second opinion report will be faxed to CorVel's attention, which in turn will fax the report to the Customer claims adjuster. This will allow CorVel to confirm that the second opinion was completed and is legible.
- (ix) CorVel will select and provide for Customer a panel of board certified radiologists who have met CorVel credentialing criteria and who will handle all volume of second opinions requested by Customer.

(c) **REPORTS**

- (i) CorVel will prepare region specific and aggregate management reports for Customer that show savings per claims adjuster, per case manager, and per branch office location. The reports will summarize the activity of all case managers and claims adjusters as they relate to referring claimants to CorVel, the amount that would be paid under workers' compensation, the amount paid under the CorVel program, and the percentage of savings realized. CorVel will furnish these reports to Customer quarterly, and annually.

(d) **RELEVANT DEFINITIONS FOR MEDICAL IMAGING SERVICES**

- (i) "Claimants" are those persons entitled to coverage pursuant to a workers' compensation insurance policy or program administered by a Customer.

- (ii) “Health Care Provider” means a duly licensed physician, imaging technician, hospital, clinic or other facility, or any other person or entity who furnishes Medical Imaging Services to a Claimant.
- (iii) “Medical Imaging Services” are those medical imaging services provided pursuant to a workers’ compensation insurance policy or program administered by Customer.
- (iv) “Network Provider” means a Medical Imaging Service Provider who is part of a PPO Network of selected Medical Imaging Service Providers who contractually agree with CorVel to provide Medical Imaging Services to Claimants at negotiated discount rates.

V. TRANSPORTATION AND TRANSLATION SERVICES

(a) DESCRIPTION OF SERVICES

- (i) CorVel agrees to make Transportation and Translation Services and scheduling services available through its Care^{IQ} Networks to Customer’s customers for injured workers. The services will be available in every area where CorVel has a fully established network.
- (ii) CorVel will customize the Care^{IQ} Network to meet the needs of Customer’s customers.
- (iii) CorVel will provide training materials to Customer claims adjusters and case managers to inform those with referral responsibilities of the appropriate process for accessing CorVel reduced rates, at no cost to Customer.
- (iv) CorVel will handle Transportation and Translation Services referrals according to the following Customer Services Procedures:
 - (1) Referral Processing (faxed or called in)
 - A. Obtain all relevant information to process referral from party placing order (i.e. case manager, adjuster, physicians office).
 - B. Input data in Medical Manager, CorVel CareMC or CorVel Web portals.
 - (2) Assign appropriate Transportation and /or translation provider to the referral based on locality.
 - (3) Schedule to patient conditions/client requirements.
 - (4) Contact patient to advise of scheduled appointment date, time and location.

(b) DELIVERY OF SERVICES

- (i) Transportation and Translation can usually be scheduled same day (dependant on location) of an appointment.
- (ii) Cancellation of Transportation and Translation must be called into CorVel a minimum of four (4 ½) hours prior to the appointment time or a cancellation fee will be charged.
- (iii) Transportation can be scheduled via a car, wheelchair lift vehicle, ambulance, airplane, bus or train. Airport pickups can be scheduled. Hospital pickups can be scheduled.
- (iv) Hotel accommodations can be made for overnight orders.
- (v) Transportation and Translation can be scheduled in all fifty (50) states including Alaska and Hawaii

- (vi) Wheelchairs and other medical equipment needed along with transportation are available at additional fees
- (vii) Price quotes available
- (viii) Pre-arranged weekend (Saturday, Sunday & Holidays) services available.
- (ix) Our translation companies can schedule on-site and telephonic interpretation for over 200 languages
- (x) Translation and transcription of documents is available; (5 business days required)
- (xi) Telephonic interpretation is available
- (xii) Desktop publishing is available
- (xiii) Sign language interpreters are available with a 3 day notice
- (xiv) Payment Terms: CorVel will be paid for Covered Services, which CorVel provides to Covered Persons, the reimbursement rates are: one hundred percent (100%)
- (c) CorVel shall invoice and bill the CareIQ Services directly to the specific file.

VI. PHYSICAL AND OCCUPATIONAL THERAPY

(A) DESCRIPTION OF SERVICE

The CorVel Physical Therapy program focuses on rehabilitation while controlling utilization and managing medically necessary treatments. Through a comprehensive program of scheduling, reporting, clinical oversight by CorVel therapy clinical reviewers (licensed PT/OT professionals), and network management, CorVel provides an effective and efficient program for therapy treatment. CorVel Therapy Program offers one national toll free number for referrals and case inquiries from the customer file handler or the claimant. In addition, CorVel offers online referrals and claims management opportunities, such as reviewing therapy activity notes, reviewing milestones as they are met, therapy documentation, and submitting online referrals through CareMC and CorVel websites. The CorVel therapy provider network consists of credentialed physical and occupational therapy providers who are managed based on performance in regards to clinical outcome measures including: patient satisfaction, functional restoration, pain improvement, impact on utilization, savings and return to work. Our network providers perform skilled PT/OT therapy, including hand therapy, aquatic therapy, Functional Capacity Evaluations, and Work Hardening and Conditioning programs. Additionally, CorVel Therapy program schedules the patient in the facility within 3 business days of receipt of authorization, as a means to facilitate healing and return to work.

(B) DELIVERY OF SERVICE

- (i) CorVel shall arrange for PT/OT services at the request of Customer.
- (ii) CorVel shall work only with Credentialed Providers under this Agreement. "Credentialed Providers" are therapy professionals with respect to whom CorVel has performed, its standard credentialing process.
- (iii) CorVel shall require medical professionals who are providing standard therapy services, such as hand therapy, aquatic therapy, Functional Capacity Evaluations, and Work Hardening and Conditioning programs to comply with CorVel's reporting and communications requirements.

- (iv) CorVel will schedule the therapy service with the type of therapy professional requested. If CorVel does not have a therapy professional in the requested geographic area or in the requested specialty, CorVel will contact the Customer file handler for advice on how to proceed.
- (v) CorVel shall ensure that the therapy appointment is scheduled within 3 business days of receipt of authorization of request. CorVel will send appropriate communication to the Customer file handler, claimant, and claimant's legal counsel (when necessary) regarding such scheduling and when CorVel claimant attended the scheduled therapy initial evaluation. CorVel will re-schedule any initial evaluation appointment no-shows by the claimant and notify the Customer file handler within 2 business days.
- (vi) CorVel shall provide Customer quarterly activity reports within twenty (20) business days following the applicable quarter.
- (vii) CorVel will invoice customer directly for therapy services.
- (c) CorVel shall invoice and bill the CareIQ Services directly to the specific file.

Pharmacy Benefit Program

Terms and Conditions

I. DESCRIPTION OF SERVICES.

- (a) CorVel shall be the exclusive provider of a Pharmacy Program inclusive of a PBM and a Provider Network representing Participating Pharmacy Providers that are obligated upon and after identification of a participant within CorVel's PBM to:
 - a. Accept a contracted rate, and
 - b. Apply mandated processes and CorVel's Formulary and Concurrent Drug Utilization Review program at point-of-service before dispensing prescribed medications.
- (b) In addition, CorVel provides pharmacy audit, review and payment services.

II. DEFINITIONS.

- (a) "AWP" shall mean the Average Wholesale Price for a Brand or Generic Drug Product. CorVel bases Customer pricing off of the reported AWP value from Medi-Span and the date of service.
- (b) "AWP Discount" shall mean the PBM discounts CorVel applies, per Customer's negotiated rates, to Covered Brand and Generic Drug Products, Compound Drugs and Specialty Meds.
- (c) "Brand Drug" shall mean a Covered Drug defined as a brand name drug in PBM proprietary Generic Code Conversion ("GCC") logic. In the adjudication process, CorVel applies Customer's negotiated Brand Drug discount rate to the AWP value of Covered Brand Drugs.

- (d) "Compound Drugs" shall be systematically identified when processing through the PBM via the Formulary. In the adjudication process, Compound Drugs require Customer's Claims Professional's approval, and are priced at the lessor of:
 - a. Customer's AWP Discount pricing by ingredient plus the dispensing fee, or
 - b. CorVel's Acquisition Price plus a management and dispensing fee.
- (e) "Concurrent Drug Utilization Review" ("DUR") shall mean the algorithm systematically applied at a Participating Pharmacy before dispensing that considers the Presenting Drug's safety and efficacy in context with other drugs that have been dispensed. In addition, the algorithm includes applicable protocols and guidelines based on the Presenting Drug and specific claim history, such as the time period from the last fill of the same Drug.
- (f) "Covered Drug" shall mean the Drug Product that is processed through CorVel's PBM.
- (g) "Emergency Fill" see Good Samaritan Fill, subsection (l) below.
- (h) "First Fill" shall mean a prescription filled by a Participating Pharmacy for a limited supply of Covered Drugs for a claim that is not, at the time, eligible. First Fill transactions follow CorVel's First Fill Formulary. Customer is responsible for payment of drug charges processed through its First Fill Program; CorVel assumes no liability.
- (i) "Formulary" shall mean drug/drug class and brand/generic specific triggers systematically applied at a Participating Pharmacy before dispensing a Presenting Drug that prompts the pharmacy through its adjudication system to either: dispense the Presenting Drug, convert from brand to generic, attain approval to dispense, or deny the Presenting Drug outright.
- (j) "Generic Drug" shall mean a Covered Drug, whether identified by its chemical, proprietary, or non-proprietary name, that (i) is accepted by the FDA as therapeutically equivalent and interchangeable with drugs having an identical amount of the same active ingredient; and (ii) defined as a generic drug in PBM proprietary Generic Code Conversion ("GCC") logic. In the adjudication process, CorVel applies Customer's negotiated Generic Drug discount rate to the AWP value of Covered Generic Drugs. Notwithstanding the foregoing, for Single Source Generic Drugs, Customer's Brand Drug AWP Discount may be applied.
- (k) "GCC" refers to PBM proprietary Generic Code Conversion logic. GCC logic converts Medi-Span codes to the brand and generic codes used for claims adjudication.
- (l) "Good Samaritan (Emergency) Fill" shall mean a limited supply of Covered Drugs that are outside of the Formulary and typically dispensed outside of normal business hours (overnight, weekends or holidays) by a Participating Pharmacy without Customer's or CorVel's approval in order to meet, in the pharmacist's professional judgment, an immediate or urgent need. Customer is responsible for payment of drug charges processed through Good Samaritan Fills; CorVel assumes no liability.
- (m) "Mail Order Program" or "Home Deliver Program" shall mean the managed program from which Covered Drugs are dispensed and billed through CorVel's PBM. A pharmacy's status as a mail order pharmacy does not indicate participation in the CorVel PBM Mail Order Program. Mail Order participation is limited to designated pharmacies operating within the strict parameters of CorVel's Mail Order Program.
- (n) "Multi Source Brand" shall mean a Covered Drug specified as a brand name drug available from more than one manufacturer as determined by CorVel primarily using a combination of data fields provided to CorVel by Medi-Span (or another nationally available reporting source that may be selected by CorVel). Multi Source Brand Drugs are eligible for conversions to Generic Drugs at the Participating Pharmacy.
- (o) "Multi Source Generic" shall mean a Covered Drug specified as a multi source generic drug as determined by CorVel primarily using a combination of data fields provided to CorVel by Medi-Span (or another nationally available reporting source that may be selected by CorVel). Generic Drugs in their six month exclusivity period or limited supply drugs may be excluded from Multi Source Generic Drugs.

- (p) “PBM” shall mean Pharmacy Benefits Manager. CorVel performs as the PBM on behalf of its Customers.
- (q) “Presenting Drug” shall mean the drug ordered by the prescriber and presented on a signed prescription to a Participating Pharmacy and processed through CorVel’s PBM.
- (r) “Rate application exceptions,” per Billing and Payments of Pharmacy Program (below) sections (d) and (e), apply when either State Fee Schedule AWP Values or Customer’s Negotiated PBM AWP Discount rates are lower than CorVel’s Acquisition Price. CorVel’s Acquisition Price reflects CorVel’s cost of the Covered Drug plus a processing and management fee of 10%.
- (s) “Single Source Brand” shall mean a Covered Drug specified as a brand name drug available from only one manufacturer as determined by CorVel primarily using a combination of data fields provided to CorVel by Medi-Span (or another nationally available reporting source that may be selected by CorVel). Single Source Brand Drugs are not eligible for conversions to Generic Drugs.
- (t) “Single Source Generic” shall mean a Covered Drug as determined by CorVel that may not have been purchased by pharmacies at standard Multi Source Generic Drug rates because of limited manufacturers, limited supply or exclusivity rights. In the adjudication process, Customer’s Brand Drug AWP Discount value may be applied to Single Source Generic Drugs.
- (u) “Specialty Medications” shall mean certain pharmaceuticals, biotech or biological drugs, that are Covered Drugs used in the management of chronic or genetic disease, including but not limited to, injectable, infused, or oral medications, or products that otherwise require special handling. In the adjudication process, Customer’s Claims Professional’s approval is required, and Customer’s Brand Drug AWP Discount value and dispensing fee is applied irrespective of the Presenting Drug’s GCC (Generic Code Conversion) status.
- (v) “State Fee Schedule AWP Value” shall exclusively mean the value of a Covered Drug calculated under an applicable state’s posted AWP fee schedule’s Brand and Generic Drug multipliers (AWP value plus/minus the listed percentages) and the state’s posted dispensing fee. For PBM pricing, CorVel does not honor any other values or indices that may apply under an applicable state’s fee schedule.

III. DELIVERY OF SERVICES.

- (a) CorVel shall provide its Pharmacy Program’s PBM and Network for the benefit of Customer.
- (b) Eligibility, First Fill, Pharmacy Identification (ID) Cards, and Mail Order/Home Delivery.

Pharmacy ID cards contain the necessary data elements to enable a Participating Pharmacy provider to electronically process through and transmit claim data to CorVel’s PBM. The electronic transmission that occurs at the point of sale is required for application of Formulary, Concurrent Drug Utilization Review and contractual pricing.

- a. Customer agrees to promptly provide CorVel all information needed to produce and distribute Pharmacy ID cards to Eligible Claimants. Eligible Claimant information may include, but is not limited to, claimant name, address, social security number, cell phone number, home phone number, and email address.
- b. Subject to applicable law, Customer shall require Eligible Claimants to use the Pharmacy ID cards at participating network providers in order to facilitate the Pharmacy Program. Also, Customer agrees to require the use of pharmacy network participating providers to Eligible Claimants as appropriate.
- c. Distribution of Pharmacy ID cards does not guarantee that Pharmacy ID cards will be appropriately utilized by Eligible Claimants or Participating Pharmacies; therefore, Customer understands that claims assigned by Pharmacies to third party billers or paper bills submitted by the Pharmacies are not adjudicated through the prospective PBM.

- d. CorVel, at its sole expense, agrees to produce and distribute Pharmacy ID cards to Eligible Claimants upon receipt of all necessary Eligible Claimant information from Customer. CorVel will also send an introduction letter to the Eligible Claimant along with the Pharmacy ID card.
 - e. At the initial stage of injury, a claimant may be issued a temporary Pharmacy ID (First Fill) card or processing data may be shared with the dispensing pharmacy for an initial, one (1) time purchase of a pharmaceutical product with a recommended course of no longer than fourteen (14) days, or such days limit as established by Customer.
 - f. CorVel will provide access for Eligible Claimants to the PBM Mail Order Program. CorVel will work with Customer to establish the parameters of the Mail Order Program and the process which will be utilized to encourage Eligible Claimant use of the Mail Order Program.
- (c) CorVel's PBM will present and tailor a proprietary Formulary to Customer. Upon presentation of identification to a Participating Pharmacy, the Formulary will trigger the Participating Pharmacy's adjudication system to either:
- a. Automatically dispense certain medications,
 - b. Attain Prior Authorization (PA) approval from CorVel to dispense, or
 - c. Deny the medications outright.

In addition to Customer's Formulary, Claimant Level Formularies can be built at the claim level upon Customer's Claim Professional's request.

- (d) CorVel's PBM will implement a Concurrent Drug Utilization Review ("DUR") program on behalf of Customer, with permitted program edits as directed by Customer. Concurrent DUR includes a review of the drug history at the time the prescription is presented. Absent Customer's directions, DUR shall be performed in accordance with CorVel's PBM's standard service model.

V. BILLING AND PAYMENTS OF PHARMACY PROGRAM.

- (a) Financial obligations of parties.
- (i) Customer shall be financially responsible for all drug charges incurred by claimants for dispensed medications processed under CorVel's PBM. CorVel assumes no liability for drug charges with the exceptions noted below in subsection iii.
 - (ii) If Customer Claims Professional determines, upon receipt of CorVel's PBM invoice, that specific formulary and non-formulary drugs should not have been dispensed, Customer Claims Professional should inform the PBM as soon as possible.
 - The PBM will request a reversal from the Participating Pharmacy. If granted, CorVel will reverse the drug charges, however, if the Pharmacy does not grant the PBM's request, Customer is responsible for payment of the drug charges; CorVel assumes no liability for drug charges with the exceptions noted below in subsection iii.
 - Upon Customer's Claims Professional's request, CorVel's PBM will include the specific prohibition triggering the request for the reversal in the Claimant Level Formulary so that the Claimant Level Formulary will block subsequent re-fills from processing.

(iii) Within five (5) days of receipt of an invoice, Customer Claims Professional may dispute charges for drugs that were dispensed in error, triggering CorVel's PBM to reverse the drug charges, by notifying CorVel for any of the following reasons:

- CorVel's PBM and/or the Participating Pharmacy's violation of Formulary or Utilization Review Parameters set forth in Customer's DUR program, or in the Claimant Level Formulary; or
- Duplicate or inadvertent entries or other clerical mistakes on a PBM invoice.

(b) Invoicing and Payment.

(i) On a per Covered Drug basis and directly to the claim file, CorVel will invoice Customer daily for all drug charges and fees related to the PBM.

(ii) CorVel shall invoice and bill the CareIQ Services directly to the specific file.

(c) CorVel uses the Medi-Span AWP at pre-settlement levels. To maintain pricing neutrality CorVel applies the established multiplier to impacted Covered Drugs.

(d) Relative to state pharmacy fee schedules, CorVel will apply the lesser of Customer's negotiated PBM AWP Discount rate or the applicable State Fee Schedule AWP Value with one exception: to the extent that the State Fee Schedule AWP Value in any state is less than CorVel's Acquisition Price, CorVel will apply its Acquisition Price.

(e) Relative to Customer's negotiated PBM AWP Discount rates, CorVel will apply the negotiated rates unless the following exceptions apply:

(i) CorVel applies CorVel's Acquisition Price on transactions for which Customer's negotiated PBM AWP Discount rate is lower than CorVel's Acquisition Price.

(ii) Compound Drugs and Specialty Medications are priced per Definition subsections (d) and (u).

(f) Both parties understand that pricing indices historically used (including under this Agreement) for determining the financial components of pharmacy billing rates are outside the control of CorVel and Customer. The parties also understand there are extra-market industry, legal, governmental and regulatory activities which may lead to changes relating to, or elimination of, these pricing indices that could alter the financial positions and expectations of both parties as intended under this Agreement.

Both parties agree that, upon entering into this Agreement and thereafter, their mutual intent has been and is to maintain pricing neutrality as intended and not to benefit one party to the detriment of the other. Accordingly, to preserve this mutual intent, if pricing neutrality does change and CorVel undertakes any or all of the following:

(i) Changes the AWP source, or other source if AWP is not applicable, across its book of business (e.g., from Medi-Span to First Databank); or

(ii) Maintains AWP, or other source if AWP is not applicable, as the pricing index with an appropriate adjustment in the event the AWP, or other, methodology and/or its calculation is changed, whether by the existing or alternative sources; or

(iii) Transitions the pricing index from AWP, or other source if AWP is not applicable, to another index or benchmark (e.g., to Wholesale Acquisition Cost);

Customer's negotiated PBM pricing will be modified as reasonably and equitably necessary to maintain the pricing intent under this Agreement.

V. California Modification

On April 15, 2016, the State of California Department of Industry Relations applied the new Federal Upper Limit (FUL) index to the California Pharmacy Workers' Compensation Fee Schedule. The new FUL index has resulted in a need for CorVel to modify our current pricing structure based on the fee schedule changes and our contract language.

The FUL's impact and the modification is limited to generic drugs; brand drug pricing will not change. As per our contract, the modification will maintain "pricing neutrality" between both parties. This pricing will go into effect immediately:

California Generics = AWP - 45% + \$7.25 dispensing fee

CorVel has measured the impact of the new FUL index over the last 5 months. We are providing an illustration of the impact and our solution, showing the neutral impact of the modification:

- 1) Pre April 2016, from January - March, 2016, the California Fee Schedule's generic effective rate, measured in AWP terms, was:

AWP - 45% + \$7.25 dispensing fee.

- 2) From May - September, 2016, the California Fee Schedule's generic effective rate dropped to such a point that CorVel's cost to acquire the impacted medications from the pharmacies is higher than the California Fee Schedule value, when applying the new FUL index, putting CorVel in a negative financial position.

- 3) To preserve pricing neutrality, generic drugs in California will be:

AWP - 45% + \$7.25 dispensing fee.

Peer Review/Medical Records Review Program

Terms and Conditions

I. DESCRIPTION OF SERVICES.

- (a) CorVel shall provide access, and deliver the services described in this Schedule 7 in connection with such access, to a panel of medical professionals who have been credentialed by CorVel as "Credentialed Providers" and who will perform Peer Review ("Peer Reviews") and Medical Record Reviews ("MRRs").
- (b) Peer Review/Medical Records Review is defined as the process of reviewing and commenting on the work, decisions and/or recommendations by one's equal (peer) to ensure that it meets specific criteria such as federal and state regulations, and nationally accepted standards of care in rendering medical services.

II. DELIVERY OF SERVICES.

- (a) CorVel shall work only with Credentialed Providers under this Agreement. “Credentialed Providers” are medical professionals with respect to whom CorVel has performed its standard credentialing process. CorVel shall also verify that the medical professionals who are Credentialed Providers meet all applicable statutory and/or legal requirements regarding who can conduct a Peer Review or MRR.
- (b) Customer shall have the right to nominate medical professionals as candidates for addition to the panel of Credentialed Providers provided by CorVel for access by Customer (“Credentialed Panel”), subject to such medical professionals being credentialed by CorVel as Credentialed Providers.
- (c) Customer shall have the right, with written notice to CorVel, to request that CorVel cease using a specific medical professional from the Credentialed Panel for Customer’s claimants. Upon receipt of such notice from Customer, Supplier shall promptly cease using the specified medical professional as requested by Customer in such notice.
- (d) Customer may submit a request for a Peer Review or a MRR via phone, fax, or electronically via CorVel’s CareMC website, if applicable.
- (e) CorVel shall ensure that the MRR is assigned to a provider within 2 business days of receipt of request or in accordance with applicable State law.
- (f) CorVel will copy required medical records for the Peer Review or MRR as provided by the Customer’s file handler or legal office. CorVel will obtain additional medical records as requested.
- (g) CorVel shall deliver to Customer completed Peer Review and MRR reports within 7 business days of assignment to the Credentialed Provider. Prior to such delivery to Customer, CorVel shall complete its quality review of such report.
- (h) CorVel shall provide Customer quarterly activity reports within twenty (20) business days following the applicable quarter.

Medicare Set-Aside Services Terms and Conditions

I. DESCRIPTION OF OTHER SERVICES

- a. Medicare Set-Asides: CorVel provides an extensive review of medical records and medical bills, producing a comprehensive report and cost projection outlining future Medicare eligible costs in anticipation of settling out future medical care on a Customer’s employee or insured individual. Costs are determined through CorVel’s proprietary Bill Review system as well as utilization of the online Red Book™ access for medication costs. Red Book™ is the accepted authority by CMS for pricing on all medications.
- b. Life Care Plans/Future Cost Projections: Life Care Plans/Future Cost Projections are a plan for optimal utilization of health care dollars that document objective view of the future health needs, services and related costs. It provides for comprehensive reports summarizing medical treatment and care and outlining life time needs for a Customer’s employee or injured individual when they are catastrophically injured. Life Care Plans/Future Cost Projections are also used both for litigious settlements as well as projecting reserves setting.
- c. Medicare Conditional Payment Resolution: CorVel’s service includes securing Medicare Conditional Payment letters and disputing the Medicare Conditional Payments unrelated to the claim. CorVel communicates directly with the Medicare contractors, the CRC (Commercial

Repayment Center) or BCRC (Benefits Coordination & Recovery Center) to resolve the Medicare Conditional Payment debt.

II. DELIVERY OF SERVICES OF MEDICARE SET ASIDES

a. Customer/Carrier shall provide the CorVel Medicare Set-Aside Hub office with a copy of the first report of injury, most recent two years of medical records and medical bills including indemnity payout, all operative reports, IMEs/AMEs as well as orders rendered by the workers' compensation judicial system. Appropriate releases for completion of request for service will be forwarded either to the Customer or, at the Customer's request, directly to counsel representing the injured worker to obtain the injured worker's signature.

b. Customer may submit a request for a Medicare Set-Aside via email, phone, fax, or electronically via CorVel's CareMC website, if applicable.

c. A certified Medicare Consultant ("Consultant") will review the medical records and bill summary, prepare a detailed summary of the records and a projection for future medical expense which are Medicare eligible. If requested, the Consultant will also provide a projection of those costs which are not Medicare eligible in order to provide the customer with their total medical exposure.

d. The Consultant will return the completed Medicare Set-Aside report to the Customer within fifteen (15) business days of receiving all relevant medical records and related information. If a rated age is warranted, the Consultant will acquire same. If the Medicare status of injured party is unknown or unclear, a request for Medicare status will be submitted to the Social Security Administration. Once the Medicare status is known, the Coordination of Benefits Contractor will be notified and conditional payments requested.

e. Upon Customer's request, CorVel Medicare Set-Aside Hub office will submit through the web-portal all required documents to enable CMS to review and approve the proposal. Items submitted include the Medicare Set-Aside report, the tentative settlement amount, along with other required documentation, to the Centers for Medicare & Medicaid Services (CMS). Upon receipt, CorVel Medicare Set-Aside Hub office will forward the CMS Determination letter to the Customer. Final executed settlement documents (reflecting CMS recommended Medicare Set-Aside amount) will be provided to CorVel Medicare Set-Aside Hub by the Customer/counsel and then forwarded by CorVel to CMS through the web-portal.

f. Upon request from Customer, CorVel shall provide Customer quarterly activity report within twenty (20) business days following the applicable quarter.

III. DELIVERY OF SERVICES OF LIFE CARE PLANS/FUTURE COST PROJECTIONS

a. Customer shall provide all available medical records and billing to CorVel Medicare Set-Aside Hub office as well as any other pertinent records for initial review.

b. For a Life Care Plan, a visit to the residence of the Customer's employee or injured individual with interview of claimant and family will be conducted after permission is acquired by the Customer. The interview will include evaluation of the home setting, extensive information gathering, and pictures of the various equipment and housing structures.

c. Letters will be sent to all treating physicians to obtain their opinions on future medical treatments including medications and therapies for the claimant. The physician's opinions will be included as recommendations within the Life Care Plan summaries.

- d. Future cost projections are utilized to immediately set reserves for future medical needs regarding catastrophic or major injuries. Home visits are not conducted for a future cost projection.
- e. Customer may submit a request for a life care plan or future cost projection via email, phone, fax, or electronically via CorVel's CareMC website, if applicable.

Clearinghouse Payer Agent Services Program

Terms and Conditions

1. DESCRIPTION OF SERVICES

- (a) Clearinghouse Payer Agent Services: CorVel shall act as Customer's agent under this Agreement. CorVel's clearinghouse receives bills from health care providers in electronic form, verifies the data integrity of the information on the bills, and routes directly to CorVel's Bill Review system for completion of CorVel's Bill Review service. Explanation of Benefit (EOR) information will be transmitted to providers from CorVel in the ANSI 835 format. CorVel will send 835 data to health care providers via its clearinghouse upon CorVel's completion and approval of all Explanation of Reviews (EOR's) via CorVel's Bill Review service in compliance with the local governing state laws and regulations.
- (b) Compliance with applicable law: CorVel shall ensure that Clearinghouse Services are provided in compliance with the applicable laws, statutes, rules and regulations of the state service shall be provided in. Customer agrees to timely provide to CorVel information and assistance requested by CorVel and reasonably required to ensure such compliance.

2. SETUP AND DELIVERY OF SERVICES

- (a) Routing Directly to Bill Review: A test sample of Customer's bills will be pulled from the clearinghouse test system and imported to the bill Review test system. Bill Review results will be output to Customer through the existing format. Routing bills through CorVel's Test bill review system may require three to four weeks. CorVel will make reasonable efforts to begin testing within five business days of the request for services.

3. PRICING STRUCTURE

The cost of Clearinghouse Payer Agent Services is as follows:

- For customers for whom CorVel provides bill review services – No additional charge

Advocacy 24/7 Nurse Triage Services

Terms and Conditions

CorVel shall provide to Customer the following Services related to Nursing Coordination of Care Services:

- Answer calls received 24 hours a day / 7 days per week on CorVel maintained Customer triage telephone line.

- Instruct the caller / injured employee on first aid and or initial injury treatment.
- Facilitate assessment at a designated outpatient clinic or emergency room as needed.
- Follow up with the injured employee within 24 hours of initial report to evaluate current condition.
- Document all calls and communicate to appropriate parties.

An incident shall encompass

- The nurse receipt of the initial call,
- The gathering of necessary information and distribution of said information to the appropriate parties, and
- One clinical follow-up to the injured employee in the first 24 hours following the initial call.

TELEHEALTH SERVICES

Terms and Conditions

CorVel provides telehealth services through a network of employed and contracted physicians and non-physician practitioners (collectively the “Health Providers”) who use a secure web-based telehealth platform provided by American Well Corporation (the “Platform”).

CorVel shall provide Telehealth visits to Customer’s injured claimants who opt for such service for a level of care determinations related to their work injuries through its 24/7 nurse triage telephone line, or through CorVel’s direct Telehealth access line. A Telehealth visit is a single synchronous virtual consultation through the American Well platform between a Health Provider and an injured claimant (“Telehealth”).

CorVel’s 24/7 triage nurses are trained to provide an initial assessment and will provide immediate referral to medical care when needed. Nurses may refer to a Telehealth Health Care Provider TeleMedicine as appropriate (i.e., musculo-skeletal injuries).

- Telehealth visits are always an “option” for the injured claimant.
- If opted by the injured claimant, CorVel connects the injured claimant to a physician immediately via a computer, tablet or phone.
- If the injured claimant decides that he/she does not want a Telehealth visit, CorVel will immediately offer to schedule the injured claimant with a traditional, in-person PPO medical provider located at a convenient, clinic-based location.

CorVel’s Telehealth services will be made available to injured claimants with an existing claim, as an alternative means of obtaining medical care, where the injured worker requests such care.

RFP# HR0000002381

ATTACHMENT B- SOW TEMPLATE

Vendor:
SOW Number:

**PROFESSIONAL SERVICES
STATEMENT OF WORK (SOW)**

This Statement of Work ("SOW") is between Ramsey County ("County") and _____ ("Contractor"). This SOW is issued under Ramsey County Master Contract Number _____, and is subject to all provisions of the Master Contract which is incorporated by reference.

1. Term of SOW

- 1.1. *Effective date:* _____ or the date the County obtains all required signatures, whichever is later.
The Contractor must not begin work under this SOW until it is fully executed and the Contractor has been notified by the County's Authorized Representative to begin the work.
- 1.2. *Expiration date:* _____ or until all obligations have been satisfactorily fulfilled, whichever occurs first.

2. Contractor's Duties

The Contractor, who is not a County employee, will Provide their resource, _____, to perform _____ work for Ramsey County _____.

Contractor warrants that all services will be performed with the highest standard of professional service.

3. Consideration and Payment

- 3.1. *Consideration.* The County will pay for all services performed by the Contractor under this SOW as follows:
- A. *Compensation.* The Contractor will be paid as follows: at a rate of _____ not to exceed _____.
- B. *Total Obligation.* The total obligation of the County for all compensation and reimbursements to the Contractor under this SOW will not exceed _____.
- 3.2. *Invoices.* The County will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the County's Authorized Representative accepts the invoiced services. Invoices must be submitted timely.

4. Additional Contractor Requirements

NOTE –ARE ADDITIONAL HIPAA, CJIS, PREA, PCI OR OTHER TERMS REQUIRED?

5. Additional Insurance Requirements

NOTE – WHAT TYPE OF INSURANCE IS REQUIRED?

6. SOW Authorized Representative and Project Managers

The County's SOW Authorized Representative is _____ or his/her successor. The County's SOW Authorized Representative will certify acceptance on each invoice submitted for payment.

The County's Project Manager is _____ or his/her successor.

The Contractor's Project Manager is _____.

If the Contractor's Project Manager changes at any time during this SOW, the Contractor must immediately notify the County.

1. RAMSEY COUNTY

By: _____

Title: _____

Date: _____

2. CONTRACTOR

The Contractor certifies that the appropriate person(s) have executed the contract on behalf of the Contractor as required by applicable articles or bylaws.

By: _____

Title: _____

Date: _____



+



Cost Proposal

Ramsey County

Workers' Compensation Medical
Management Services

RFP #: HR0000002381

April 9, 2020



Katie Friend
CorVel Corporation

T 612.436.2430
C 612.812.8439

katie_friend@corvel.com

Bill Review Services

Description	Pricing
Bill Review: Includes Standard Fee Schedule and UCR - Per Line ^{1,2} + Network Solutions includes: ² Clinical Review, Implant Analysis, Line Item Bill Review, Negotiations, PPO Network Access, Substantive Denials, Technical Evaluation	\$1.30 23% of Savings
Minimum Transaction Fee ²	\$5.00
Clearinghouse/Scanning/OCR	Included
Storage for medical bills and supporting documents	Included
Check-writing Fee	\$4.65

¹ Includes bill intake, document imaging, file upload, state EDI's, and initial 1099 provider notification letters.

² Minimum transaction fee (MTF) per bill transaction. Applied per transaction if all other applicable fees do not meet the minimum transaction fee. Applies to all transactions, including but not limited to, Specialty Bills, Duplicate Bills and bills sent for Re-consideration or Re-evaluation. There is a maximum bill review transaction fee of \$15,000.

Patient Management

Description	Pricing
Telephonic Case Management, Field Case Management and Return to Work Coordinator - Per Hour ¹	\$99
Exception States: Alaska, California, Hawaii and New York	\$155
Vocational Rehabilitation/QRC, Job Placement - Per Hour ²	MN Stat Rates All Other States-\$175
Specialty Services (Catastrophic, Life Care Plan, Medicare Conditional Payments, Medicare Set Asides, Bilingual) - Per Hour ²	\$155
Medical Case Director - Per Review	\$150 Administration Fee
Peer Review / Physician Advisor	Provider Charge + \$75 Admin Fee
Intake Triage/Initial Contact	Included

¹ Fee applies to all States with the exception of premium states (CA, HI, AK, and NY).

² Statutory rates supersede if applicable.

Prevailing IRS Mileage Rate applies. Mileage rate is billed at IRS rate + 10% on any Case Management Travel

Pharmacy Solutions

Description	Pricing
Retail Pharmacies	
Brand	AWP -13% + \$3.00 dispensing fee
Generic	AWP -25% + \$3.00 dispensing fee
Mail Order	
Brand	AWP -16% + \$2.50 dispensing fee
Generic	AWP -35% + \$2.50 dispensing fee
Clinical Modeling	
Integration of Pharmacy Data	Included
Dynamic Calculation/Display in Care ^{MC}	Included
Pharmacy Interventions	
Certified Pharmacy Technician	Included
Rx Nurse	Included
Nurse Management	Case Management hourly rate
Pharmacy Review - Per Review	\$375
Cognitive Behavioral Therapy - Per Hour	\$250
Medication Review - Per Hour	\$250
Medical Imaging Services	Varies by State
Independent Medical Reviews	\$400 + Provider Charge
Physical and Occupational Therapy	Varies by State
Durable Medical Equipment	5% - 15% off F/S or U&C
Transportation	Varies by State
Translation	Varies by State

Additional Managed Care Service

Description	Pricing
Dedicated Account Manager	Included
EDI in CorVel standard formats	Included
Training – onsite and online	Included
Technical support	Included
MCO Materials-Posters, Brochures, ID Cards	Cost to Print
Unlimited access to CareMC website	Included
Monthly reporting	Included
Custom reporting	\$ 200.00 per hour

Intake and Immediate Intervention Services (Optional)

Description	Pricing
24/7 Nurse Triage - Per Call	\$125
Telehealth Services	5% below state Fee Schedule or U&C value by CPT code

Pricing is valid for first year of the contract. At the end of the first year and each year thereafter, all fees outlined on the claims and managed care pricing sheet will be subject to an automatic increase of three percent (3%).

Any service not identified in this proposal will be provided at a later time.

Exhibit A – Information Security for On Premise Solutions (“Information Security Exhibit”)

- 1. County Policies, Procurements & Requirements.** When accessing County systems and/or County premises, Contractor will perform Services in accordance with the Agreement and any County policies, procedures, and any requirements provided to Contractor to the extent provided in advance. If policies, procedures or standards are updated or changed, the County will provide reasonable advanced notice of the change to Contractor. If Contractor is unable or unwilling to comply with the updated or changed County policies, procedures and requirements within thirty (30) days of notice of such update or change, the Agreement may be terminated for cause without a further period of time to cure. If Contractor performs Services through Contractor’s Agent, Contractor shall ensure that such Contractor’s Agent shall perform such Services in accordance with the terms of the Agreement, including any County provided policies, procedures and requirements

- 2. Security Program.** Contractor agrees and represents that it currently maintains information protection practices and procedures (“**Security Program**”) that complies with industry best practice and applicable Privacy Laws. Contractor’s Security Program includes, at a minimum:
 - A.** Appropriate administrative, technical, and physical safeguards and other security measures designed to ensure the security and confidentiality of County Data;
 - B.** A security design intended to prevent any compromise of Contractor’s own information systems, computer networks or data files by unauthorized users, viruses, or malicious computer programs which could in turn be propagated to County;
 - C.** Appropriate internal practices including, but not limited to, encryption of data in transit or at rest; using appropriate firewall and antivirus software; maintaining these countermeasures with up-to-date virus definitions and security patches so as to avoid any adverse impact to County’s systems or information; appropriate logging and alerts to monitor access controls and assure data integrity and confidentiality; installing and operating security mechanisms in the manner intended sufficient to ensure County government operations must not be disrupted; permitting only authorized users access to systems and applications; and preventing unauthorized access to County systems via the Contractor’s networks and access codes; and
 - D.** All persons with authorized access to County Data must have a documented genuine need-to-know prior to access.

- 3. Training and Supervision.** Contractor conducts appropriate and reasonable background checks or other investigations of its job candidates or Contractor’s Agents prior to such persons’ employment or access to County Data. Contractor represents that it maintains adequate training and education programs to ensure that its employees and Contractor’s Agents are aware of and adhere to its Security Program. Contractor shall exercise necessary and appropriate supervision over its employees and Contractor’s Agents to maintain appropriate confidentiality and security of County

Data.

- 4. Third Parties.** Contractor shall not share, transfer, disclose or otherwise provide access to any County Data, to any third party unless it is a Third Party Service Provider or Contractor's Agent and County has authorized Contractor to do so in writing. Contractor will ensure that any Contractor's Agent it may desire to perform any of the services required by its Agreement with County shall be obligated to have a Security Program equivalent to that required of the Contractor. Further, regarding any Data Incident, Contractor shall contractually preserve for County all such rights as County has above. Regarding audit rights, Contractor shall contractually preserve for County all such rights as County has in the section below. Contractor shall not share County Data with any other third party, without prior written approval, or if required, to comply with legal process, only after notice to County. Contractor shall only retain Contractor's Agents that are capable of performing the delegated obligations in accordance with the Agreement.
- 5. Audit.** Contractor shall have its own designated third party perform on at least an annual basis security audits and review of Contractor's own systems performed by a third party, including vulnerability and penetration assessments. Contractor shall provide a current SOC Report to the County upon request and Contractor will give County notice of any current findings that are likely to adversely impact County Data and will keep County timely informed of its remediation efforts. If the audit reveals any vulnerability, Contractor shall correct such vulnerability at its sole cost and expense and shall certify the same in writing to County. Contractor shall use information technology industry best practices to correct all vulnerabilities and provide County a report explaining corrective actions immediately but no later than within thirty (30) days of completion of the audit, unless County agrees in writing otherwise. Contractor's failure to procure audits or to complete corrections in a timely manner will be a material breach of the Agreement.
- 6. Security Certification.** Contractor must maintain a level of security certification or assessment consistent with information technology industry best practices and by a qualified third party reasonably acceptable to County. Such certifications shall be provided to County as reasonably requested by County.
- 7. Security Standards.** Contractor shall comply with all security measures and policies as outlined in the Agreement as well as Contractor's client guide and/or Information Security Policy. In the event Contractor materially degrades the information security standard during any such modification, such degradation shall constitute a material breach by Contractor under the Agreement and this Information Security Exhibit. Contractor will comply with applicable U.S. laws and regulations concerning information security and conduct SSAE 18 audits (or SOC 2) at least annually, or in the event it is superseded, the resultant SSAE 18 equivalent.

- 8. Controls.** The County agrees that Contractor is solely responsible for all testing and auditing, including port scanning and penetration testing, of Contractor security controls. Contractor shall provide summaries of such results of such testing as requested by the County.
- 9. Penetration Testing.** Penetration testing of the Contractor's architecture is included at a frequency of one per year at no additional cost. Contractor will coordinate with the current penetration testing vendor and shall use information technology industry best practices to remedy any issues identified immediately but no later than within thirty (30) days of reporting. Contractor's failure to remedy and report the remedy in a timely manner will be a material breach of the Agreement. If additional penetration tests are required due to a material adverse result from first testing, Contractor will arrange through Contractor's vendor for additional penetration testing and shall provide summaries of the results to County.
- 10. Mobility and Transfer of Data.** No County data shall be stored, transported, or kept on a laptop or any other mobile device or storage media, including USB, "thumb drives," DVDs, CDs, unless encrypted using an encryption methodology approved in writing by County. All electronic data transfers of County Data must be via secure FTP or other County approved protocol and/or in approved encrypted form. Any physical removal or transfer of County Data from County's or Contractor's facilities shall be conducted only according to controls developed or approved by County.
- 11. Security Policies.** Contractor's security policy is made up of the following documents and summaries or as applicable table of contents shall be provided to County. Contractor will comply with and not degrade any component of their security policy.
- Acceptable Use Policy
 - Access Control Policy
 - Business Continuity Policy
 - Data Destruction and Retention Policy
 - Data Security Policy
 - Disaster Recovery Policy
 - Email Use Policy
 - Encryption Policy
 - Exception Request Policy
 - Incident Management policy
 - Internet Security Policy
 - Mobile Device Policy
 - Network Security Policy

- Password Policy
- Patch Management Policy
- Personnel Security and Termination Policy
- Physical Security Policy
- Privacy Policy
- Physical Security Policy
- Server Security Policy
- Scanning and Security Policy
- Server Audit Policy
- Third Party Access Policy

12 Disaster Recovery. Contractor's Disaster Recovery plan is structured in a recovery team format. This format increases the efficiency by allowing departments to be recovered concurrently. The plan provides critical recovery solutions, information and specific steps required to be followed by each team member to ensure successful recovery. Contractor has a Crisis Manager and leadership identified with responsibilities clearly assigned. Alternates for each critical team member are identified to be involved in the event that the team member is not available. The Disaster Recovery Plan is tested and updated at least annually or when major changes warrant updating. A report of each Disaster Recovery test is completed and any identified gaps and lessons learned are shared with leadership. Any major gaps are prioritized and mitigated where ever possible. At the County's request, Contractor will provide a summary of any major gaps identified which may impact County Data.

Exhibit B – Hosting and/or Cloud Services and Security Standards (“Hosting Security Exhibit”)

1. **Virtual Infrastructure/Cloud Services.** In addition to the Contractor responsibilities listed in the Agreement by and between the Parties, Contractor acknowledges and agrees to assume the following additional responsibilities:
 - 1.1. **Connectivity.** Contractor will provide the connectivity as described in in the Agreement.
 - 1.2. **Load Balancing.** Contractor will load balance the County applications to meet the needs of the County’s operations, as may be further described in the County’s system architecture specifications, or as mutually agreed to by the Parties.
 - 1.3. **Security.** Contractor will implement reasonable and appropriate systems and procedures sufficient to ensure the security and confidentiality of the County Data, as further specified herein. County Data is defined as the data described in the Data Practices section of this Professional Services Agreement.
 - 1.4. **Security Compliance.** Contractor will provide the Services utilizing an information technology industry best practices compliant data center located in the continental United States. Contractor will perform periodic audits (SOC 1 or SOC 2 or other industry equivalent standard mutually agreed to by the Parties) of Contractor’s security controls (i.e., physical and logical security, network configuration, change/problem and vulnerability management and recovery services), and make available to the County upon request by County a current copy of such SOC 1 or SOC 2 report and a current Bridge Letter if applicable. In the event of any qualified statements in such reports that materially impact the County, the County may immediately terminate the Agreement for material breach without further period to cure.
 - 1.5. **Back-up Services.** Contractor will perform the backup services at the following intervals: Contractor will back-up the servers containing County Data one time each day to a storage area network (SAN), and Contractor will keep each such daily back-up for seven days; Contractor will back-up the servers containing County Data one time each week to a back-up tape. Contractor will retain one back-up tape per week for seven years. In addition, Contractor will fulfill restoration of its systems as pursuant to state or federal requirements due to site failures. Restoration will be performed as pursuant to applicable state and federal requirements. Contractor will transfer appropriate back-up data and re-establish all hosting operations in an appropriately functioning secondary server or location in a commercially reasonable timeframe.
 - 1.6. **Anti-Virus Software.** Contractor will install and maintain industry standard anti-virus and anti-spyware software for all physical and virtual servers used to provide the Services.
 - 1.7. **Fix Errors.** Contractor will use Contractor’s best efforts to promptly remedy any failure of the Services.

2. **Monitoring Services.** Contractor will provide the following additional Services with respect to system monitoring:
 - 2.1. **Access.** Contractor will provide access to Contractor's CareMC Application (RMIS system) client portal, monitoring and alerting of the County's servers, as well as the processes and services being executed by such servers by Contractor's systems on a 24 x 7 x 365 basis by agreeing to and executing Contractor's CareMC License Agreement. In addition, the County will be provided with access to Contractor's designated representative which allows for 24x7x365 access to support requests. Such Contractor designated representative shall alert Contractor's Help Desk to open ticket status, reporting and a knowledge base of previous County issues and projects.
 - 2.2. **Monitoring and Detection.** Contractor will provide monitoring and alerting of Contractor's CareMC Application and systems on a 24 x 7 x 365 basis of Services.
 - 2.3. **Equipment Monitored.** The County requests that the Services be provided to cover the computer related items detailed on any network and infrastructure equipment inventory list maintained by Contractor through Contractor's disaster recovery guidelines.
 - 2.4. **Notification.** Contractor will notify the County of disruption in any Services for which Contractor is providing monitoring within twenty-four hours of any such disruption in accessibility.
 - 2.5. **Fix Issues.** Contractor will promptly apply a fix to any disruption in the Services **Communication with Network Operations Center.** The County may communicate with Contractor designated representative via telephone, email, or client portal ticket 24 hours a day, seven days a week and 365 days a year.
 - 2.6. **Initiation of Client Portal Tickets.** Unless stated otherwise, client portal tickets are initiated or escalated within twenty-four (24) hours of receipt.
3. **Operating System Patch Services.** Contractor will provide the following Services with respect to operating system Patches: Contractor does nightly maintenance on its CareMC Application and systems and applies patches as necessary, in a timely manner and prioritizes based upon risk.
 - 3.1. **Installation Services.** Contractor will install Patches at a time appropriate to their risk level, which may include considering the following factors: any possible disruption to the Services, and the urgency of the need to install the Patch.
 - 3.2. **Notification.** Contractor will notify the County of Patch management installations in accordance with the notification requirements agreed upon by the County and Contractor in any Patch Management and Monitoring which could materially and adversely affect the accessibility by Customer of Contractor's CareMC Application or systems during business hours.
 - 3.3. **Definition of Patch.** For the purposes of this Hosting Security Exhibit, the term "Patch" means platform and applications software security and anti-virus updates and other software fixes and updates issued by and recommended for installation by software vendors for

Software used in one or more Services.

4. **Security Standards.** Contractor shall comply with all security measures and policies as outlined in the Agreement as well as Contractor's data privacy, security policies, client guide and/or Information Security Policy, and security procedures that apply to county data. In the event Contractor materially degrades the information security standard during any such modification, such degradation shall constitute a material breach by Contractor under the Agreement Contractor will comply with applicable U.S. laws and regulations concerning information security and conduct SSAE 18 audits (or SOC 2) at least annually, or in the event it is superseded, the resultant SSAE 18 equivalent.
5. **Security Program.** Contractor agrees and represents that it currently maintains information protection practices and procedures ("Security Program") that complies with industry best practice and applicable privacy laws. Contractor's Security Program includes, at a minimum:
 - 5.1. Appropriate administrative, technical, and physical safeguards and other security measures designed to ensure the security and confidentiality of County Data;
 - 5.2. A security design intended to prevent any compromise of Contractor's own information systems, computer networks or data files by unauthorized users, viruses, or malicious computer programs which could in turn be propagated to County;
 - 5.3. Appropriate internal practices including, but not limited to, encryption of data in transit or at rest; using appropriate firewall and antivirus software; maintaining these countermeasures, operation systems and other applications with up-to-date virus definitions and security patches so as to avoid any adverse impact to County's systems or information; appropriate logging and alerts to monitor access controls and assure data integrity and confidentiality; installing and operating security mechanisms in the manner intended sufficient to ensure County government operations must not be disrupted; permitting only authorized users access to systems and applications; and preventing unauthorized access to County systems via the Contractor's networks and access codes; and
 - 5.4. All persons with authorized access to County Data must have a documented genuine need-to-know prior to access;
 - 5.5. Contractor warrants that the services and deliverables will not contain, and Contractor, its employees or Contractor's Agents will not introduce through data transmission or any other means, any virus, ransomware, malware, spyware, bomb, worm, trap door, back door, Trojan horse, malicious logic, drop dead device, software lock, disabling code or any other contaminant, program routine or disabling device, including without limitation, any key, timer, clock, counter, local shared object/flash cookies or other self-enacting device or limiting routines, codes, commands, or instructions or other feature that may have the effect or that could be used to access, track activity on, alter, delete, damage, deactivate, interfere with, disable or otherwise harm any service or deliverable or the County owned, licensed and/or leased computer hardware, software, code, systems, data, compilations of data, or other property.
6. **Audit.** Contractor shall have its own designated third party perform on at least an annual

basis security audits and review of Contractor's own systems performed by a third party, including vulnerability and penetration assessments. Contractor shall provide a current SOC Report to the County upon request and Contractor will give County notice of any current findings that are likely to adversely impact County Data and will keep County timely informed of its remediation efforts. If the audit reveals any vulnerability, Contractor shall correct such vulnerability at its sole cost and expense and shall certify the same in writing to County. Contractor shall use information technology industry best practices to correct all vulnerabilities and provide County a report explaining corrective actions immediately but no later than within thirty (30) days of completion of the audit, unless County agrees in writing otherwise. Contractor's failure to procure audits or to complete corrections in a timely manner will be a material breach of the Agreement.

7. **Mobility and Transfer of Data.** No Confidential Information, CPI, CPM or County Data shall be stored, transported, or kept on a laptop or any other mobile device or storage media, including USB, "thumb drives," DVDs, CDs, unless encrypted using an encryption methodology approved in writing by County. All electronic data transfers of County Data must be via secure FTP or other County approved protocol and/or in approved encrypted form. Any physical removal or transfer of County Data from County's or Contractor's facilities shall be conducted only according to controls developed or approved by County.
8. **Security Certification.** Contractor must maintain a level of security certification or assessment consistent with best practices and by a qualified third party reasonably acceptable to County. Such certifications shall be provided to County as reasonably requested by County.
9. **Segmentation.** Contractor warrants that all County Data is maintained so as to preserve segmentation of County Data in a logical separation from data of others.
10. **Controls.** The County agrees that Contractor is solely responsible for all testing and auditing, including port scanning and penetration testing, of Contractor security controls. Contractor shall provide summaries and or table of contents as applicable of the results of such testing as requested by the County.
11. **Penetration Testing.** Penetration testing of the Contractor's architecture is included at a frequency of one per year at no additional cost. Contractor will coordinate with the current Contractor penetration testing vendor and shall use information technology industry best practices to remedy any issues identified immediately but no later than within thirty (30) days of reporting. Contractor's failure to remedy and report the remedy in a timely manner will be a material breach of the Agreement. If additional penetration tests are required due to a material adverse result from first testing, Contractor will be arrange through Contractor's vendor for additional penetration testing and shall provide summaries of the result to County.
12. **Security Policies.** Contractor's security policy is made up of the following documents and

summaries or as applicable table of contents shall be provided to County Contractor will comply with and not degrade any component of their security policy.

- Acceptable Use Policy
- Access Control Policy
- Business Continuity Policy
- Data Destruction and Retention Policy
- Data Security Policy
- Disaster Recovery Policy
- Email Use Policy
- Encryption Policy
- Exception Request Policy
- Incident Management policy
- Internet Security Policy
- Mobile Device Policy
- Network Security Policy
- Password Policy
- Patch Management Policy
- Personnel Security and Termination Policy
- Physical Security Policy
- Privacy Policy
- Physical Security Policy
- Server Security Policy
- Scanning and Security Policy
- Server Audit Policy
- Third Party Access Policy

13. **Hosting Security Standards.** The hosting security standards for the Contractor or Contractor's Agent's data center(s) (the "Data Center") include:

- Physical Security
 1. Video cameras
 2. Motion sensors
 3. Fire sensors
 4. Locked doors with controlled access
 5. Manned reception area
 6. Visitor log

There are no external windows in the Data Center. In the Data Center, all physical equipment

is owned or leased by Contractor and/or Contractor's Agent and is subject to terms herein for all such hosting services including without limitation the secure management and monitoring of all components of the Services provided. Exterior perimeter walls, doors, windows and the main interior entry door to the raised floor environment are constructed of materials that afford UL rated ballistic protection. Vegetation and other objects within the Data Center are maintained such that an intruder would not be concealed.

Physical access mechanisms (e.g. access cards, biometric devices, man-traps and portals) have been implemented and are administered by local operations staff to help ensure that only authorized individuals have the ability to access the Data Center. Portals and Tdar man-traps have been installed as an anti-tailgating measure in the Data Center lobby. All access into and out of the Data Center is through either a portal or Tdar man-trap. The portal/man-trap bypass doors are only to be used in the event an individual is unable to use the portal or man-trap. Examples include handicap, phobia or other restrictions on a case- by-case basis. Tours and emergency Data Center security operations crews will be permitted to use the Portal bypass door, when necessary. All security systems have dedicated 24x7 UPS systems and standby emergency power support.

The Data Center incorporates video cameras, motion sensors, fire sensors, locked doors with controlled access, manned reception area, visitor log, and glass break sensors in the Data Center. There are no external windows in the Data Center. Video cameras are used in the front entrances, emergency exits, secure areas, main lobby, elevators, general employee areas, within the Data Center and monitoring the grounds and parking lots around the Data Center. Security monitoring is recorded to digital files with a 90 day retention. Tapes are rotated every 30 days and are stored offsite. Motion sensors are located on the roof and are armed 24x7. The Data Center utilizes on-site and remote monitoring centers and both are manned 24x7.

The Data Center requires a key-card for entry. Only three designated employees are permitted to open the door to accept shipments or greet visitors. The Data Center is staffed from 6 a.m. to 7 p.m. weekdays. Security guards patrol the building during unstaffed hours. Video cameras are positioned in the areas surrounding the Data Center. All visitors must sign in and be escorted at all times.

All persons requesting access into the Data Center must be positively identified. This process requires the requesting person to submit valid (unexpired) Government issued photographic ID at the desk and sign in and out of the Data Center. Visitors must be approved by Contractor's personnel prior to arriving at the Data Center. The Data Center incorporates secure badges, secure visitor badges, and biometrics. All visits must be arranged in advanced, and all visitors are escorted at all times.

- Network Security
 1. Every connection to an external network is terminated at a firewall.
 2. Network devices are configured to prevent communications from unapproved networks.
 3. Network devices deny all access by default.
 4. Security patches are regularly reviewed and applied to network devices.
 5. Contractor follows a strict change management process which incorporates Change Advisory Board review and approvals.
 6. Communication through a network device is controlled at both the port and IP

address level.

7. There is a documented standard for the ports allowed through the network devices.
8. Contractor prevents unauthorized devices from physically connecting to the internal network.
9. There is an approval process to allow the implementation of extranet connections.
10. There are regular scans for rogue wireless access points.
11. Contractor manages a SIEM (Security Information and Event Management) tool to review any potential security, infrastructure and vulnerabilities.
12. Contractor subscribes to Contractor's Agent's dedicated NIDS service and 24 x 7 incident response to monitor and respond to intrusion attempts.
13. The Data Center is compliant with SOC-1 and SOC-2.

14. **Backup.** Contractor uses daily on-site backups that are transferred offsite weekly. On-site backups are in a secured tape library within the data center. The tapes travel to a secure facility in locked storage. All of the County Data will be contained in a distinct database that will follow the backup process set forth in the Agreement. Some systems are not backed up because they do not contain any useful data and the recovery process is to rebuild these systems.

- Full backups of the County's repositories are performed daily at 11:30 p.m. CT.
- Incremental backups are performed every hour.
- The backups are sent to tape every evening.
- Backup tapes are tracked in the Data Center where the backup takes place.
- Tapes are in locked containers before going offsite.
- The containers are tracked in the offsite facility and are stored for thirty (30) days.

15. **Disaster Recovery.** Contractor's Disaster Recovery plan is structured in a recovery team format. This format increases the efficiency by allowing departments to be recovered concurrently. The plan provides critical recovery solutions, information and specific steps required to be followed by each team member to ensure successful recovery. Contractor has a Crisis Manager and leadership identified with responsibilities clearly assigned. Alternates for each critical team member are identified to be involved in the event that the team member is not available. The Disaster Recovery Plan is tested and updated at least annually or when major changes warrant updating. A report of each Disaster Recovery test is completed and any identified gaps and lessons learned are shared with leadership. Any major gaps are prioritized and mitigated where ever possible. Contractor, upon request of the County, provide a summary of any major gaps identified which may impact County Data.

16. Contractor also includes Business Continuity Plans (BCP) as part the annual testing efforts. This includes a full BCP tabletop exercise with leadership engagement. A report of the annual BCP test is generated and reviewed with leadership. Any gaps identified are prioritized by leadership and are assigned and mitigated where ever possible before the next BCP test if not before. Contractor shall provide a table of contents of the Business Continuity Plan upon request from County. Contractor, upon request of the County, provide

a summary of any major gaps identified which may impact County Data.

17. County Data. The Contractor shall provide the County with all County Data upon termination or at any earlier time in the format reasonably requested by the County at no additional cost to the County. In addition, to the extent the County requests Transition Services, the Contractor will provide such Transition Services as provided below. The return of the County Data will either be provided once Transition Services are completed, or earlier, as requested by the County. The Contractor shall not destroy the County Data until such time as the County has confirmed successful access to the returned County Data.

17.1 “Transition Services” means those Services that are provided by Contractor to County at the time of expiration or termination of the Agreement, Service Order, SOW, or any other termination of Services, along with any new services that County may require to transfer County Data, and the affected Services to County or to any third party designated and authorized by County.

17.2 “Transition Services Period” means a period of six (6) months, or as otherwise described in the Agreement, Service Order or SOW, for the orderly transition of Services and transfer of any County Data to County or another service provider, beginning upon the expiration of the Agreement, Service Order, SOW, or other termination of Services.

17.3 “Transition Services Plan” is the written methodology and approach, including Deliverables and timelines that Contractor will use to deliver the Transition Services during the Transition Services Period.

17.4 Transition Services. In connection with the expiration or termination of the Agreement, any Service Order, or SOW, for any reason, and notwithstanding any dispute between the Parties, Contractor will provide Transition Services for the Transition Services Period, or as otherwise agreed upon between the Parties as follows: (i)

18. Applicable Requirements and Access. At no additional cost Contractor will provide County and any designated Third Party Service Provider in writing, to the extent applicable, applicable standards, policies, operating procedures, and other Documentation relating to the affected Services; (ii) Development of Transition Services Plan. If requested by County, at Contractor’s expense, Contractor will assist County and its designated Third Party Service Provider in developing a Transition Services Plan; (iii) Comparable Fees. Contractor shall provide the Transition Services during the Transition Service Period at fees that are no greater than fees charged County for comparable services prior to termination or if comparable services were not performed for County prior to termination or expiration, then at fees no greater than the fees charged by Contractor to other similarly situated customers or fair market value, whichever amount is less; (iv) Absolute Obligation. Contractor agrees that it has an absolute and unconditional obligation to provide County with Transition Services and Contractor’s quality and level of performance during the Transition Service Period will continue to adhere to all requirements of the Agreement.

19. Data Retention. Contractor may continue to keep or maintain any County Data obtained in the course of performance of the Services so long as the Agreement and the relevant Service Order or SOW remains in effect and such use shall not extend beyond the

termination of the Agreement or the relevant Service Order or SOW except with respect to providing Transition Services, provided that Contractor will provide a copy of the County Data upon termination or expiration of the Agreement in accordance with Section XX or at any time requested by County.

20. Warranties.

20.1 Contractor warrants that the Services and Deliverables will not contain, and Contractor, its employees or Contractor's Agents will not introduce through data transmission or any other means, any virus, ransomware, malware, spyware, bomb, worm, trap door, back door, Trojan horse, malicious logic, drop dead device, software lock, disabling code or any other contaminant, program routine or disabling device, including without limitation, any key, timer, clock, counter, local shared object/flash cookies or other self-enacting device or limiting routines, codes, commands, or instructions or other feature that may have the effect or that could be used to access, track activity on, alter, delete, damage, deactivate, interfere with, disable or otherwise harm any Service or Deliverable or the County owned, licensed and/or leased computer hardware, software, code, systems, data, compilations of data, or other property.

20.2 Contractor warrants that (a) all Services and Deliverables will strictly comply, function and perform in accordance with the functional requirements and specifications of County or as otherwise identified in any and all specifications, criteria, requirements and documentation specified or referred to in the applicable Service Order(s) and/or SOW(s).

20.3 The Documentation, if any is to be provided, will be accurate, complete and sufficient in detail to enable the End Users to use all of the functionality of the Services and Deliverables without assistance from Contractor or any third party, (c) no information transferred through or stored in or on the Services or Deliverables, while in the possession or under the control of Contractor, will be subject to any loss of accuracy or integrity or corruption, and (d) all Services or Deliverables will comply, function and perform in accordance with all applicable laws and regulations. In the event that the County discovers that any Services or Deliverables do not conform to and perform in accordance with the specifications and requirements of the County, the County shall promptly notify Contractor in writing of such nonconformance, and Contractor shall, at Contractor's sole cost and expense, promptly re-perform Services to modify such Services or Deliverable to make it conform, time being of the essence. In the event Contractor is unable to qualitatively and functionally re-perform the Services or correct a Deliverable within five (5) business days of County notice of the nonconforming Service or Deliverable, County may seek and obtain a refund for the defective Services or Deliverable. Contractor's failure to properly remedy any failed warranty outlined above shall not preclude County from exercising any other remedies available to it under the Agreement or at law or equity.

20.4 Contractor represents and warrants that all third party materials required to operate and fully utilize the Services or Deliverables will be fully disclosed to the County and are commercially available to the County and unless otherwise identified in a Service Order or SOW, no additional license fee or other costs will be incurred by County for use of the Services.