

**District School Board of Indian River County, Florida
6500 - 57th Street, Vero Beach, FL 32967**

It is hereby advised that if a person decides to appeal any decision made by the Board with respect to any matter considered at this meeting, he/she will need to ensure that a verbatim record is made that includes the testimony and evidence upon which the appeal is to be made.

INVOCATION: Shortly before the opening gavel that officially begins a School Board meeting, the Chairman will introduce the Invocation Speaker. No person in attendance is or shall be required to participate in this observance and the personal decision of each person regarding participation will have no impact on his or her right to actively participate in the School Board's business meeting.

Date: September 26, 2017

Time: 6:00 p.m.

Room: Teacher Education Center (TEC)

Business Meeting Agenda

- I. CALL MEETING TO ORDER
- II. PLEDGE OF ALLEGIANCE TO THE FLAG AND PRESENTATION OF COLORS by Vero Beach High School's Air Force Junior ROTC Detachment 043 Under the Direction of Wade E. Dues, Chief Master Sergeant (Retired), Aerospace USAF, Science Instructor.
- III. ADOPTION OF ORDERS OF THE DAY
- IV. PRESENTATIONS
 - A. **FSA Perfect Scores – Certificate Presentation to Secondary Students**
 - B. **Short Video on School Initiatives**
- V. CITIZEN INPUT
- VI. CONSENT AGENDA
 - A. **Approval of Personnel Recommendations – Mr. Green**

Attached is a list of personnel recommendations that includes personnel additions, terminations, and/or changes. Superintendent recommends approval.
 - B. **Approval to Dispose of Surplus Property – Mr. Morrison**

This request is for approval to dispose of surplus property in accordance with Florida Statutes 274.05 and 274.06. The attached lists represent property to be deleted from various inventories and/or for items that have been declared surplus. After Board approval, property will be recycled and/or auctioned.

VII. ACTION AGENDA

A. Approval for a Public Hearing for Adoption of New School Board Policy 6334 –Mr. Morrison

On July 25, 2017, the Board moved approval to set a Public Hearing date to adopt a new School Board Policy 6334. The purpose of this new policy is to bring the district in compliance to the requirements F.A.C 6A-2.0010 State Requirements for Educational Facilities. The policy change process was followed in accordance with Florida Statutes under Florida Administrative Procedures Act, Chapter 120 Rulemaking; and School Board Policy 0131. The proposed policy is attached. Superintendent recommends approval.

B. Approval to amend the 2017-2018 Salary Schedules to reflect a 2% salary increase for all non-bargaining employees– Dr. Rendell

Approval is requested to amend the 2017-2018 salary schedules for all non-bargaining employees. Non-Bargaining employees are employees that are not represented by a Union or Collective Bargaining Agreement. Examples of these positions are Code Compliance Inspectors, Food Services Managers, Network Specialists, Computer Programmers, Accountants, Administrative Assistants at Schools and District Offices, Principals, Assistant Principals, Assistant Superintendents, Executive Directors, Directors and Coordinators. On July 25, 2017, at its regularly scheduled Board Business Meeting, the School Board unanimously approved the District's Five Year Strategic Plan. Objective 3.1, Strategy 2, indicates that ensure that the District will ensure that our working conditions are desirable, including competitive salaries and benefits. It is therefore requested that the salary schedules for all non-bargaining staff of about 268 employees be amended to reflect a \$1200 increase in base pay which was arrived at using a 2% increase in the average base salary for all non-bargaining employees. This 2% is similar to the salary increase awarded to all Bargaining groups in the district for fiscal year 2017-18. However, this amount will be pro-rated based on the number of contract days for the respective position. By way of example a 250-day contract employee would receive a \$1200 salary increase to base pay while a 220-day employee would receive a \$1,056 salary increase to base pay. The total estimated cost is \$369,714 of which the general operating fund impact is estimated to be \$279,745. Superintendent recommends approval

C. Approval for Release of Final Payment to Hamilton Roofing, Inc. for the Fellsmere Elementary School Roof Replacement Project (ITB #14-B-060-DW) – Mr. Teske

Approval is recommended for release of Final Payment in the amount of \$20,912.71 to Hamilton Roofing, Inc. for the Fellsmere Elementary School Roof Replacement Project (as per Brevard County School Board ITB #14-B-060-DW). On May 9, 2017, the Board approved the Owner Contractor Construction Agreement (Lump Sum) for the Fellsmere Elementary Roof Replacement Project in the amount of \$219,782.00 (\$199,802.00 Contractors Bid Price/\$19,980.00 Owner Added Contingency); with the FINAL construction cost for this project totaling \$209,127.07. The unused portion of the contract in the amount of \$10,654.93 is the remaining balance of the owner added contingency. Final payment for this project is being brought to the Board for approval in accordance with Florida Statute 1013.50. The final payment to the contractor consists of the project retainage, which is held until project completion. Superintendent recommends approval.

D. Approval of Contract and Clinical Addendum with Express Scripts, Inc. and the School Board of Indian River County – Mr. Morrison

On June 27, 2017, The School Board approved its participation in the Aon Rx Coalition (“ARxC”). Participation in the Coalition provides the School Board of Indian River County access to Aon coalition services, Pharmacy Benefit Management (“PBM”) services for the Board’s prescription drug program, PBM pricing, and the assurance that the quality of our prescription drug benefits is maintained. As a result, the Board receives bulk discounted fees for prescription benefits beyond those typically available to employers’ at-large for pharmacy administration services. The District Benefits Team requested re-pricing of the recent pharmacy expenditures through three participants in the pharmacy coalition, as well as reports to ensure continuity of product and pharmacy for participants. Express Scripts was determined to have the deepest discounts, the best continuity of coverage, quality service, and they agreed to pass through 100% of pharmacy rebates. The estimated savings over this year’s pharmacy claims by moving from Florida Blue to the Aon coalition with Express Scripts is \$500,000 which is an important strategy in managing the finances of the Employee Benefits and Insurance Fund. The only changes for employees will be that they will use a different card for pharmacy services than they use for medical services and their mail order provider will change. Members of HIATF have reviewed this option and unanimously support moving to the Aon coalition with Express Scripts for pharmacy services starting on October 1, 2017. The Agreement between the School Board and Express Scripts, Inc. contains references to certain exhibits and a Master Agreement however pursuant to Florida Statute 815.045 the Master Agreement and associated exhibits are exempt from Public Disclosure as a trade secret. Superintendent recommends approval.

E. Approval of Hurricane Irma Make Up Days – Dr. Rendell

In the interest of the safety and well-being of students and employees of the District, the Superintendent declared district-wide closing of schools due to Hurricane Irma, Thursday, September 7, 2017 thru Friday, September 15, 2017. During this time, students missed seven (7) instructional days. The Florida Department of Education has indicated that school districts will have two (2) days waived to cover Thursday, September 7, 2017 and Friday, September 8, 2017. Additionally, the District is able to waive two (2) of the missed instructional days to cover September 11, 2017 and September 12, 2017. Therefore, the District will need to make-up three (3) instructional days. The 2017-2018 Instructional Calendar will be revised to reflect the following make-up days: November 22, 2017, December 21, 2017, and April 2, 2018. Superintendent recommends approval.

- VIII. SUPERINTENDENT'S REPORT
- IX. DISCUSSION
 - 2017/2018 Legislative Priorities**
 - Board Travel Budget**
- X. SCHOOL BOARD MEMBER MATTERS
- XI. INFORMATION AGENDA
 - No information items
- XII. SUPERINTENDENT'S CLOSING
- XIII. ADJOURNMENT

Any invocation that may be offered before the official start of the School Board business meeting is and shall be the voluntary offering of a private citizen to and for the benefit of the School Board pursuant to Resolution #2015-08. The views and beliefs expressed by the Invocation Speaker have not been previously reviewed or approved by the School Board and do not necessarily represent their individual religious beliefs, nor are the views or beliefs expressed intended to express allegiance to or preference for any particular religion, denomination, faith, creed, or belief by the School Board. No person in attendance at this meeting is or shall be required to participate in any invocation and such decision whether or not to participate will have no impact on his or her right to actively participate in the public meeting.

Anyone who needs a special accommodation may contact the School District's American Disabilities Act Coordinator at 564-3175 (TTY 564-2792) at least 48-hours in advance of the meeting. NOTE: Changes and amendments to the agenda can occur prior to the meeting. All business meetings will be held in the Teacher Education Center (TEC) located in the J.A. Thompson Administrative Center at 6500 – 57th Street, Vero Beach, FL 32967, unless otherwise specified. Meetings may broadcast live on Comcast/Xfinity Ch. 28, AT&T Uverse Ch. 99, and the School District's website stream; and may be replayed on Tuesdays and Thursdays at the time of the original meeting. For a schedule, please visit the District's website at www.indianriverschools.org/iretv. The agenda can be accessed by Internet at <http://www.indianriverschools.org>.

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CONSENT AGENDA 9/26/17

Personnel Recommendations

1. Instructional Changes
2. Instructional Leaves
3. Instructional Promotions
4. Instructional Transfers
5. Instructional Separations
**Davis, Denise – Pelican Island Elementary, retirement, exiting
DROP 10/27/17**
**Gilson-Smith, Wanda – Alternative Center for Education,
retirement 2/28/18 (revised date)**
Hendrix, Brandy – Gifford Middle, resignation 11/21/17
6. Instructional Employment
**Berg, Deborah – ESE District Wide, Resource Specialist
9/25/17**
Healey, Elizabeth – Indian River Academy, Art Teacher 9/27/17
~~Helwig, Kymberly – Indian River Academy, Primary Teacher
9/20/17 (rescinded job acceptance)~~
7. Support Staff Changes
8. Support Staff Leaves
Pike, Cynthia – SRHS, 8/24/17 – 11/21/17
9. Support Staff Promotions
10. Support Staff Transfers
**Dobson, Elaine – from Sebastian Elementary, Health Assistant
to Sebastian Elementary, Teacher Assistant 9/27/17**
**Ponders, Lavette – from Dodgertown Elementary, Media
Assistant to Dodgertown Elementary, Administrative
Assistant 9/27/17**
**Scott, Robert – from Indian River Academy, School Computer
Lab Manager to Technology Services, Educational
Technology Specialist 10/06/17**
11. Support Staff Separations
Hedgecock, Donna – VBHS, entering DROP 9/1/17
Vargas, Idalmis – Storm Grove Middle, resignation 9/29/17

12. Support Staff Employment
Holly, Emily – ESE District Wide, Behavior Intervention Specialist 9/27/17
Huber, Zachary – Vero Beach Elementary, .5 Teacher Assistant (Sunset position) 9/27/17
Monti, Michael – Technology Services, Educational Technology Specialist 10/2/17
Stranzin, Samuel – Technology Services, Educational Technology Specialist 9/27/17
13. Administrative Separations
14. Administrative Employment
15. Administrative Leaves
16. Approval of Placement in Instructional Substitute Pool
Calle, Tennessee – Substitute Teacher 9/20/17
Luethje Fleck, Christine – Substitute Teacher 9/27/17
McGallagher, John – Substitute Teacher, pending clearance
Nigito, Steven – Substitute Teacher 9/27/17
17. Approval of Placement in Support Staff Substitute Pool

Revised 9/25/17/mc

SURPLUS PROPERTY RECORDS RCY
EQUIPMENT TO RECYCLE - REVENUE GENERATING

ASSET	DESCRIPTION 1	DESCRIPTION 2	ACCOUNT		CURR VAL	GL	FUND	SERIAL	ACQ	ACQ DATE	P.O.	CNTR	BDG	ROOM	DP
			ORIG VAL	ACCUM DEPR											
00076236	28" UTILITY	SECTION	1,126.00	1,126.00	.00	1340	541	37020-7817-NNN		11/07/2000	00100171	9999	00	RCY9	FS
00078557	SMARTBOARD 72"	W/SOFTWARE	1,499.00	1,499.00	.00	1383	530	SB580-60721		09/23/2002	00301927	9999	00	RCY9	
00078559	SMARTBOARD 72"	W/SOFTWARE	1,499.00	1,499.00	.00	1383	530	SB580-60722		09/23/2002	00301927	9999	00	RCY9	
00080549	SB580 SMARTBOAR	20FT USB CABLE	1,399.00	1,399.00	.00	1383	530	62891		02/27/2004	00405440	9999	00	RCY9	
00083972	HP LP3065 30" W	PANEL MONITOR D	1,751.25 *	1,751.25	.00	1383	530	CNN70956PH		05/14/2007	00707716	9999	00	RCY9	FS
00083972	HP LP3065 30" W	PANEL MONITOR D	24.75 *	24.75	.00	1383	542	CNN70956PH		05/14/2007	00707716	9999	00	RCY9	FS
00084227	HP WORKSTATION	2 DUO E6300 1.8	1,399.00	1,399.00	.00	1383	530	ZUA7260XM4		06/30/2007	00710891	9999	00	RCY9	FS
00085034	HP TABLET W/OUT	NOTEBOOK * J	1,635.00	1,635.00	.00	1383	542	2CE820245RD		06/30/2008	00810786	9999	00	RCY9	
00085586	POWERLITE 400W	MULTIMEDIA PROJ	1,079.00	1,079.00	.00	1383	530	KH3P870283L		04/24/2009	00904741	9999	00	RCY9	
00086323	ACTIVBOARD PRO7	BLUETOOTH & ACT	1,688.96	1,688.96	.00	1340	500	N/A		03/08/2010	INTERNAL	9999	00	RCY9	
00086324	ACTIVBOARD PRO7	BLUETOOTH & ACT	1,688.98	1,688.98	.00	1340	500	N/A		03/08/2010	INTERNAL	9999	00	RCY9	
00086325	ACTIVBOARD PRO7	BLUETOOTH & ACT	1,688.98	1,688.98	.00	1340	500	N/A		03/08/2010	INTERNAL	9999	00	RCY9	
00086327	ACTIVBOARD PRO-	BLUETOOTH & ACT	1,688.98	1,688.98	.00	1340	500	N/A		03/08/2010	INTERNAL	9999	00	RCY9	
00086328	ACTIVBOARD PRO-	BLUETOOTH & ACT	1,688.98	1,688.98	.00	1340	500	N/A		03/08/2010	INTERNAL	9999	00	RCY9	
00086347	10-BAY SERVER I	MONTAGE O/S W/O	17,495.38	17,495.38	.00	1383	530	3925/ IN STUDIO		01/11/2010	01000903	9999	00	RCY9	
00086392	BRETFORD POWERS	HOLDS I-PODS RE	1,084.32	1,084.32	.00	1383	542	A3900091		05/11/2010	01005409	9999	00	RCY9	
	TOTAL	16 RECORDS	38,436.58	38,436.58	0.00										

School District of Indian River County
SURPLUS REMOVAL REQUEST/TRANSFER FORM

RCY-9

Requesting Facility: Treasure Coast Elementary

Transfer To Facility: SURPLUS

Requesting Person: Robyn Bethel

Contact Person: Mike Reminger

Property Records
Office use only

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
✓ 0000078559	Smartboard 72"	00301927 60722	obsolete	
✓ 0000086327	Promethean board PRO-78	N/A	obsolete	
✓ 0000086328	Promethean board PRO-78	N/A	obsolete	
✓ 0000078557	Smartboard PRO-78	60721	obsolete	
✓ 0000086325	Promethean board N/A	N/A	obsolete	
✓ 0000080549	Smartboard	102801	obsolete	
✓ 0000086323	Promethean board	N/A	obsolete	
✓ 0000086324	Promethean board	N/A	obsolete	
✓ 0000085034	HP Laptop Notebook	2ce820245R0	obsolete	

Robyn Bethel
Releasing Signature - Site P.R. Custodian

8/22/17
Date

Mike Reminger
Receiving Signature

8/22/17
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department
Copy for your records

REV-89

School District of Indian River County
SURPLUS REMOVAL REQUEST/TRANSFER FORM

Requesting Facility: TV Productions

Transfer To Facility: SURPLUS

Requesting Person: SAM, CHRIS

Contact Person: Mike Penninger

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
86347	SERVER SAFARI Montage	3925	obsolete	

Chris Hill
Releasing Signature - Site P.R. Custodian

8/17/17
Date

Mike Penninger
Receiving Signature

8/17/17
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department
Copy for your records

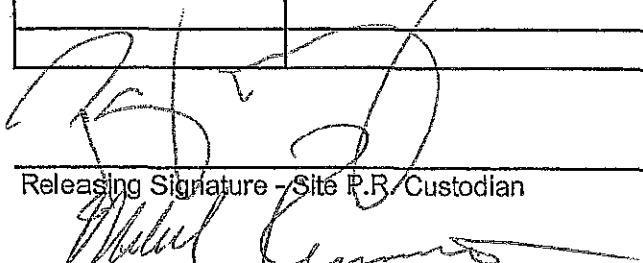

RCY-89

School District of Indian River County
SURPLUS REMOVAL REQUEST/TRANSFER FORM

Requesting Facility: Food Service
Requesting Person: Patrick McCarty

Transfer To Facility: Warehouse
Contact Person: SURPLUS MIKE R.

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
✓ 83972	MONITOR HP 30" WIDE	CNN70956PH	POOR	
✓ 76236	SERVING LINE 28" UTILITY	37020-7817-NNA	OBsolete	


Releasing Signature - Site P.R. Custodian

Receiving Signature

8/21/17
Date
8/21/17
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department
Copy for your records

(RCY-9)

School District of Indian River County
SURPLUS REMOVAL REQUEST/TRANSFER FORM

Requesting Facility: TREASURE COAST

Transfer To Facility: SURPLUS

Requesting Person: BARBARA

Contact Person: MIKE REMINGEL

Property Records
Office use only

Property Record #	Item Description (make/model)	Serial #	Condition	
85586	EPSON power flight projector	KH3F870283L	obsolete	

Barbara Hill
Releasing Signature - Site P.R. Custodian

8/22/17
Date

Mike Remingel
Receiving Signature

8/22/17
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department
Copy for your records


(Page 9)


School District of Indian River County
SURPLUS REMOVAL REQUEST/TRANSFER FORM

Requesting Facility: VBHS Kitchen
Requesting Person: Dave Simons

Transfer To Facility: Warehouse Surplus
Contact Person: Rhonda Besancen

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
84227	Computer Tower	ZUA7260AM4	obsolete	


Releasing Signature - Site P.R. Custodian
R Besancen
Receiving Signature


Date 8/24/17
Date Received 8/24/17

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department
Copy for your records

RCY-9

School District of Indian River County
SURPLUS REMOVAL REQUEST/TRANSFER FORM

Requesting Facility: Indian River Academy

Transfer To Facility: Warehouse / SURPLUS

Requesting Person: R. Alex Scott

Contact Person: R. Alex Scott

Property Record #	Item Description (make/model)	Serial #	Condition	Property Records Office use only
86392	iPod Touch case with 15 iPods	86392 A3900291	Obsolete	

[Signature]
Releasing Signature - Site P.R. Custodian

[Signature]
Receiving Signature

8-24-17
Date

8/24/17
Date Received

(In addition to this form please enter your electronic work order request to expedite the removal of the items listed above)

Original - Property Records Department
Copy for your records

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Table until 16 #1

REVISED POLICY - VOL. 15, NO. 2

PREQUALIFICATION OF CONTRACTORS FOR
EDUCATIONAL FACILITIES CONSTRUCTION

The School Board shall pre-qualify contractors for a one (1) year period or for a specific project in accordance with the following:

Criteria

Contractors shall be pre-qualified on the basis of the following criteria and any additional criteria specific to the project under consideration:

- A. Proof that the contractor holds a contractor's license which authorizes the contractor to supervise work within the scope of the construction project.
- B. Evidence that the applicant has financial resources to start up and follow through on projects and to respond to damages in case of default as shown by written verification of bonding capacity equal to or exceeding the amount of any project for which the contractor seeks prequalification. The written verification must be submitted by a licensed surety company rated excellent ("A-" or better) in the current A.M. Best Guide and qualified to do business within the State. In the absence of such written verification, the Board may require the applicant to submit any audited financial information necessary to evaluate an applicant's financial ability to perform the project and to respond to damages in the event of default.
- C. Evidence of experience with construction techniques, trade standards, quality workmanship, project scheduling, cost control, management of projects, and building codes for similar or less-lower cost or scope projects, as shown by successful completion of at least two (2) other projects of similar size within the past five (5) years.

- D. Evidence of satisfactory resolution of claims filed by or against the contractor asserted on projects of the same or similar size within the five (5) years preceding the submission of the application. Any claim against a contractor shall be deemed to have been satisfactorily resolved if final judgment is rendered in favor of the contractor or any final judgment rendered against the contractor is satisfied within ninety (90) days of the date the judgment becomes final.
- E. Type of work for which the contractor is licensed.

Procedures

- A. The Board shall hold a public hearing to discuss the Board's intent to pre-qualify contractors and the proposed policies, procedures and rules.
- B. The Board shall publish two (2) notices of the public hearing in a local newspaper having general circulation throughout the District and least thirty (30) days and again seven (7) days prior to the hearing. The notice shall contain at least the purpose, date, time, and place of the hearing.
- C. It is the policy and procedure of the Board to provide for open competition which shall not prevent the submission of a bid, nor prohibit the consideration of a bid submitted by a prequalified contractor. Those standards which the Board applies when soliciting bids for goods and services generally shall be applied equally to the solicitation of bids from prequalified contractors.
- D. It is the policy of the Board to allow for prequalification of any responsible contractor who, through its submittal to the Board, meets the uniform criteria established by the State Requirements for Educational Facilities and incorporated in Criteria above whether such contractor is a resident or nonresident of the geographical area served by the Board.

- E. It is the policy of the Board to allow those contractors seeking prequalification to submit all required company financial information separate and apart from the other required submittals, as specifically outlined in the Prequalification Submittals section of the Request for Qualifications, in order to endeavor to protect privileged company information from public disclosure.
- F. The Superintendent shall appoint a Contractor Prequalification Review Committee to review and evaluate the submissions and to make recommendations to the Board as to which contractors should be prequalified to bid for type of project, dollar volume and limits allowed within the scope of the prequalification.
- G. These prequalification procedures shall not supersede any small business, woman-owned, or minority-owned business enterprise preference program adopted by the Board.
- H. Notwithstanding anything contained herein, the Board may reject any proposals which, in the Board's sole opinion, contain inaccurate information. In addition, the Board shall have the sole discretion to declare a contractor delinquent and to suspend or revoke a prequalification certificate.
- I. The Board shall receive and either approve or reject each application for prequalification within sixty (60) days after receipt by the Board's administrator. Approval shall be based on the criteria and procedures established in this policy.

Application

Each contractor, firm, or person requesting prequalification shall submit separate applications that include the following:

- A. Detailed information on Board prescribed forms setting forth the applicant's competence, past performance, experience, financial resources, and capability, including a Public Entity Crimes Statement, and references.

- B. Audited financial information current within the past twelve (12) months, such as a balance sheet and statement of operations, and bonding capacity. The requirement for financial information may be satisfied by the contractor providing written verification of the contractor's bonding capacity.
- C. General information about the contractor company, its principals, and its history, including state and date of incorporation.
- D. Contractor trade categories and information regarding the State and local license and license numbers held by the applicant.
- E. A list of projects completed within the past five (5) years, including dates, clients, approximate dollar value, and size.
- F. Certificates of insurance confirming current worker's compensation, public liability and property damage insurance as required by law.
- G. A list of all pending litigation and all litigation within the past five (5) years, including an explanation of each. Litigation initiated by the contractor to protect the contractor's legal rights shall not be used as a basis for rejecting prequalification.
- H. The completed application and financial information shall be attested to and signed by an authorized officer of the company, the owner, or sole proprietor, as appropriate. The signature shall be notarized.
- I. Exception: When two (2) or more prequalified contractors wish to combine their assets for a specific project, they may do so by filling an affidavit of joint venture. Such affidavit shall be valid only for that specific project.

Issuance of Certificate

The Board shall issue to all prequalified contractors a certificate valid for one (1) year or for the specific project. That certificate shall include the following:

- A. A statement indicating that the contractor may bid for projects during the time period specified.

- B. A statement establishing the type of work the contractor will be permitted to provide.
- C. A statement establishing the total dollar value of work the contractor will be permitted to have under contract with the Board at any one time as determined by the contractor's bonding capacity or ten (10) times the net quick assets.
- D. A statement establishing the maximum dollar value of each individual project the contractor will be permitted to have under contract with the Board at any one time. The maximum value of each project may be up to twice the value of the largest project previously completed, but shall not exceed the contractor's bonding capacity or ten (10) times the net quick assets.
- E. The expiration date of the certificate.

Renewal of Certificate

Certificates not for a specific project shall be renewed annually.

- A. Financial statements or written verification of bonding capacity on file with the Board shall be updated annually. Failure to submit a new statement or verification of bonding capacity, after at least thirty (30) days written notice by the Board, shall automatically revoke a prequalification certificate.
- B. Prequalified contractors may request a revision of their prequalifications status at any time they believe the dollar volume of work under contract or the size or complexity of the projects should be increased if experience, staff size, staff qualifications, and other pertinent data justify the action.

Delinquency

The decision to declare a contractor delinquent may only be made by the Superintendent and must be ratified by the Board at its next regular meeting following the decision by the Superintendent. Should the contractor be determined to be delinquent, after notice and an opportunity for a fair hearing, the Board shall notify the contractor and his/her surety, in writing, that the contractor is disqualified from bidding work with the Board as long as the delinquent status exists. A delinquent condition may be determined to be in effect when one (1) or more of the following conditions occur without justifiable cause:

- A. A substantial or repeated failure to comply with contract documents after written notice of such noncompliance.
- B. A substantial or repeated failure to provide supervision and coordination of subcontractor's work after written notice of such failure.
- C. Substantial deviation from project time schedules after written notice of noncompliance.
- D. Substantial or repeated failure to pay subcontractors after the Board has paid the contractor for the work performed by the subcontractors and in accordance with approved requisitions for payment.
- E. Substantial or repeated failure to provide the quality of workmanship compatible with the trades standards for the community after written notice of such failure.
- F. Substantial or repeated failure to comply with the warranty requirements of previous contracts after written notice of such failure.
- G. Failure to maintain the required insurance coverage after written notice of such failure.

Suspension or Revocation

The Board may, for good cause, suspend a contractor for a specified period of time or revoke the prequalification certificate. Causes for suspension or revocation shall include, but not be limited to, one or more of the following:

- A. Inaccurate or misleading statements included in the application.
- B. Declared in default by the Board.
- C. Adjudged to be bankrupt.
- D. Performance, in connection with contract work, becomes unsatisfactory to the Board, based on the Board asserting and recovering liquidated damages in an action against the contractor.
- E. Payment record, in connection with contract work, becomes unsatisfactory to the Board, based on the contractor's failure to comply with the Construction Prompt Pay Act (F.S. 715.12).
- F. Becomes delinquent on a construction project pursuant to Delinquency above.
- G. Contractor's license becomes suspended or is revoked.
- H. No longer meets the uniform prequalification criteria established in this policy.

Appeal

A contractor whose application has been rejected or whose certificate has been suspended or revoked by the Board shall be given the benefit of reconsideration and appeal as follows:

- A. The aggrieved contractor may, within ten (10) days after receiving notification of such action, request reconsideration in writing. The contractor may submit additional information at the time of appeal.

- B. The Board shall act upon the contractor's request within thirty (30) calendar days after the filing and shall notify the contractor of its action to adhere to, modify, or reverse its original action. The Board may require additional information to justify the reconsideration.

F.S. 1001.41, 1001.42, 1001.43

F.A.C. 6A-2.0010

[State Requirements for Educational Facilities](#)

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**CONFIDENTIAL
MANAGERIAL
SUPPORT STAFF**

Confidential/Managerial Salary Schedule Fiscal Year 2017-2018

	Entry	Experienced	Expert
A	\$20,200 <u>21,400</u>	\$28,000 <u>29,200</u>	\$34,000 <u>35,200</u>
B	\$22,200 <u>23,400</u>	\$30,000 <u>31,200</u>	\$36,000 <u>37,200</u>
C	\$23,700 <u>24,900</u>	\$31,500 <u>32,700</u>	\$37,500 <u>39,700</u>
D	\$26,700 <u>27,900</u>	\$34,500 <u>35,700</u>	\$40,500 <u>41,700</u>
E	\$29,200 <u>30,400</u>	\$37,000 <u>38,200</u>	\$43,000 <u>44,200</u>
F	\$33,200 <u>34,400</u>	\$41,000 <u>42,200</u>	\$47,000 <u>48,200</u>
G	\$36,200 <u>37,400</u>	\$44,000 <u>45,200</u>	\$50,000 <u>51,200</u>
H	\$37,500 <u>38,700</u>	\$43,900 <u>45,100</u>	\$53,100 <u>54,300</u>
I	\$40,200 <u>41,400</u>	\$48,000 <u>49,200</u>	\$54,000 <u>55,200</u>

Confidential Managerial Salaries

Advanced Degrees - Paid for degrees ABOVE the minimum required for the position:

Associate	Bachelor	Master	Specialist	Doctorate
\$1,250	\$2,257	\$2,953	\$3,909	\$4,874

Individuals who have earned multiple degrees and/or CPA receive only the highest stipend

Degree amount is based on 250 day contract, if contract differs from 250 days, the degree amount will be prorated to the contracted days.

<p>Grade A</p> <p>Food Service Manager Elementary - 196</p>	<p>Grade B</p> <p>Food Service Manager Middle School – 196 Food Service Manager w/Elderly Feeding - 250</p>	<p>Grade C</p> <p>Administrative Assistant Principal – Elementary/Alt Ed/Wabasso - 250 Scheduling Technician Food Service Manager High School - 196</p>
<p>Grade D</p> <p>Admin Assistant District - 250 Admin Assistant Risk Mgmt/Employee Benefits - 250</p>	<p>Grade E</p> <p>Administrative Assistant Principal – Secondary - 250</p>	<p>Grade F</p> <p>Executive Assistant for Assistant Superintendent - 250</p>
<p>Grade G</p> <p>Garage Coordinator - 254 Executive Assistant for the School Board - 250 Warehouse Foreman - 254</p>	<p>Grade H</p> <p>Facilities Coordinator - 254 Facilities Specialist - 250 Education Tech Specialist – Food Service - 250</p>	<p>Grade I</p> <p>Executive Assistant for Superintendent - 250</p>

EXPLANATION OF CONFIDENTIAL MANAGERIAL SALARY SCHEDULE, POLICIES AND BENEFITS

PAY LEVEL

Each position is named and a pay level is allotted. There may be several positions in the same pay level when the positions are comparable in skill, complexity, knowledge and training.

LEVELS

Within each pay grade, the amount of pay is based on the level the employee has attained. Initial placement is determined based on years of essentially similar work experience as follows:

- Entry 0 -5 years
- Experienced 6+ years

Movement between levels is based on internal and external essentially similar work experience:

- Entry 0 – 5 years
- Experienced 6 – 10 years
- Expert 11+ years

To be eligible to increase levels the supervisor must recommend the increase based on the above and employee performance.

No newly hired employee shall be placed at the Expert level.

WORK EXPERIENCE

Work experience, when essentially similar to the position, will be granted when verified in writing from previous employers.

The Superintendent reserves the right to administratively place individuals on Board approved salary schedule, based on the needs of the district.

It is the employee's responsibility to provide all experience verification to the Human Resources department within the required time allotted:

- When newly hired, the employee will have 4 pay checks / direct deposits to provide documentation of experience. Verification must be provided prior to the processing of the 4th pay check / direct deposit to be effective upon first day of employment.
- If documentation is delayed past the time specified above, it is effective the date the experience verification is received by the Human Resources department.

- When newly hired, the employee will have 4 pay checks / direct deposits to provide documentation of experience. Verification must be provided prior to the processing of the 4th pay check / direct deposit to be effective upon first day of employment.
- If documentation is delayed past the time specified above, it is effective the date the experience verification is received by the Human Resources department.

PROBATIONARY PERIOD

All new confidential/managerial employees shall be placed on a ninety (90) calendar day probationary period. At the conclusion of the probationary period, the employee shall either be placed on annual employment status or terminated. The employee may be terminated at any time during the probationary period without cause.

Confidential Managerial Supplemental Pay

Supplemental pay for FNS Managers for doing extra work out of normal contracted hours such as covering another school, mentoring and/or training a manager. A proration of these amounts may be implemented based on work performed when a full week is not completed.

Rates:

Monthly rate \$300.00

Weekly rate \$ 75.00

BENEFITS are Per School Board Rule Unless Otherwise Defined

VOLUNTARY PAYROLL DEDUCTIONS

The employee may elect to participate with any of the voluntary deduction plans approved by the board. These approved services include, but are not limited to: 403(b), 457(b) and 457 Roth annuity plans, life insurance programs, charitable service organizations, income protection, cancer, and dental insurances, flex reimbursements for childcare and medical expenses.

WORK WEEK (Defined) The work week begins on Saturday and concludes on Friday.

HOLIDAYS

The District will provide six (6) paid holidays per year to all Confidential Managerial employees.

DIRECT DEPOSIT

All employees are highly encouraged to have their pay electronically deposited into the bank(s) of their choice. Employees may enroll up to four accounts on direct deposit.

DOCULIVERY

Employees must sign on to Doculivery.com/IRCSD to view/print the check stub information which includes itemized gross pay, deductions, net pay, sick and vacation time.

PROFESSIONAL TECHNICAL SUPPORT STAFF

Professional Technical Salaries – 250 Days

	Entry	Experienced	Expert
A	\$74,000 <u>75,200</u>	\$81,500 <u>82,700</u>	\$89,000 <u>90,200</u>
B	\$64,000 <u>65,200</u>	\$69,500 <u>70,700</u>	\$75,000 <u>76,200</u>
C	\$59,000 <u>60,200</u>	\$62,000 <u>63,200</u>	\$65,000 <u>66,200</u>
D	\$51,000 <u>52,200</u>	\$55,500 <u>56,700</u>	\$60,000 <u>61,200</u>
E	\$44,000 <u>45,200</u>	\$48,000 <u>49,200</u>	\$52,000 <u>53,200</u>
F	\$38,000 <u>39,200</u>	\$41,500 <u>42,700</u>	\$45,000 <u>46,200</u>

Advanced Degrees - Paid for degrees ABOVE the minimum required for the position:

Bachelor	Master	CPA	Specialist	Doctorate
\$2,257	\$2,953	\$3,784	\$3,909	\$4,874

Individuals who have earned multiple degrees and/or CPA receive only the highest stipend

Professional Technical Salaries – 220 Days

	Entry	Experienced	Expert
A	\$65,120 <u>66,176</u>	\$71,720 <u>72,776</u>	\$78,320 <u>79,376</u>
B	\$56,320 <u>57,376</u>	\$61,160 <u>62,216</u>	\$66,000 <u>67,056</u>
C	\$51,920 <u>52,976</u>	\$54,560 <u>55,616</u>	\$57,200 <u>58,256</u>
D	\$44,880 <u>45,936</u>	\$48,840 <u>49,896</u>	\$52,800 <u>53,856</u>
E	\$38,720 <u>39,776</u>	\$42,240 <u>43,296</u>	\$45,760 <u>46,816</u>
F	\$33,440 <u>34,496</u>	\$36,520 <u>37,576</u>	\$39,600 <u>40,656</u>

Advanced Degrees - Paid for degrees ABOVE the minimum required for the position:

Bachelor	Master	CPA	Specialist	Doctorate
\$2,069	\$2,707	\$3,469	\$3,583	\$4,468

Individuals who have earned multiple degrees and/or CPA receive only the highest stipend

Professional Technical Salaries – 196 Days

	Entry	Experienced	Expert
A	\$58,016 <u>58,957</u>	\$63,896 <u>64,837</u>	\$69,776 <u>70,717</u>
B	\$50,176 <u>51,117</u>	\$54,488 <u>55,429</u>	\$58,800 <u>59,741</u>
C	\$46,256 <u>47,197</u>	\$48,608 <u>49,549</u>	\$50,960 <u>51,901</u>
D	\$39,984 <u>40,925</u>	\$43,512 <u>44,453</u>	\$47,040 <u>47,981</u>
E	\$34,496 <u>35,437</u>	\$37,632 <u>38,573</u>	\$40,768 <u>41,709</u>
F	\$29,792 <u>30,733</u>	\$32,536 <u>33,477</u>	\$35,280 <u>36,221</u>

Advanced Degrees - Paid for degrees ABOVE the minimum required for the position:

Bachelor	Master	CPA	Specialist	Doctorate
\$1,881	\$2,461	\$3,153	\$3,257	\$4,062

Individuals who have earned multiple degrees and/or CPA receive only the highest stipend

Entry = 0-5 years of experience in position or essentially similar position or no experience and has aptitude for position.

Experienced = 6-10 years in position or essentially similar position. Able to perform work independently.

Expert = 11+ years in position or in essentially similar position. A leader in this field of work.

A-F level placement is based on market analysis.

If a contract is issued for a different contract length, the pay rate shall be pro-rata

Grade A	Grade B	Grade C
Budget Analyst 250	Accounts Payable Manager 250	Accountant/Auditor 250
Building Official 250	Applications Analyst 250	Computer Support Technician 250
Education/Instruction Analyst 250	Athletics Director 250	Code Compliance Inspector 250
Network Administrator 250	Director LPN Program 250	Facility Planner 250
Payroll Manager 250	Network Security Specialist 250	Health Services Coordinator 220
Program Specialist 220	Occupational Therapist 196	IAQ Energy Manager 250
Systems Administrator 250	Performance Data Analyst 250	Network Support Technician 250
	Physical Therapist 196	Planning & Construction Coord 250
	Plant Supervisor Technical 250	Plant Supervisor General 250
	Position Control & Personnel Systems Manager 250	Programmer Analyst 250
	Systems Analyst II 250	Project Specialist 220
		Public Information Officer 250
		Safety Technician 250
		School Psychologist 196
		Senior Accountant 250
		Student Support Specialist 196
		Webmaster 250

Grade D	Grade E	Grade F	
Accounting Specialist II 250	Accounting Specialist I 250		
Application Support Specialist 250	Certification Analyst 250	Auditorium Director 250	
Assistant Health Services Coordinator 196	Computer Prog I 250	Coordinator Office of Attendance 250	
Ctrl Distrib & Property Records Supervisor 250	Education Technology Specialist 250	ESE Sign Language Inter 196	
Digital Media Specialist 250	Employee Benefit Specialist 250	Migrant Parent Specialist 220	
Food & Nutrition Services Specialist 250		Transportation Operations Manager 250	
FTE Coordinator/Trainer 250	Supervisor Extended Day Program 250	Transportation Coordinator 250	
Operations Analyst 250	Supervisor Print Shop 250		
School Social Worker 196 School Social Worker – District 220	Transportation Routing Manager 250		
Staff Accountant 250			
Athletic Trainer 220			
Insurance Specialist 250			
Custodial Services Coordinator/Trainer 250			

Market-Based Position Supplements

	Experienced	Expert
School Psychologist	\$11,000.00	\$20,000.00
Social Worker	\$5,000.00	\$14,000.00

EXPLANATION OF PROFESSIONAL/TECHNICAL SALARY SCHEDULES, POLICIES AND BENEFITS

PAY LEVEL

Each position is named and a pay level is allotted. There may be several positions in the same pay level when the positions are comparable in skill, complexity, knowledge and training.

LEVELS

Within each pay grade, the amount of pay is based on the level the employee has attained. Initial placement is determined based on years of essentially similar work experience as follows:

- Entry 0 -5 years
- Experienced 6+ years

Movement between levels is based on internal and external essentially similar work experience:

- Entry 0 – 5 years
- Experienced 6 – 10 years
- Expert 11+ years

To be eligible to increase levels the supervisor must recommend the increase based on the above and employee performance.

No newly hired employee shall be placed at the Expert level.

Behavior Intervention Specialists who have either the Certified Behavior Analyst Certification or Licensed Clinical Social Worker (LCSW) shall receive a \$10,000 supplement.

WORK EXPERIENCE

Work experience, when essentially similar to the position, will be granted when verified in writing from previous employers.

The Superintendent reserves the right to administratively place individuals on Board approved salary schedule, based on the needs of the district.

It is the employee's responsibility to provide all experience verification to the Human Resources department within the required time allotted:

- When newly hired, the employee will have 4 pay checks / direct deposits to provide documentation of experience. Verification must be provided prior to the processing of the 4th pay check / direct deposit to be effective upon first day of employment.
- If documentation is delayed past the time specified above, it is effective the date the experience verification is received by the Human Resources department.

PROBATIONARY PERIOD

All new professional/technical employees shall be placed on a ninety (90) calendar day probationary period. At the conclusion of the probationary period, the employee shall either be placed on annual employment status or terminated. The employee may be terminated at any time during the probationary period without cause.

BENEFITS are Per School Board Rule Unless Otherwise Defined

VOLUNTARY PAYROLL DEDUCTIONS

The employee may elect to participate with any of the voluntary deduction plans approved by the board. These approved services include, but are not limited to: 403(b), 457(b) and 457 Roth annuity plans, life insurance programs, charitable service organizations, income protection, cancer, and dental insurances, flex reimbursements for childcare and medical expenses.

WORK WEEK (Defined) The work week begins on Saturday and concludes on Friday.

HOLIDAYS

The District will provide six (6) paid holidays per year to all Professional Technical employees.

DIRECT DEPOSIT

All employees are highly encouraged to have their pay electronically deposited into the bank(s) of their choice. Employees may enroll up to four accounts on direct deposit.

DOCULIVERY

Employees must sign on to Doculivery.com/IRCSD to view/print the check stub information which includes itemized gross pay, deductions, net pay, sick and vacation time.

ADMINISTRATIVE STAFF

2017-2018 Administrative Salary Schedule - 12 Month

I
Asst. Superintendents
\$115,077,116,277

Step

	VI	VII	VIII
	Ex. Directors	Directors	Coordinator
0	\$ 82,570 <u>83,770</u>	\$ 79,848 <u>81,048</u>	\$ 74,405 <u>75,605</u>
1	\$ 83,809 <u>85,009</u>	\$ 81,046 <u>82,246</u>	\$ 75,521 <u>76,721</u>
2	\$ 85,067 <u>86,807</u>	\$ 82,262 <u>83,462</u>	\$ 76,653 <u>77,853</u>
3	\$ 86,342 <u>87,542</u>	\$ 83,496 <u>84,696</u>	\$ 77,803 <u>79,003</u>
4	\$ 87,637 <u>88,837</u>	\$ 84,748 <u>85,948</u>	\$ 78,970 <u>80,170</u>
5	\$ 88,952 <u>90,152</u>	\$ 86,020 <u>87,220</u>	\$ 80,155 <u>81,355</u>
6	\$ 90,287 <u>91,487</u>	\$ 87,309 <u>88,509</u>	\$ 81,357 <u>82,557</u>
7	\$ 91,640 <u>92,840</u>	\$ 88,619 <u>89,819</u>	\$ 82,578 <u>83,778</u>
8	\$ 93,015 <u>94,215</u>	\$ 89,948 <u>91,148</u>	\$ 83,816 <u>85,016</u>
9	\$ 94,411 <u>95,611</u>	\$ 91,298 <u>92,498</u>	\$ 85,074 <u>86,274</u>
10	\$ 95,826 <u>97,026</u>	\$ 92,668 <u>93,868</u>	\$ 86,350 <u>87,550</u>
11	\$ 97,264 <u>98,464</u>	\$ 94,057 <u>95,257</u>	\$ 87,646 <u>88,846</u>
12	\$ 98,723 <u>99,923</u>	\$ 95,468 <u>96,668</u>	\$ 88,959 <u>90,159</u>
13	\$ 100,203 <u>101,403</u>	\$ 96,900 <u>98,100</u>	\$ 90,295 <u>91,495</u>
14	\$ 101,707 <u>102,907</u>	\$ 98,353 <u>99,553</u>	\$ 91,648 <u>92,848</u>
15	\$ 103,233 <u>104,433</u>	\$ 99,829 <u>101,029</u>	\$ 93,023 <u>94,223</u>

CPA	Specialist	Doctorate
\$ 3,784	\$ 3,909	\$ 4,874

2017-2018 Principals Administrative Salary Schedule – 12 Month

HS Principals	I	MS Principals	II	ES and Alt Ed Principals	III
1A	\$96,800	1A	\$90,000	1A	\$87,800
1B	\$97,100	1B	\$90,300	1B	\$88,100
1C	\$97,400	1C	\$90,600	1C	\$88,400
2A	\$97,700	2A	\$90,900	2A	\$88,700
2B	\$98,000	2B	\$91,200	2B	\$89,000
2C	\$98,300	2C	\$91,500	2C	\$89,300
3A	\$98,600	3A	\$91,800	3A	\$89,600
3B	\$98,900	3B	\$92,100	3B	\$89,900
3C	\$99,200	3C	\$92,400	3C	\$90,200
4A	\$99,500	4A	\$92,700	4A	\$90,500
4B	\$99,800	4B	\$93,000	4B	\$90,800
4C	\$100,100	4C	\$93,300	4C	\$91,100
5A	\$100,400	5A	\$93,600	5A	\$91,400
5B	\$100,700	5B	\$93,900	5B	\$91,700
5C	\$101,000	5C	\$94,200	5C	\$92,000
6A	\$101,300	6A	\$94,500	6A	\$92,300
6B	\$101,600	6B	\$94,800	6B	\$92,600
6C	\$101,900	6C	\$95,100	6C	\$92,900
7A	\$102,200	7A	\$95,400	7A	\$93,200
7B	\$102,500	7B	\$95,700	7B	\$93,500
7C	\$102,800	7C	\$96,000	7C	\$93,800
8A	\$103,100	8A	\$96,300	8A	\$94,100
8B	\$103,400	8B	\$96,600	8B	\$94,400
8C	\$103,700	8C	\$96,900	8C	\$94,700
9A	\$104,000	9A	\$97,200	9A	\$95,000
9B	\$104,300	9B	\$97,500	9B	\$95,300
9C	\$104,600	9C	\$97,800	9C	\$95,600
10A	\$104,900	10A	\$98,100	10A	\$95,900
10B	\$105,200	10B	\$98,400	10B	\$96,200
10C	\$105,500	10C	\$98,700	10C	\$96,500
11A	\$105,800	11A	\$99,000	11A	\$96,800
11B	\$106,100	11B	\$99,300	11B	\$97,100
11C	\$106,400	11C	\$99,600	11C	\$97,400
12A	\$106,700	12A	\$99,900	12A	\$97,700
12B	\$107,000	12B	\$100,200	12B	\$98,000
12C	\$107,300	12C	\$100,500	12C	\$98,300
13A	\$107,600	13A	\$100,800	13A	\$98,600
13B	\$107,900	13B	\$101,100	13B	\$98,900
13C	\$108,200	13C	\$101,400	13C	\$99,200
14A	\$108,500	14A	\$101,700	14A	\$99,500
14B	\$108,800	14B	\$102,000	14B	\$99,800
14C	\$109,100	14C	\$102,300	14C	\$100,100
15A	\$109,400	15A	\$102,600	15A	\$100,400
15B	\$109,700	15B	\$102,900	15B	\$100,700
15C	\$110,000	15C	\$103,200	15C	\$101,000

Performance Pay

Highly Effective	\$1,200
Effective	\$900

Advanced Degrees

CPA	\$3,784
Specialist Degree	\$3,909
Doctorate Degree	\$4,874

Master's value included in schedule - other supplements reflect value above Masters

Individuals who have earned multiple degrees and/or CPA receive only the highest stipend.

2017-2018 Principals Administrative Salary Schedule - 12 Month

HS Principals	I
1A	\$98,000
1B	\$98,300
1C	\$98,600
2A	\$98,900
2B	\$99,200
2C	\$99,500
3A	\$99,800
3B	\$100,100
3C	\$100,400
4A	\$100,700
4B	\$101,000
4C	\$101,300
5A	\$101,600
5B	\$101,900
5C	\$102,200
6A	\$102,500
6B	\$102,800
6C	\$103,100
7A	\$103,400
7B	\$103,700
7C	\$104,000
8A	\$104,300
8B	\$104,600
8C	\$104,900
9A	\$105,200
9B	\$105,500
9C	\$105,800
10A	\$106,100
10B	\$106,400
10C	\$106,700
11A	\$107,000
11B	\$107,300
11C	\$107,600
12A	\$107,900
12B	\$108,200
12C	\$108,500
13A	\$108,800

MS Principals	II
1A	\$91,200
1B	\$91,500
1C	\$91,800
2A	\$92,100
2B	\$92,400
2C	\$92,700
3A	\$93,000
3B	\$93,300
3C	\$93,600
4A	\$93,900
4B	\$94,200
4C	\$94,500
5A	\$94,800
5B	\$95,100
5C	\$95,400
6A	\$95,700
6B	\$96,000
6C	\$96,300
7A	\$96,600
7B	\$96,900
7C	\$97,200
8A	\$97,500
8B	\$97,800
8C	\$98,100
9A	\$98,400
9B	\$98,700
9C	\$99,000
10A	\$99,300
10B	\$99,600
10C	\$99,900
11A	\$100,200
11B	\$100,500
11C	\$100,800
12A	\$101,100
12B	\$101,400
12C	\$101,700
13A	\$102,000

ES and Alt Ed Principals	III
1A	\$89,000
1B	\$89,300
1C	\$89,600
2A	\$89,900
2B	\$90,200
2C	\$90,500
3A	\$90,800
3B	\$91,100
3C	\$91,400
4A	\$91,700
4B	\$92,000
4C	\$92,300
5A	\$92,600
5B	\$92,900
5C	\$93,200
6A	\$93,500
6B	\$93,800
6C	\$94,100
7A	\$94,400
7B	\$94,700
7C	\$95,000
8A	\$95,300
8B	\$95,600
8C	\$95,900
9A	\$96,200
9B	\$96,500
9C	\$96,800
10A	\$97,100
10B	\$97,400
10C	\$97,700
11A	\$98,000
11B	\$98,300
11C	\$98,600
12A	\$98,900
12B	\$99,200
12C	\$99,500
13A	\$99,800

13B	\$109,100
13C	\$109,400
14A	\$109,700
14B	\$110,000
14C	\$110,300
15A	\$110,600
15B	\$110,900
15C	\$111,200

13B	\$102,300
13C	\$102,600
14A	\$102,900
14B	\$103,200
14C	\$103,500
15A	\$103,800
15B	\$104,100
15C	\$104,400

13B	\$100,100
13C	\$100,400
14A	\$100,700
14B	\$101,000
14C	\$101,300
15A	\$101,600
15B	\$101,900
15C	\$102,200

Performance Pay

Highly Effective	\$1,200
Effective	\$900

Advanced Degrees

CPA	\$3,784
Specialist Degree	\$3,909
Doctorate Degree	\$4,874

Master's value included in schedule - other supplements reflect value above Masters

Individuals who have earned multiple degrees and/or CPA receive only the highest stipend.

2017-2018 Assistant Principals Administrative Salary Schedule - 11 Month

HS AP	I	MS AP	II	ES AP	III
1A	\$76,200	1A	\$73,200	1A	\$69,200
1B	\$76,500	1B	\$73,500	1B	\$69,500
1C	\$76,800	1C	\$73,800	1C	\$69,800
2A	\$77,100	2A	\$74,100	2A	\$70,100
2B	\$77,400	2B	\$74,400	2B	\$70,400
2C	\$77,700	2C	\$74,700	2C	\$70,700
3A	\$78,000	3A	\$75,000	3A	\$71,000
3B	\$78,300	3B	\$75,300	3B	\$71,300
3C	\$78,600	3C	\$75,600	3C	\$71,600
4A	\$78,900	4A	\$75,900	4A	\$71,900
4B	\$79,200	4B	\$76,200	4B	\$72,200
4C	\$79,500	4C	\$76,500	4C	\$72,500
5A	\$79,800	5A	\$76,800	5A	\$72,800
5B	\$80,100	5B	\$77,100	5B	\$73,100
5C	\$80,400	5C	\$77,400	5C	\$73,400
6A	\$80,700	6A	\$77,700	6A	\$73,700
6B	\$81,000	6B	\$78,000	6B	\$74,000
6C	\$81,300	6C	\$78,300	6C	\$74,300
7A	\$81,600	7A	\$78,600	7A	\$74,600
7B	\$81,900	7B	\$78,900	7B	\$74,900
7C	\$82,200	7C	\$79,200	7C	\$75,200
8A	\$82,500	8A	\$79,500	8A	\$75,500
8B	\$82,800	8B	\$79,800	8B	\$75,800
8C	\$83,100	8C	\$80,100	8C	\$76,100
9A	\$83,400	9A	\$80,400	9A	\$76,400
9B	\$83,700	9B	\$80,700	9B	\$76,700
9C	\$84,000	9C	\$81,000	9C	\$77,000
10A	\$84,300	10A	\$81,300	10A	\$77,300
10B	\$84,600	10B	\$81,600	10B	\$77,600
10C	\$84,900	10C	\$81,900	10C	\$77,900
11A	\$85,200	11A	\$82,200	11A	\$78,200
11B	\$85,500	11B	\$82,500	11B	\$78,500
11C	\$85,800	11C	\$82,800	11C	\$78,800
12A	\$86,100	12A	\$83,100	12A	\$79,100
12B	\$86,400	12B	\$83,400	12B	\$79,400
12C	\$86,700	12C	\$83,700	12C	\$79,700
13A	\$87,000	13A	\$84,000	13A	\$80,000
13B	\$87,300	13B	\$84,300	13B	\$80,300
13C	\$87,600	13C	\$84,600	13C	\$80,600
14A	\$87,900	14A	\$84,900	14A	\$80,900
14B	\$88,200	14B	\$85,200	14B	\$81,200
14C	\$88,500	14C	\$85,500	14C	\$81,500
15A	\$88,800	15A	\$85,800	15A	\$81,800
15B	\$89,100	15B	\$86,100	15B	\$82,100
15C	\$89,400	15C	\$86,400	15C	\$82,400
Performance Pay		Advanced Degrees			
		CPA		\$3,784	
Highly Effective	\$900	Specialist Degree		\$3,909	
Effective	\$600	Doctorate Degree		\$4,874	
Master's value included in schedule - other supplements reflect value above Masters					
Individuals who have earned multiple degrees and/or CPA receive only the highest stipend.					

2017-2018 Assistant Principals Administrative Salary Schedule – 11 Month

HS AP	I	MS AP	II	ES AP	III
1A	\$75,000	1A	\$72,000	1A	\$68,000
1B	\$75,300	1B	\$72,300	1B	\$68,300
1C	\$75,600	1C	\$72,600	1C	\$68,600
2A	\$75,900	2A	\$72,900	2A	\$68,900
2B	\$76,200	2B	\$73,200	2B	\$69,200
2C	\$76,500	2C	\$73,500	2C	\$69,500
3A	\$76,800	3A	\$73,800	3A	\$69,800
3B	\$77,100	3B	\$74,100	3B	\$70,100
3C	\$77,400	3C	\$74,400	3C	\$70,400
4A	\$77,700	4A	\$74,700	4A	\$70,700
4B	\$78,000	4B	\$75,000	4B	\$71,000
4C	\$78,300	4C	\$75,300	4C	\$71,300
5A	\$78,600	5A	\$75,600	5A	\$71,600
5B	\$78,900	5B	\$75,900	5B	\$71,900
5C	\$79,200	5C	\$76,200	5C	\$72,200
6A	\$79,500	6A	\$76,500	6A	\$72,500
6B	\$79,800	6B	\$76,800	6B	\$72,800
6C	\$80,100	6C	\$77,100	6C	\$73,100
7A	\$80,400	7A	\$77,400	7A	\$73,400
7B	\$80,700	7B	\$77,700	7B	\$73,700
7C	\$81,000	7C	\$78,000	7C	\$74,000
8A	\$81,300	8A	\$78,300	8A	\$74,300
8B	\$81,600	8B	\$78,600	8B	\$74,600
8C	\$81,900	8C	\$78,900	8C	\$74,900
9A	\$82,200	9A	\$79,200	9A	\$75,200
9B	\$82,500	9B	\$79,500	9B	\$75,500
9C	\$82,800	9C	\$79,800	9C	\$75,800
10A	\$83,100	10A	\$80,100	10A	\$76,100
10B	\$83,400	10B	\$80,400	10B	\$76,400
10C	\$83,700	10C	\$80,700	10C	\$76,700
11A	\$84,000	11A	\$81,000	11A	\$77,000
11B	\$84,300	11B	\$81,300	11B	\$77,300
11C	\$84,600	11C	\$81,600	11C	\$77,600
12A	\$84,900	12A	\$81,900	12A	\$77,900
12B	\$85,200	12B	\$82,200	12B	\$78,200
12C	\$85,500	12C	\$82,500	12C	\$78,500
13A	\$85,800	13A	\$82,800	13A	\$78,800
13B	\$86,100	13B	\$83,100	13B	\$79,100
13C	\$86,400	13C	\$83,400	13C	\$79,400
14A	\$86,700	14A	\$83,700	14A	\$79,700
14B	\$87,000	14B	\$84,000	14B	\$80,000
14C	\$87,300	14C	\$84,300	14C	\$80,300
15A	\$87,600	15A	\$84,600	15A	\$80,600
15B	\$87,900	15B	\$84,900	15B	\$80,900
15C	\$88,200	15C	\$85,200	15C	\$81,200

Performance Pay

Highly Effective	\$900
Effective	\$600

Advanced Degrees

CPA	\$3,784
Specialist Degree	\$3,909
Doctorate Degree	\$4,874

Master's value included in schedule - other supplements reflect value above Masters

Individuals who have earned multiple degrees and/or CPA receive only the highest stipend.

2017-2018 Assistant Principals Administrative Salary Schedule - 11 Month

HS AP	I	MS AP	II	ES AP	III
1A	\$76,200	1A	\$73,200	1A	\$69,200
1B	\$76,500	1B	\$73,500	1B	\$69,500
1C	\$76,800	1C	\$73,800	1C	\$69,800
2A	\$77,100	2A	\$74,100	2A	\$70,100
2B	\$77,400	2B	\$74,400	2B	\$70,400
2C	\$77,700	2C	\$74,700	2C	\$70,700
3A	\$78,000	3A	\$75,000	3A	\$71,000
3B	\$78,300	3B	\$75,300	3B	\$71,300
3C	\$78,600	3C	\$75,600	3C	\$71,600
4A	\$78,900	4A	\$75,900	4A	\$71,900
4B	\$79,200	4B	\$76,200	4B	\$72,200
4C	\$79,500	4C	\$76,500	4C	\$72,500
5A	\$79,800	5A	\$76,800	5A	\$72,800
5B	\$80,100	5B	\$77,100	5B	\$73,100
5C	\$80,400	5C	\$77,400	5C	\$73,400
6A	\$80,700	6A	\$77,700	6A	\$73,700
6B	\$81,000	6B	\$78,000	6B	\$74,000
6C	\$81,300	6C	\$78,300	6C	\$74,300
7A	\$81,600	7A	\$78,600	7A	\$74,600
7B	\$81,900	7B	\$78,900	7B	\$74,900
7C	\$82,200	7C	\$79,200	7C	\$75,200
8A	\$82,500	8A	\$79,500	8A	\$75,500
8B	\$82,800	8B	\$79,800	8B	\$75,800
8C	\$83,100	8C	\$80,100	8C	\$76,100
9A	\$83,400	9A	\$80,400	9A	\$76,400
9B	\$83,700	9B	\$80,700	9B	\$76,700
9C	\$84,000	9C	\$81,000	9C	\$77,000
10A	\$84,300	10A	\$81,300	10A	\$77,300
10B	\$84,600	10B	\$81,600	10B	\$77,600
10C	\$84,900	10C	\$81,900	10C	\$77,900
11A	\$85,200	11A	\$82,200	11A	\$78,200
11B	\$85,500	11B	\$82,500	11B	\$78,500
11C	\$85,800	11C	\$82,800	11C	\$78,800
12A	\$86,100	12A	\$83,100	12A	\$79,100
12B	\$86,400	12B	\$83,400	12B	\$79,400
12C	\$86,700	12C	\$83,700	12C	\$79,700
13A	\$87,000	13A	\$84,000	13A	\$80,000
13B	\$87,300	13B	\$84,300	13B	\$80,300
13C	\$87,600	13C	\$84,600	13C	\$80,600
14A	\$87,900	14A	\$84,900	14A	\$80,900
14B	\$88,200	14B	\$85,200	14B	\$81,200
14C	\$88,500	14C	\$85,500	14C	\$81,500
15A	\$88,800	15A	\$85,800	15A	\$81,800
15B	\$89,100	15B	\$86,100	15B	\$82,100
15C	\$89,400	15C	\$86,400	15C	\$82,400
Performance Pay		Advanced Degrees			
			CPA	\$3,784	
Highly Effective	\$900		Specialist Degree	\$3,909	
Effective	\$600		Doctorate Degree	\$4,874	
Master's value included in schedule - other supplements reflect value above Masters					
Individuals who have earned multiple degrees and/or CPA receive only the highest stipend.					

EXPLANATION OF ADMINISTRATIVE SALARY SCHEDULES, POLICIES AND BENEFITS

PAY LEVEL

Each position is named and a pay level is allotted. There may be several positions in the same pay level when the positions are comparable in skill, complexity, knowledge and training.

WORK EXPERIENCE

Work experience, when related to the position, will determine salary placement for Non School Based Administrators when verified in writing from previous employers. Placement of employees that change positions within the district will be based on a review of experience and job responsibilities. Experience in a position that requires a Professional Certificate shall be considered as instructional experience should the employee move to a position on the instructional salary schedule.

School Based Administrators when newly hired will be placed on increment 1A. Advancement on the schedule is based on evaluation performance as follows:

Assistant Principals:

Effective: 2 increments (\$600)

Highly Effective: 3 increments (\$900)

Principals:

Effective: 3 increments (\$900)

Highly Effective: 4 increments (\$1,200)

The Superintendent reserves the right to administratively place individuals on Board approved salary schedule, based on the needs of the district.

It is the employee's responsibility to provide all experience verification to the Human Resources Department within the required time allotted:

- When newly hired, the employee will have 4 pay checks / direct deposits to provide documentation of experience. Verification must be provided prior to the processing of the 4th pay check / direct deposit to be effective upon first day of employment.
- If documentation is delayed past the time specified above, it is effective the date the experience verification is received by the Human Resources department.

PROBATIONARY PERIOD

All new administrative employees shall be placed on a ninety (90) calendar day probationary period. At the conclusion of the probationary period, the employee shall either be placed on annual employment status or terminated. The employee may be terminated at any time during the probationary period without cause.

BENEFITS are Per School Board Rule Unless Otherwise Defined Below

PAYROLL VOLUNTARY DEDUCTIONS

The employee may elect to participate with any of the voluntary deduction plans approved by the board. These include, but are not limited to: 403(b), 457(b) and 457 Roth annuity plans, life insurance programs, charitable service organizations, income protection, cancer, and dental insurances, flex reimbursements for childcare and medical expenses.

HOLIDAYS

The District will provide six (6) paid holidays per year to all administrators.

DIRECT DEPOSIT

All employees are highly encouraged to have their pay electronically deposited into the bank(s) of their choice. Employees may enroll up to four accounts on direct deposit.

DOCULIVERY

Employees must sign on to Doculivery.com/IRCSD to view/print the check stub information which includes itemized gross pay, deductions, net pay, sick and vacation time.

SALARY SUPPLEMENTS

ADVANCED DEGREE SUPPLEMENT

All School Based Administrators hired on or after July 1, 2011 will receive an Advanced Degree Supplement only if the degree is held in the individual's area of certification. This will only be a Salary Supplement, and is not considered part of base pay.

Administrative Job Titles

Based on 8 hours daily

Job Title	Contract Length	Pay Level	
Assistant Principal High School	220	I	(11 months)
Assistant Principal Middle School	220	II	(11 months)
Assistant Principal Elementary School	220	III	(11 months)
Assistant Superintendent	250	I	
Coordinator	250	VIII	
Director	250	VII	
Executive Director	250	VI	
Principal, Alternative Education	250	III	
Principal, Elementary	250	III	
Principal, Middle School	250	II	
Principal, High School	250	I	

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

Page 1 of 2 Pages

TO OWNER
SCHOOL DIST. OF INDIAN RIVER COUNTY
6500 57TH STREET
VERO BEACH FL 32907

PROJECT: FELLSMERE ROOFING

APPLICATION NUMBER: 3 FINAL
PERIOD TO: 17-Aug-17
PREVIOUS PROJECT NOS: 1725
CONTRACT NO: 1704954
APPLICATION DATE: 17-Aug-17
CONTRACT DATE: 08-May-17

FROM CONTRACTOR:
Hamilton Roofing Inc.
4000 Dixie Hwy
Malabar, FL 32950

VIA ARCHITECT:

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract Continuation Sheet, AIA Document G703, is attached.

1 ORIGINAL CONTRACT SUM	219,782.00
2 Net change by Change Orders	10,654.93
3 CONTRACT SUM TO DATE (Line 1 + 2)	209,127.07
4 TOTAL COMPLETED & STORED TO DATE (Column G on G703)	209,127.07
5 RETAINAGE	
a. 10 % of Completed Work (Column D + E on G703)	20,912.71
b. % of Stored Material	0.00
6 TOTAL EARNED LESS RETAINAGE (Line 4 less Line 5 Total)	188,214.36
7 LESS PREVIOUS CERTIFICATES FOR PAYMENT	188,214.36
8 CURRENT PAYMENT DUE	20,912.71
9 BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	0.00	10,654.93
Total approved this Month	0.00	10,654.93
TOTALS	0.00	10,654.93
NET CHANGE \$ by Change Order	0.00	10,654.93

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Owner, and that all Certificates of Payment were issued and payments received in accordance with the Contract Documents. Payment shown herein is now due.

Contractor: Hamilton Roofing, Inc.

By: *[Signature]* Date: 8-17-17
State of Florida, County of Brevard
Subscribed and sworn to before me this 17th day of August, 2017

[Signature] My Commission Expires: 3-24-20
Notary Public *[Signature]*



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED: 5

If this explanation of amount certified differs from the amount applied for, initial all figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified.

ARCHITECT:

By: _____ Date: _____

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

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PHARMACY BENEFIT MANAGEMENT AGREEMENT

THIS PHARMACY BENEFIT MANAGEMENT AGREEMENT ("Agreement") will be effective as of the date set forth in Section 6.1 and is entered into by and between EXPRESS SCRIPTS, INC., a Delaware corporation ("ESI"), and School Board of Indian River County, organized under the laws of Florida ("Sponsor").

RECITALS

WHEREAS, ESI provides PBM Services; and

WHEREAS, Aon Hewitt has organized and manages a prescription benefit services coalition, the Aon Hewitt Rx Coalition ("AHRC"), whose participants are comprised of self-funded employers; and

WHEREAS, Aon Hewitt has arranged on behalf of the members of AHRC for ESI to provide certain retail network, mail service pharmacy, special pharmacy and clinical services with respect to such member's health benefit plan(s), as reflected in the agreement between Aon Hewitt and ESI, dated January 1, 2017 (the "Master Agreement"); and

WHEREAS, Sponsor is a member in good standing of AHRC; and

WHEREAS, Sponsor desires that ESI be its provider of PBM Services for Sponsor's Plan under the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

PRICING CHOICE

Traditional Pricing

Pass-Through Pricing

Sponsor shall have the right, once during the Term of the Agreement, and only to be effective upon the first day of any contract year, to switch from Pass-Through or Traditional Pricing upon written notice to ESI within ninety days (90) days prior to the end of a contract year.

ARTICLE I – THE MASTER AGREEMENT BETWEEN ESI AND AON CONSULTING, INC.

ESI and Aon Consulting, Inc. have entered into a Master Agreement, which is incorporated herein for all purposes. To the extent not defined herein, capitalized terms shall have the meaning ascribed to them in the Master Agreement. **The Parties to this Agreement have reviewed the Master Agreement and all exhibits and attachments thereto.**

ARTICLE II - PBM SERVICES

ESI shall provide the following PBM Services:

2.1 Eligibility/Set Up. ESI represents that it maintains and continually updates a business continuity plan designed to mitigate any disruption to the services provided by ESI under this Agreement.

(a) ESI shall provide the Sponsor with the appropriate Set-Up Forms for completion. Sponsor will submit completed Set-Up Forms and Eligibility Files (initial and updated) on a mutually determined basis, which ESI will accurately implement. Changes to the Set-Up Forms must be documented on ESI's standard amendment forms. Prior to implementation, and periodically during the term of this Agreement, the parties shall test for proper set-up administration in accordance with the Set-Up Forms. If it is determined that ESI is not administering according to the Set-Up Forms, ESI shall have to cure and shall determine what if any additional monies are owed or refunds are due to Sponsor or Members.

(b) Eligibility performed manually by ESI for Sponsor, or material changes to the Eligibility File processes requested by Sponsor during the Term may be subject to additional fees set forth on Exhibit B. Sponsor will be responsible for all Prescription Drug Claims during the period of the Member's eligibility as indicated on the Eligibility File including for retroactively termed Members, except in the event of ESI's negligence.

2.2 Pharmacy Network.

(a) Participating Pharmacies. ESI will maintain a network(s) of Participating Pharmacies as identified in Exhibit B, and will make available an updated list of Participating Pharmacies online. ESI maintains multiple networks and subnetworks, and periodically consolidates networks or migrates clients to other networks and subnetworks. If, due to an access concern, Sponsor requests that ESI attempt to add a particular retail pharmacy to the network of Participating Pharmacies serving Sponsor and its Members hereunder, ESI will make commercially reasonable efforts to add any such pharmacy to the Participating Pharmacy network for Sponsor, provided that such pharmacy meets ESI's network participation requirements and agrees to ESI's standard terms and conditions. If any such pharmacy meets ESI's network participation requirements and agrees to ESI's standard terms and conditions except for ESI's standard network rates (i.e., the particular pharmacy will only agree to higher than standard reimbursement rates), and Sponsor nevertheless requests that ESI add such pharmacy, the rate charged to Sponsor for Prescription Drug Claims processed through such pharmacy (assuming ESI agrees to contract with such pharmacy) will be the net ingredient cost plus the dispensing fee paid by ESI to such Participating Pharmacy (plus applicable sales or excise tax or other governmental surcharge, if any). All such Prescription Drug Claims will be excluded from the pricing guarantees set forth in Exhibit B.

(i) ESI will require each Participating Pharmacy to meet ESI's network participation requirements, including but not limited to licensure, insurance and provider agreement requirements. ESI also performs audits (i.e., electronic or on-site) of Participating Pharmacies to determine compliance with their provider agreement billing requirements. ESI re-credentials network providers on a rolling three (3) year schedule. ESI may re-credential or request additional credentialing more often than every three (3) years when ESI determines, in its sole discretion, that such credentialing or re-credentialing request is appropriate. ESI will attempt recovery of identified overpayments through offset, demand or other reasonable means; provided that ESI will not be required to institute litigation. Recovered overpayments are credited to Sponsor. The cost of conducting audits and audit-related services for ESI is included in the base administrative fee as set forth in Exhibit B, meaning that 100% of recoveries will be passed through to Sponsor quarterly with the credit clearly identified on Sponsor's invoice. Copies of participation requirements and auditing processes are available upon request.

(ii) ESI does not direct or exercise any control over the Participating Pharmacies or the professional judgment exercised by any pharmacist in dispensing prescriptions or otherwise providing pharmaceutical related services at a Participating Pharmacy. ESI shall

have no liability to Sponsor, any Member or any other person or entity for any act or omission of any Participating Pharmacy or its agents or employees.

(iii) Should the aggregate number of retail pharmacies in the network be reduced by more than 5%, ESI will give at least ninety (90) days' notice prior to the effective date of the change and an alternative pricing offer, if applicable, with a detailed analysis describing Sponsor savings, if any, and Member disruption, with all underlying assumptions disclosed. If ninety (90) days prior notice is not possible, ESI shall notify Aon Hewitt and Sponsor as soon as practicable.

(b) Mail Service Pharmacy. Members may have prescriptions filled through the Mail Service Pharmacy. Subject to applicable law, ESI may communicate with Members regarding benefit design, cost savings, availability and use of the Mail Service Pharmacy, as well as provide supporting services. ESI may suspend Mail Service Pharmacy services to a Member who is in default of any Copayment amount due ESI. Sponsor will be responsible for the first unpaid Member Copayment if payment has not been received from the Member within one hundred twenty (120) days following dispensing. Thereafter, the floor limit for that Member will be set to one dollar (\$1.00). Sponsor will be billed following the one hundred twenty (120) day collection period, with payment due in accordance with the payment terms set forth in Section 3.2 of this Agreement.

(c) Specialty Pharmacy. As elected by Sponsor on the Set-Up Forms, Members may have prescriptions filled through ESI Specialty Pharmacy on an exclusive basis (i.e., "ESI Specialty Pharmacy – Exclusive Care") or at Participating Pharmacies and through ESI Specialty Pharmacy (i.e., "ESI Specialty Pharmacy – Open Care"). Subject to applicable law, ESI and ESI Specialty Pharmacy may communicate with Members and physicians to advise Members filling Specialty Products at Participating Pharmacies of the availability of filling prescriptions through ESI Specialty Pharmacy.

(i) ESI will notify Sponsor and Aon Hewitt monthly of any new Specialty Products that are introduced to the market on or after the Effective Date of this Agreement with their applicable reimbursement rates ("Notice"). Only newly FDA-approved and launched Specialty Products may be considered for addition to the Specialty Product List. Notice will be provided in advance of any modification with an explanation of the rationale for such modification. On a quarterly basis on the first business day of the first month of the quarter, ESI shall provide Aon Hewitt and Sponsor with a revised and complete Specialty Product List noting the effective date for each modification. The parties agree as follows:

(A) If Sponsor has expressly excluded a specific therapy class or product on a Set-Up Form, Specialty Products in such excluded classes will automatically be deemed excluded from coverage and will reject as "NDC Not Covered" through Participating Pharmacies, Mail Service Pharmacy and ESI Specialty Pharmacy; otherwise, subject to (B) below, all other Specialty Products will be implemented as Covered Drugs at the rate specified in the applicable Specialty Product List or Notice. If Sponsor desires to cover otherwise excluded Specialty Products, Sponsor must notify ESI in writing that it desires to cover the Specialty Product before ESI will adjudicate as a Covered Drug, and if ESI receives such confirmation of coverage from Sponsor such Specialty Product will be loaded thereafter as a Covered Drug at the applicable reimbursement rate set forth in the Notice.

(B) Sponsor must notify ESI in writing if it wants to exclude the Specialty Product from coverage. The exclusion will be implemented within seven (7) business days after the date of ESI's receipt of such notification. There will not be any retroactive denials for Prescription Drug Claims processed prior to ESI's receipt of the

rejection notice and implementation of the exclusion as provided above and Sponsor will be responsible for the payment of such Prescription Drug Claims processed prior to the rejection of coverage.

(ii) For Specialty Products filled through ESI Specialty Pharmacy only, Members may receive the following services from ESI Specialty Pharmacy: patient intake services, pharmacy dispensing services, and depending on the particular therapy class or disease state: ASES and/or social services (patient advocacy, hardship reimbursement support, and indigent and patient assistance programs).

(iii) Subject to Sponsor's prior authorization requirements, if applicable, at the rates set forth in Exhibit B, ESI will provide or coordinate ASES for Members through ESI Specialty Pharmacy or through other specialty pharmacies or other independent third party providers of ASES when ASES is required. If ESI or ESI Specialty Pharmacy engages a third party provider of ASES, ESI or ESI Specialty Pharmacy shall contractually obligate such third party provider of ASES to comply with all applicable laws, including, without limitation, all applicable laws relating to professional licensure. ESI does not direct or exercise any control over any third party provider of ASES in administering Specialty Products or otherwise providing ASES.

(iv) If Sponsor elects the ESI Specialty Pharmacy - Open Care option, then any ancillary supplies, equipment, and services provided or coordinated in connection with the dispensing of Specialty Products at Participating Pharmacies (for example, limited distribution products not then available through ESI Specialty Pharmacy or overrides) will be billed to Sponsor at the cost charged to ESI for such ancillary supplies, equipment, and services provided or coordinated, unless such ancillary supplies, equipment, and services provided or coordinated are included in the ingredient cost of the Specialty Product. The above also applies for products dispensed at retail for the Exclusive option that allows first fills at retail or for products which ESI does not have access to.

2.3 Claims Processing.

(a) Claims Processing.

(i) ESI will perform claims processing services for Covered Drugs dispensed by Participating Pharmacies, Mail Service Pharmacy and ESI Specialty Pharmacy. The administrative fees for claims processing shall be as set forth in Exhibit B-2.

(ii) In connection with each prescription submitted for processing on-line by a Participating Pharmacy, ESI will perform standard drug utilization review ("DUR") in order to assist the dispensing pharmacist and prescribing physician in identifying potential drug interactions, incorrect prescriptions or dosages, and certain other circumstances that may be indicative of inappropriate prescription drug usage. ESI's DUR processes are not intended to substitute for the professional judgment of the prescriber, the dispensing pharmacist or any other health care professional providing services to the Member.

(iii) If elected by Sponsor, ESI will process Member Submitted Claims in accordance with the rules in the Set-Up Forms and ESI's standard procedures.

(iv) If authorized by Sponsor on the Set-Up Forms, ESI will process Subrogation Claims in accordance with applicable federal and state laws, in which case Sponsor will pay such Subrogation Claims in accordance with Article III.. If Sponsor does not authorize ESI to process Subrogation Claims, ESI will reject the claim and refer claimants to Sponsor regarding such claims, in accordance with applicable federal and state laws. ESI is not legally

responsible to pay Subrogation Claims to the extent Sponsor is not timely paying ESI with respect to such Subrogation Claims.

(v) Sponsor or its third party designee (as applicable) will have the final responsibility for all decisions with respect to coverage of a Prescription Drug Claim and the benefits allowable under the Plan, including determining whether any rejected or disputed claim will be allowed.

(vi) ESI shall use the maintenance medication indicator provided in Medi-Span to identify "maintenance medications" for purposes of a mandatory mail program or program that charges a penalty for refills obtained at Participating Pharmacies instead of the Mail Service Pharmacy.

(vii) ESI shall override retail and mail service prescriptions and provide up to a ninety (90) day supply for overseas travel (including vacation) based on Sponsor's specific Plan provisions.

(b) Prior Authorization. For the fees set forth in Exhibit B-2 (if applicable), ESI will provide prior authorization ("PA") services as specified and directed by Sponsor for drugs designated on the Set-Up Form. Prior authorized drugs must meet guidelines that are developed by ESI for Sponsor to review and approve ("Guidelines") before they are deemed to be Covered Drugs. Unless Sponsor otherwise directs, Sponsor hereby authorizes coverage for an otherwise excluded use in the event of co-morbidities, complications and other factors not otherwise expressly set forth in the Guidelines. In determining whether to authorize coverage of such drug under the PA Program, ESI will apply only the Guidelines and may rely entirely upon information about the Member and the diagnosis of the Member's condition provided to it from the prescriber. ESI will not undertake to determine medical necessity, make diagnoses or substitute ESI's judgment for the professional judgment and responsibility of the prescriber.

(c) Claims for Benefits. ESI will process initial "claims for benefits" for Member Submitted Claims and PA requests consistent with the ERISA claims rules set forth in 29 CFR Part 2560 or any amendments thereto (or applicable state law if a non-ERISA plan) ("Claims Rules"). Sponsor may elect to have ESI perform appeals services in connection with denied "claims for benefits" for the fees set forth in Exhibit B, or facilitate such services through Sponsor or a third party of Sponsor's choice. If Sponsor elects to conduct its own appeals or facilitate through a third party of Sponsor's choice, ESI will route Member appeals to Sponsor or other Sponsor designated entity. If Sponsor elects to have ESI perform appeals services, Sponsor agrees that ESI may perform such services through the UM Company. Through its contract with ESI, ESI represents that the UM Company has agreed to be, and will serve as, the named fiduciary for its performance of such appeals. ESI also agrees to accept fiduciary status solely with respect to its performance of any appeal.

(d) UM Company. In the event ESI performs appeals services, or facilitates the performance of appeals services through the UM Company, ESI or the UM Company, as applicable, will be responsible for conducting the appeal on behalf of Sponsor in accordance with the Claims Rules. ESI represents to Sponsor that UM Company has contractually agreed that: (A) UM Company will conduct appeals in accordance with the Claims Rules and Sponsor's plan, (B) Sponsor is a third party beneficiary of UM Company's agreement with ESI (a copy of which is available upon request) and the remedies set forth therein, which supplement the terms of this Agreement and the Master Agreement and (C) ESI warrants that UM Company will indemnify Sponsor for third party claims caused by the UM Company's negligence or willful misconduct in providing the appeal services.

(e) External Review Services.

ESI will not conduct any external review services (as defined in the Patient Protection and Affordable Care Act of 2010 and its implementing regulations (“PPACA”)); provided, however, Sponsor may elect to have UM Company facilitate the provision of external review services through UM company contracted Independent Review Organization (“IROs”) (as such term is defined in PPACA), for the fees set forth on Exhibit B below (if applicable). Sponsor must execute a standard ESI “External Appeals Services” Set-Up Form, which may be requested through ESI Account Management, in order to receive such services from UM Company.

In the event that Sponsor elects to utilize UM Company to facilitate the provision of external review services through UM Company contracted IROs, UM Company will be responsible for facilitating all such appeals (and the IROs will be responsible for providing all such appeals) in accordance with PPACA and all other applicable federal and state laws, and Sponsor hereby acknowledges and agrees that:

(i) UM Company (with respect to facilitating the external reviews) and the IROs (with respect to performing the external reviews), and not ESI, will be providing external review services; UM Company is an independent contractor of ESI; the IROs are independent contractors of UM Company and not ESI; and ESI does not in any way control or direct either UM Company or the IROs with respect to facilitation or performance of external review services provided by each respectively.

(ii) ESI represents to Sponsor that UM Company has contractually agreed that: (A) UM Company will facilitate all external review services in accordance with PPACA and all other applicable federal and state laws; (B) UM Company will contractually require its contracted IROs to perform all external reviews in accordance with PPACA and all other applicable federal and state laws; (C) to the extent not prohibited by law, UM Company will indemnify, defend and hold Sponsor harmless from and against any and all losses, damages, injuries, causes of action, claims, demands and expenses (including reasonable attorney’s fees, costs and expenses), arising out of, resulting from, or related to any act, omission or default by the IROs in their performance of the external reviews; and (D) Sponsor has third party beneficiary rights to enforce the preceding indemnification and hold harmless provision.

(f) Call Center. ESI will provide Members with a dedicated toll-free telephone line with Interactive Voice Response (“IVR”) and live caller support through a Member service team (including Patient Care Advocates and supervisors) available twenty-four (24) hours a day, seven (7) days a week, and 365 days a year. ESI shall also provide telephonic emergency pharmacist services twenty-four (24) hours a day, seven (7) days a week, 365 days a year.

(i) Sponsor reserves the right to review the training documents utilized by patient care representatives for calls with Members prior to the implementation/effective date.

(ii) The Patient Care Advocates will be knowledgeable of Sponsor’s specific pharmacy benefit programs to respond to Member questions.

(iii) Patient Care Advocates and provider service representatives will have access to a pharmacist in the event a call requires the attention of a clinician.

(iv) ESI will record 100% of all Member calls and upon Sponsor’s request hold call calibration meetings, where Sponsor can listen to selected Member calls and provide feedback. ESI will retain recordings of Member calls for 12 months.

(v) ESI will provide a telephone tracking system for Sponsor's specific member/provider telephone inquiries and will provide monthly reports of call volume, first call resolution rates, average wait times and abandonment rates.

(vi) ESI shall add additional staff during Sponsor's open enrollment to answer calls from prospective Members.

(vii) ESI will provide all Patient Care and provider service staff with training on Sponsor's program at least ten (10) days prior to opening telephone lines and thirty (30) days before launch date, respectively. This training will recur as needed for newly assigned staff and/or in the event Sponsor modifies its benefits. ESI will provide training materials to Sponsor for review and approval prior to execution of training.

2.4 Clinical Programs, Formulary Support and Rebate Management.

(a) Formulary Adherence and Clinical Programs. Upon Sponsor request, ESI may provide clinical, safety, adherence, and other like programs as appropriate. Exhibit B-2 sets forth certain available adherence, clinical, safety and/or trend programs that require additional fees hereunder. ESI will not implement any program for which Sponsor may incur an additional fee without Sponsor's prior written approval and election of such program. For newly introduced programs after the effective date not listed in Exhibit B-2, Aon Hewitt must approve such programs and fees in advance. If approved, the new service shall be documented in an exhibit describing the program, its application and all associated fees and costs.

(b) Rebate Program. ESI accepts full responsibility for negotiating and maintaining all Rebate contracts with pharmaceutical manufacturers and submitting the appropriate files for Rebate collections, including but not limited to follow up with manufacturers with the intent to facilitate the timely collection of Rebates such that ESI will receive close to 100% of the Rebates earned by AHRC Sponsors within 150 days of the close of each contract year. Subject to the remaining terms of this Agreement, ESI will pay to Sponsor the amounts set forth on Exhibit B.

(c) ESI is solely responsible for maintaining its National Preferred Formulary and Basic Formulary, if applicable, and determining which products are preferred and non-preferred, at no additional cost to Sponsor.

(a) For those AHRC Sponsors adopting the National Preferred Formulary. ESI will provide written notice to Sponsor at least one hundred and fifty (150) days in advance and to Members sixty (60) days in advance of any formulary changes that remove a drug that is currently on the formulary, with the exception of changes due to safety and FDA driven issues, for which notification must be provided to Sponsor and its Members within five (5) business days. Unless required by law, ESI will limit Formulary Exclusions to once per year. For the avoidance of doubt, blocking the addition of a new drug that comes to market from being placed on the Formulary shall not be deemed the same as removing or excluding a drug from the Formulary.

(e) ESI shall provide Sponsor with a Sponsor-specific analysis identifying the financial impact (i.e. ingredient cost before and after Rebates) and Member impact of the additional Formulary Exclusions on a drug by drug basis and in total at least one hundred and twenty (120) days in advance of any changes that removes a drug from the Formulary, unless the Formulary Exclusions are due to safety and FDA driven issues in which case ESI shall provide Sponsor with the Sponsor-specific analysis as soon as reasonably practical. If earned rebates for products remaining on the Formulary increase as a result of the additional Formulary Exclusions, ESI's analysis will identify the financial impact (i.e. ingredient cost before and after Rebates) of these improvements on a drug by

drug basis. Further there will be no arbitrary or book of business adjustment applied to Sponsor's guaranteed Rebates.

2.5 Program Operations.

(a) Reporting. ESI will make available to Sponsor and Aon Hewitt ESI's on-line standard management information reporting applications so that authorized users, including Aon Hewitt, can view reports within a day of user access. Upon Sponsor's request, ESI may develop special reporting packages or perform custom programming at ESI's standard hourly rate for such services, as set forth in Exhibit B. ESI will provide reporting to validate compliance with each and every financial guarantee in Exhibit B at no additional charge to Sponsor. Reporting will include separate Rebate reports showing prescription counts in management reports by dispensing channel and drug type. ESI will provide reporting to Sponsor and Aon Hewitt for the purposes of monitoring and reconciling financial and performance guarantees according to the timing set forth in Exhibit B and at no additional charge to Sponsor. Sampling techniques and report formats will be defined and mutually agreed upon by Aon Hewitt and ESI. ESI's reporting will include quarterly electronic summary reports of claims activity and an annual report analyzing Sponsor's year over year prescription drug trend, delivered to Sponsor within 15 business days from the end of the reporting period.

(b) Claims Data.

(i) Claims Data Retention. ESI will retain Sponsor's claims data for a total of ten (10) years from the date the prescription is filled. Thereafter ESI will dispose of such data in accordance with its standard policies and practices and applicable state and federal law. Disposition of PHI shall be in accordance with the Business Associate Agreement.

(ii) Claims Data to Vendors. Upon Sponsor's written request and at no additional charge, ESI will provide periodic electronic Prescription Claims data in an agreed upon format to Sponsor's vendors ("Vendors") for disease management, flexible savings account and other "payment," "treatment" and "healthcare operations" purposes (as defined under HIPAA). Each data feed can be unique in nature and range from real time to quarterly transmission intervals. Requests for retrieval of data beyond thirty (30) months are subject to the hourly custom programming charge set forth in Exhibit B-2.

(iii) De-Identified Claims Data. ESI or its affiliates may use and disclose both during and after the term of this Agreement the anonymized claims data (de-identified in accordance with HIPAA) including drug and related medical data collected by ESI or provided to ESI by Sponsor for research; provider profiling; benchmarking, drug trend, and cost and other internal analyses and comparisons; clinical, safety and/or trend programs; ASES; or other business purposes of ESI or its affiliates, in all cases subject to applicable law.

(c) Sponsor Audits General. Sponsor reserves the right to conduct audits as described below and in accordance with the terms of this Agreement including the Audit Protocol as set forth in Exhibit C. This shall include the right at Sponsor's request for Aon Hewitt to conduct audits as specified herein.

(i) Sponsor retains the right to audit such information as reasonably required to determine that ESI is complying with this Agreement, which includes but may not be limited to: 100% of pharmacy claims data, with all National Council for Prescription Drug Programs ("NCPDP") fields from the most current version and release; data management; participating pharmacy contracts with PBM (applies to Pass-Through Pricing and EGWP); pharmaceutical manufacturer agreements; approved and denied utilization management reviews; clinical

program outcomes; appeals; and information related to the reporting and measurement of performance guarantees.

(ii) Sponsor retains the right to audit at no additional charge, including no direct pass-through of any data retrieval fees, not to exceed twenty-four (24) months immediately preceding the request to audit. If additional data beyond twenty-four (24) months immediately preceding the request for audit, additional fees may apply pursuant to Exhibit C.

(iii) Sponsor retains the right to perform additional audits of similar scope at no additional charge during the contract year if requested as a follow-up to ensure significant/material errors found in any prior audit have been corrected and are not recurring, or if additional information becomes available to warrant further investigation.

(iv) Sponsor retains the right to audit more than once per contract year, for an additional fee, if the audits are different in scope or for different services.

(v) Any third party auditor engaged by Aon Hewitt or Sponsor shall execute a confidentiality agreement in a form mutually agreed upon prior to conducting any audit ensuring that all information reviewed during such audit and all details will be treated as confidential and will not be revealed in any manner or form by or to any third party.

(vi) Any adjustments, payments and/or reimbursements determined to be necessary as a result of any examination or audit shall be paid by the appropriate party within thirty (30) after the impact assessment is produced and both parties are in agreement with the amounts and findings.

(vii) ESI agrees to provide reasonable cooperation with requests for information, which includes but is not limited to the timing of the audit, deliverables, data/information requests and response time to auditor questions before and after the process.

(d) Claim Audits.

(i) Upon Sponsor's written authorization, ESI will provide de-identified claims data in a file layout acceptable to Aon Hewitt or Sponsor's auditor to perform a claims audit.

(ii) Aon Hewitt or Sponsor, or a mutually acceptable independent third party retained by Aon Hewitt or Sponsor, may conduct a claims audit annually and such audits shall not exceed twenty-four (24) months immediately preceding the request to audit.

(e) Rebate Audits. Aon Hewitt and Sponsor, through a mutually agreeable independent third party in accordance with Exhibit C, reserve the right to conduct an annual Rebate audit for the prior two (2) contract years. Such audit shall be limited to a review of up to ten (10) pharmaceutical company contracts directly related to Sponsor's Rebates as selected by Aon Hewitt or Sponsor or the third party auditor. Such review of pharmaceutical company contracts may include formulary and Rebate provisions and shall be limited to information necessary for validating the accuracy of the Rebate amounts remitted to Sponsor by ESI.

(f) Platform Migration Audit. If ESI requires Sponsor to change claim platforms, ESI will allow Aon Hewitt to conduct a pre-migration readiness assessment and claim audit in order to test that the set up and benefits will be processed correctly. ESI will fund the cost of the migration audit.

(g) Performance Standards. ESI will conform to the performance standards set forth on Exhibit D herein. The payments set forth in Exhibit D will be Sponsor's sole monetary remedy for any

failure by ESI to meet a performance standard. Notwithstanding the foregoing, ESI agrees to correct or reimburse Sponsor for any payment of billing errors or other breach of this Agreement.

2.6 Pharmacy Management Funds ("PMF").

(a) ESI will provide Sponsor up to \$17.50 per Member as of the Effective Date, to reimburse the actual, fair market value of: (i) expense items and services, whether provided by ESI, Sponsor, or a third party, related to implementing and administering the pharmacy benefit, such as, ID Cards, IT programming, formulary letters, member communications, and benefit set-up quality assurance; including implementation audits related to the implementation of plan and benefit designs throughout the Term and audits pursuant to the terms of Section 2.5 of this Agreement and/or (ii) mutually agreed upon expense items and services related to implementation of additional clinical or other similar programs throughout the Term; in either case subject to submission of adequate documentation to support reimbursement within 180 days of incurring the applicable expense. Examples of transition and implementation expenses include but are not limited to costs of customized member I.D. cards, postage expense for direct mail of I.D. cards and other communication materials to Members, special programming required by Sponsor's prior prescription benefit manager to provide data to ESI, and Aon Hewitt consulting assistance related to implementation. Identification of the implementation costs shall occur no later than six (6) months after the Effective Date of the Agreement. ESI represents that both Sponsor and ESI (upon advance written agreement from Sponsor) may use the PMF to cover the fair market value of expenses for projects requiring joint resources. For such projects requiring joint resources, ESI represents and warrants it will only request and use PMF as reimbursement for its actual expenses incurred. The parties agree that ESI will pay Aon Hewitt directly for the amounts reimbursable under the PMF, upon email or other written approval from Sponsor.

(b) Implementation Audit. ESI shall provide Sponsor with the one-time implementation audit credit of \$30,000 for Aon Hewitt to conduct an implementation audit. This implementation audit credit will be paid to Sponsor as a credit or to Aon Hewitt upon Sponsor's direction. Identification of the expenses attributable to this credit shall be mutually agreed upon. Sponsor or Aon Hewitt shall provide ESI with documentation of expenses actually incurred in the form of an invoice, an account statement, or other detailed documentation. Expenses applied to this credit will not exceed the fair market value of such expenses. The parties agree that ESI will pay Aon Hewitt directly for the Implementation Audit, upon email or other written approval from Sponsor.

(c) Sponsor agrees that: (i) it will only request reimbursement under the PMF for its actual expenses incurred in transitioning, administering, and implementing the pharmacy benefit managed by ESI hereunder, and/or the additional clinical or other similar programs provided by ESI throughout the Term; (ii) that the applicable service, item or program was actually performed or provided; (iii) the amount of the reimbursement is equal to or less than the reasonable fair market value of the actual expenses incurred by Sponsor; (iv) it will notify and disclose the amount and the terms of any PMF reimbursements to Members and other third parties to the extent required by applicable laws and regulations. In addition, if the Sponsor and the Plan are subject to ERISA, Sponsor represents and warrants that it will only request reimbursement under the PMF for items or services for which Sponsor, in the absence of the PMF, would be allowed reimbursement from the Plan (i.e., not "settlor functions").

(d) Sponsor shall comply with all applicable federal and state requirements, including, but not limited to, all applicable federal and state reporting requirements with respect to any expense, item or service reimbursed under this Section 2.6. ESI reserves the right to audit once per year (unless otherwise necessary for good cause) the documentation of expenditures of Sponsor on-site, during normal business hours and after giving reasonable advance notice, for the purposes of verifying Sponsor's compliance with the PMF requirements set forth in this Agreement.

(e) ESI intends to amortize the PMF over the Initial Term of the Agreement on a straight-line basis. In the event of a termination of this Agreement for any reason other than ESI's or its affiliates uncured material breach prior to the expiration of the Initial Term, Sponsor will reimburse ESI an amount equal to any paid but unamortized portion of the PMF. Reimbursement to ESI by Sponsor pursuant to this Section will not be in lieu of any other rights or remedies ESI may have in connection with the termination of this Agreement, including monetary or other damages. PMF reimbursements shall not be paid prior to the Effective Date of this Agreement. Sponsor will have no right to interest on, or the time value of, any PMF, and unused funds shall be retained by ESI after termination.

2.7 Account Management.

(a) As part of ESI's account management, ESI will provide Sponsor with adequate staffing to service Sponsor and a designated, experienced account management team ("Account Team"), including:

(i) a daily, operational account manager and named backup.

(ii) an account executive and named backup.

(iii) an eligibility specialist, as required.

(iv) a financial analyst dedicated to conducting quarterly business reviews of plan performance and strategic trend analysis. Upon Sponsor's request, this person will provide ad hoc financial reports. The financial analyst shall also focus on methods to manage costs, interpret trends in the plans and marketplace.

(v) a clinical manager/licensed pharmacist to support pharmacy program policies, plan design, and clinical management programs.

(vi) a communications specialist to customize standard member communications and developing custom member communications that reflect each Sponsor's preferred style.

(b) ESI will allow Sponsor to interview and approve any proposed replacements to the account team.

(c) Additionally, ESI will:

(i) Coordinate with Sponsor for management of the SPD, SMM and SBC. This includes, but is not limited to, reviewing changes to the SPD, SMM and SBC, ensuring that ESI administers the plan as reflected in the SPD and communicating any plan/clinical program changes to Sponsor for inclusion in the SPD, SMM and SBC.

(ii) Support annual Member meetings and benefit fairs as required by Sponsor. This may include sending PBM staff and/or materials to meetings and benefit fairs, as reasonably determined by Sponsor.

(iii) Provide clinical and plan consulting, analysis and cost projections.

(iv) Provide annual and quarterly analysis of program utilization and impact of plan design changes and managed care interventions.

(v) Cooperate with Aon Hewitt in the evaluation of current programs and the development, analysis, implementation, and support of new programs.

(vi) Provide a senior account management person to work directly with Sponsor and Aon Hewitt on coalition related matters. This person shall be responsible for communicating with Sponsors and Aon Hewitt, and coordinating the activities of Sponsor account managers and the clinical account manager.

(vii) Provide financial and performance guarantee reconciliations to Aon Hewitt and Sponsor according to the timing as set forth in Exhibit B and Exhibit D.

(viii) Create a service recovery plan to address ongoing service issues that will be reviewed and approved by Sponsor and shared with Aon Hewitt.

2.8 ID Cards.

(a) Upon Sponsor's request, ESI will produce and send prescription drug ID cards for receipt by members on or before December 15 of each contract year at no additional cost.

(b) ESI will produce and send prescription drug ID cards for distribution to new Members at no additional cost.

(c) If new ID cards are required as a result of ESI's error or ESI-initiated changes, ESI will maintain the responsibility to reproduce ID cards at no additional cost (including priority shipping).

2.9 Implementation Support (New Sponsors Only).

(a) ESI will provide a designated implementation team that will include an implementation manager if Sponsor is new to ESI or if Sponsor is not new to ESI but ESI determines that it is required due to the complexity of the implementation, and the account manager or account executive. Implementation team members will provide assistance during the transition/implementation process and participate in regularly scheduled status meetings (at least weekly) with Sponsor for up to four (4) weeks or for a length of time as mutually agreed upon after the effective date.

(b) ESI will maintain an implementation project plan and issue log documenting all implementation issues, actions, due dates and responsible parties. Implementations will be supported year round as required by Sponsor.

(c) ESI agrees to accept and load all open mail order and specialty pharmacy refills, prior authorization histories and up to twelve (12) months of historical claims data at no additional cost to Sponsor during the implementation process.

(d) ESI will offer alternative approaches to minimize the need for Members to request new prescriptions during transition.

ARTICLE III - FEES; BILLING AND PAYMENT

3.1 Fees. In consideration of the PBM Services provided by ESI, Sponsor will pay the applicable claims reimbursement amounts ("Claims Reimbursements") and other administrative fees ("Administrative Fees") pursuant to the terms set forth on Exhibit B ("Claims Reimbursements," "Administrative Fees" and any other charge or fee that is the responsibility of Sponsor as may be described elsewhere in this Agreement are hereinafter referred to collectively as "Fees").

3.2 Billing and Payment.

(a) Billing. ESI will invoice Sponsor: (i) bi-weekly for Claims Reimbursements; and (ii) on a monthly basis for the Administrative Fees. Invoices will reflect the services performed during the invoice period and will include Prescription Drug Claims information to support the invoiced amounts at no additional charge to Sponsor.

(b) Payment. Sponsor will pay ESI amounts due for Claim invoices by wire, ACH transfer or pre-authorized debit within two (2) days from the date of Sponsor's receipt of each ESI Claim invoice. Sponsor will pay ESI amounts due for administrative invoices by wire, ACH transfer or pre-authorized debit within fifteen (15) days of the invoice date. For Claims invoices, in the event that Sponsor disputes any item on a Claims invoice, Sponsor shall pay the full amount invoiced and shall notify ESI of the disputed amount in writing within thirty (30) days of the date of the invoice. ESI and Sponsor will work together in good faith to resolve any dispute as soon as reasonable practicable. If the parties are unable to resolve the matter within thirty (30) days, Sponsor may withhold the disputed amount on the next invoice cycle and/or until the dispute is resolved.

For administrative fee invoices, Sponsor shall pay ESI all invoiced amounts except for those amounts that are disputed in good faith, provided ESI is notified of the dispute and Sponsor has provided a detailed description justifying the dispute. ESI and Sponsor agree to actively work to resolve any dispute as outlined herein. Sponsor must notify ESI of Sponsor's objection no later than 60 days after the administrative fee invoice date stating the disputed charges. If Sponsor and ESI mutually agree on overpayment, ESI will reimburse Sponsor within fifteen (15) days. If Sponsor fails to object within the 60-day period, Sponsor will be deemed to have acknowledged that the invoiced amounts comply with pharmacy benefit plan intent, including Claim payments.

Other than as stated in Section 3.2, Sponsor shall have no right to offset disputed amounts or amounts due or allegedly due from ESI from such payment, except as previously approved in writing by ESI.

(c) Late Payment by Sponsor. Failure by Sponsor to make any payments in accordance with the terms of this Agreement will constitute a payment default. If Sponsor fails to cure any such payment default within five (5) days, in addition to other available remedies, ESI may cease performing any or all of its obligations under, or may terminate, this Agreement upon notice to Sponsor. After the five (5) day grace period, there will be a late payment fee of one percent (1%) per month (or, if less, the highest rate allowed by law) from the due date until paid in full by Sponsor. Sponsor will reimburse ESI for all collection costs incurred by ESI (unless ESI is unsuccessful in a lawsuit or other collection attempt) as a result of any payment default by Sponsor under this Agreement. In addition to any rights under Section 3.2, ESI may, upon notice to Sponsor and the provision of reasonable documentation showing the application of Rebate amounts, apply the Rebate amounts otherwise owed to Sponsor against any unpaid Fees.

(d) Late Payment by ESI. ESI shall pay Sponsor interest at nine percent (9%) per year accruing after the due date until payment is received for all payments due to Sponsor that are not paid in accordance with Exhibit B of the Master Agreement.

(e) Deposit. If, at any time: (i) Sponsor has two or more invoices past due and outstanding, or (ii) ESI has reasonable grounds to believe Sponsor may be delinquent in payment of fees based on Sponsor's financial data (e.g., persistent negative cash flow, bankruptcy or insolvency), ESI may require that the Sponsor provide to ESI a mutually agreed upon letter of credit or a deposit in an amount equal to the average of the last three (3) months of billing history as the basis for determining the one (1) month deposit amount or, if three (3) months billing history is not available, the most recent month of billing history as the basis. ESI will retain the deposit until the earlier of

termination of this Agreement (following any run-off period), or six (6) consecutive months of timely payments of all Fees following submission of the deposit, and may apply the deposit to delinquent fees until return of the deposit.

(f) ESI will submit itemized invoices to Sponsor that reflect the PBM Services performed during the invoice period and include claims information to support the invoiced amounts at no charge. Any sales, use or other tax or assessment, including any surcharge or similar fee imposed under any applicable law on any health care provider, Member, service, supply or product provided under this Agreement, will be the sole responsibility of Sponsor and may be added to the invoice and appropriately documented, unless (i) Sponsor is exempt from a certain tax or assessment and (ii) Sponsor has provided sufficient evidence of such exemption in a timely manner to ESI pursuant to Section 7.9 of this Agreement.

3.3 Aon Hewitt Enrollment and Consulting Fees. ESI will facilitate the payment of AHRC enrollment fees by each Sponsor to Aon Hewitt for both commercial and EGWP lines of business. Except as otherwise agreed in writing, ESI shall remit to Aon Hewitt via ACH transfer, within twenty-five (25) days after the close of the month, AHRC Enrollment Fees of \$0.92, \$0.94, and \$0.96 PMPM in 2017, 2018, and 2019, respectively, for each Sponsor along with a statement showing the amounts attributable to each Sponsor and the number of Commercial Members and EGWP enrollees used to determine the amounts (collectively, the "Enrollment Fees"). Annually, ESI will calculate the actual PMPM amount based on the total number of Commercial and EGWP (if applicable) Members as of January 1 or if Sponsor is new and joins after January 1, the Effective Date. However, if Sponsor's enrollment changes significantly during a given calendar year, ESI and Aon Hewitt may agree to update the total number of Commercial and EGWP (if applicable) Members based on the then-more-recent enrollment data.

The minimum annual AHRC Enrollment Fee payable by Sponsor under this Agreement is \$10,000; the maximum annual AHRC Enrollment Fee payable for a Sponsor under this Agreement is \$250,000. On a monthly basis, the minimum AHRC Enrollment Fee for each Sponsor will be the greater of the actual PMPM Fee or \$833.33, and the maximum AHRC Enrollment Fee for each Sponsor will be the lesser of the actual PMPM Fee or \$20,833.33. If ESI or Aon Hewitt discovers that any Sponsor has been overcharged, ESI will immediately notify Aon Hewitt and will credit the overcharge back to Sponsor within 30 days of discovery.

Additionally, ESI agrees to facilitate the Enrollment Fee and if applicable, a consulting fee subject to the following:

- (i) Sponsor has executed a Sponsor Agreement (or provided an email acknowledgment containing the language agreed upon by the Parties that is substantially similar to Section 3.3 in the Sponsor Agreement) and Sponsor is current in its payment obligations to ESI.
- (ii) Sponsor hereby confirms that the Coalition Enrollment Fees and any fees described in this Section 3.3, are fair and reasonable, commensurate with other enrollment fees in the industry and not in violation of any law or regulation;
- (iii) At the request and direction of Aon Hewitt and Sponsor, ESI shall invoice and collect a PMPM fee, the amount of which will be indicated in the applicable Sponsor Agreement, for additional Aon Hewitt consulting services and remit such amount monthly to Aon Hewitt via ACH transfer by no later than twenty-five (25) days from the end of each month. If Sponsor elects this service, the amount of the PMPM fee shall be agreed upon with Aon Hewitt and disclosed to ESI in writing. Annually, ESI will calculate the actual PMPM consulting fee based on the total number of Commercial and EGWP (if applicable) Members as of January 1 or if Sponsor is new and joins after January 1, the Effective Date. However, if Sponsor's enrollment changes

significantly during a given calendar year, ESI and Aon Hewitt may agree to update the total number of Commercial and EGWP (if applicable) Members based on the then-more-recent enrollment data. Aon Hewitt shall make all disclosures to Sponsor and/or its plan that are required by law, if any.

- (iv) Sponsor shall hold ESI harmless with respect to any dispute between Sponsor and Aon Hewitt regarding the Enrollment and Consulting Fee or any fees described in this Section 3.3, if ESI has paid such fees in accordance with the terms above.

ARTICLE IV – HIPAA; CONFIDENTIAL INFORMATION

4.1 HIPAA. The parties represent that as relates to use and disclosure of PHI, electronic transaction standards and security of electronic PHI under the Health Insurance Portability and Accountability Act of 1996, as amended, they are subject to the terms of the Business Associate Agreement set forth in Attachment 2. Notwithstanding the foregoing, the parties acknowledge that in providing services to Members, ESI Specialty Pharmacy and the Mail Service Pharmacy are acting as separate health care provider covered entities under HIPAA and not as business associates to the Plan covered by the Business Associate Agreement. In providing services, ESI Specialty Pharmacy and the Mail Services Pharmacy shall abide by all HIPAA requirements applicable to covered entities and shall safeguard, use and disclose Member PHI accordingly.

4.2 Confidential and Proprietary Information.

(a) Each party agrees that information of the other party, including, but not limited to the following, will constitute confidential and proprietary information (“Confidential Information”): (i) with respect to ESI: ESI’s reporting and other web-based applications, eligibility and adjudication systems, system formats and databanks (collectively, “ESI’s Systems”), clinical or formulary management operations or programs, fraud, waste and abuse tools and programs, anonymized claims data (de-identified in accordance with HIPAA); ESI Specialty Pharmacy and Mail Service Pharmacy data; information and contracts relating to Rebates and Manufacturer Administrative Fees, prescription drug evaluation criteria, drug pricing information, and Participating Pharmacy agreements; and (ii) with respect to Sponsor: Participating Pharmacy, Sponsor and Member identifiable health information and data, Eligibility Files, Set-Up Form information, business operations and strategies and other information deemed confidential by Sponsor. Neither party will use the other’s Confidential Information, or disclose it or this Agreement to any third party (other than Sponsor attorneys and accountants), at any time during or after termination of this Agreement, except as specifically contemplated by this Agreement or upon prior written consent, which will not unreasonably be withheld. Upon termination of this Agreement, each party will cease using the other’s Confidential Information, and all such information will be returned or destroyed upon the owner’s direction. Confidential Information does not include information which is or becomes generally available to the public under circumstances not involving a breach of this Agreement; was within the recipient's possession or knowledge prior to its being furnished to the recipient pursuant to this Agreement, or is independently developed by the recipient under circumstances not involving a breach of this Agreement.

This Agreement is subject to and governed by the laws of the State of Florida, including without limitation Chapter 119, Florida Statutes, which generally makes public all records or other writings made by or received by the parties. ESI acknowledges its legal obligation to comply with § 119.0701, Florida Statutes. In the event Sponsor receives a public records request, under state or federal law, for ESI information, and ESI has marked such information as confidential and/or trade secret, and Sponsor declines to produce the information in response to the public records request at the direction of ESI, ESI shall fully indemnify and hold Sponsor and its officers and employees harmless for any violation of the public records laws, including, but not limited to defending Sponsor

and its officers and employees against any complaint, administrative or judicial proceeding, payment of any penalty imposed upon Sponsor, and payment of any and all costs, damages, judgments, or losses, including attorney's fees and court costs, incurred by or imposed upon Sponsor arising out of the challenge of the public records request.

(b) Except as explicitly set forth herein, Sponsor will not, and will not permit any third party acting on Sponsor's behalf to, access, attempt to access, test or audit ESI's Systems or any other system or network connected to ESI's Systems. Without limiting the foregoing, Sponsor will not: access or attempt to access any portion or feature of ESI's Systems, by circumventing ESI's Systems access control measures, either by hacking, password "mining" or any other means; or probe, scan, audit or test the vulnerability of ESI's Systems, nor breach the security or authentication measures of ESI's Systems.

(c) The receiving entity may disclose Confidential Information of the disclosing party if required to as part of a judicial process, government investigation, legal proceeding, or other similar process, provided that the receiving entity has given prior written notice of such requirement to the disclosing entity. Reasonable efforts will be made to provide this notice in sufficient time to allow the disclosing entity to seek an appropriate confidentiality agreement, protective order, or modification of any disclosure, and the receiving entity will reasonably cooperate in such efforts. The receiving party agrees to cooperate with the disclosing party in any action by the disclosing party to obtain a protective order or other appropriate remedy. If the receiving party is ultimately legally compelled to disclose such Confidential Information, the receiving party shall disclose the minimum required pursuant to the court order or other legal compulsion

ARTICLE V - COMPLIANCE WITH LAW; FIDUCIARY ACKNOWLEDGEMENTS; FINANCIAL DISCLOSURE

5.1 Compliance with Law; Change in Law.

(a) Compliance with Law. Each party warrants that it is in compliance with all laws and regulations and that it complies with all such laws and regulations applicable to its obligations under this Agreement including maintaining any necessary licenses and permits. **It is understood that each party is responsible for obtaining its own legal advice concerning compliance with applicable laws.** Sponsor shall be responsible for any governmental or regulatory charges and taxes imposed upon or related to the services provided hereunder excluding those associated to the net income of ESI. With respect to any Plan that is subject to the provisions of ERISA, the Sponsor or the plan sponsor shall ensure that its activities in regard to such program are in compliance with ERISA, and shall be responsible for disclosing to Members any and all information relating to the Plan and this Agreement as required by law to be disclosed, including any information relating to Plan coverage and eligibility requirements, commissions, rebates, discounts, or provider discounts referred to in Section 5.3 hereof.

(b) Change In Law. If there is a new or change in federal or state laws or regulations or the interpretation thereof, or any government, judicial or legal action that, among other things, materially burdens ESI, requires ESI to increase payments or shorten payment times for Covered Drugs to Participating Pharmacies, or materially changes the scope of services hereunder (a "Change in Law"), then there shall be an appropriate modification of the services, reimbursement rates, Administrative Fees and/or Rebates hereunder. If the parties cannot agree on a modification or adjusted fee or rates, then either party may terminate the Agreement on thirty (30) days prior written notice to the other.

5.2 Fiduciary Acknowledgements.

(a) ESI offers pharmacy benefit management services, products and programs (“PBM Products”) for consideration by all clients, including Sponsor. The general parameters of the PBM Products, and the systems that support these products, have been developed by ESI as part of ESI’s administration of its business as a PBM. The parties agree that they have negotiated the financial terms of this Agreement in an arm’s-length fashion. Sponsor acknowledges and agrees that, except for the limited purpose set forth in Section 2.3(c), neither it nor the Plan intends for ESI to be a fiduciary (as defined under ERISA or state law) of the Plan, and, except for the limited purpose as set forth in Section 2.3(c), neither will name ESI or any of ESI’s wholly-owned subsidiaries or affiliates as a “plan fiduciary.” Sponsor further acknowledges and agrees that neither ESI nor any of ESI’s wholly-owned subsidiaries or affiliates: (a) have any discretionary authority or control respecting management of the Plan’s prescription benefit program, except as set forth in Section 2.3(c), or (b) exercise any authority or control respecting management or disposition of the assets of the Plan or Sponsor. Sponsor further acknowledges that all such discretionary authority and control with respect to the management of the Plan and plan assets is retained by Sponsor or the Plan. ESI represents that it will not enter into Sponsor Agreements with any Sponsor organized or incorporated in a state or U.S. jurisdiction that adopts a law or rule requiring a PBM to be a fiduciary and/or force the PBM to surrender any revenue otherwise inuring to ESI under a Sponsor Agreement in connection with the provision of any or all PBM Services. Should a federal or state law be adopted that would require ESI to be a fiduciary to perform any or all of the PBM Services and such law does not grandfather existing agreements, ESI shall have the right, with 120 days prior written notice to Aon Hewitt and Sponsor, to terminate any Sponsor Agreement in whole that would be subject to such law or rule. Such notice shall include the grounds for termination.

(b) Aon Hewitt organizes and manages the AHRC, and Sponsor acknowledges that neither it nor the Plan intends for Aon Hewitt to be a fiduciary (as defined under ERISA or state law) of the Plan. Sponsor further acknowledges and agrees that neither Aon Hewitt nor any of Aon Hewitt’s wholly-owned subsidiaries or affiliates: (a) have any discretionary authority or control respecting management of the Plan’s prescription benefit program or (b) exercise any authority or control respecting management or disposition of the assets of the Plan or Sponsor. Sponsor further acknowledges that all such discretionary authority and control with respect to the management of the Plan and plan assets is retained by Sponsor or the Plan.

5.3 Disclosure of Certain Financial Matters. In addition to the Administrative Fees paid to ESI by Sponsor, ESI and ESI’s wholly-owned subsidiaries or affiliates derive revenue in one or more of the ways as further described in the Financial Disclosure to ESI PBM Clients set forth in Attachment 1 to Sponsor Agreement hereto (“Financial Disclosure”), as updated by ESI from time to time. In the event of a conflict between the terms of Attachment 1 and the terms in this Agreement between ESI and Sponsor, the terms in this Agreement shall prevail. To the extent ESI updates or modifies Attachment 1 and the financial disclosures contained therein to reflect changes in its business processes, ESI shall notify Aon Hewitt and Sponsor no less than quarterly (provided that for the sake of clarity, to the extent that any updates conflict with the terms of this Agreement (other than Attachment 1) the terms in this Agreement shall prevail).

5.4 Compliance with the Patient Protection and Affordable Care Act (PPACA). Sponsor shall notify ESI if the Plan is not, or ceases to be, part of a “grandfathered health plan” within the meaning of PPACA §1251. For any Plan that is not part of a “grandfathered health plan,” ESI shall ensure that Covered Drugs include all medicines and drugs that would be considered “preventive health services” within the meaning of PPACA §2713 (and its implementing regulations and other guidance) and that the Plan offers those medicines and drugs without imposing any co-payments, co-insurance, deductibles, or other cost-sharing requirements, when delivered by in-network providers.

ARTICLE VI - TERM AND TERMINATION; DEFAULT AND REMEDIES

6.1 Term.

(a) This Agreement will commence effective as of October 1, 2017 (“Effective Date”), and will continue for a period of three (3) years or a time period coinciding to that of the Master Agreement, whichever is less (“Initial Term”), and may be terminated earlier or extended in accordance with the terms of Section 6.2 below. This means that Sponsors joining in year 1 will have a 3-year Sponsor Agreement, while Sponsors joining in years 2 and 3 will have a 2-year and 1-year Sponsor Agreement, respectively. ESI agrees to provide a renewal proposal at least 180 days prior to the contract expiration date.

(b) At least 90 days prior to the expiration of the Term, ESI shall, in consultation with Aon Hewitt, communicate to Sponsor the value of any applicable changes in pricing that would go into effect for such Sponsor upon its renewal. A Sponsor that elects by written agreement to renew for the entire renewal Term shall be entitled to receive all applicable terms and conditions, including pricing for such Term. If a Sponsor elects in writing to extend its Term for one additional year or if a Sponsor fails to provide a written election to renew at least 90 days before the end of the Term, then, in each case, the Sponsor Agreement of such Sponsor shall be extended for one additional year at the prior year’s pricing terms for such Sponsor.

(c) Not less than ninety (90) days prior to the end of the Initial Term or any Renewal Term of this Agreement either party may notify the other party in writing that it desires to terminate this Agreement effective as of the end of the then current term.

6.2 Termination.

(a) Breach or Default. Sponsor may give ESI notice of a material, substantial, and continuing breach of this Agreement at any time. If ESI has not cured said breach within thirty (30) days from the date such notice was sent, this Agreement may be terminated at the option of Sponsor. If the amount of time commercially reasonable for the breach to be cured is longer than thirty (30) days, this Agreement may not be terminated by Sponsor pursuant to this provision until such commercially reasonable period of time has elapsed; provided, however, that in no event shall such period exceed sixty (60) days. Without limiting the foregoing, the following shall be deemed a material breach of this Agreement:

(i) Either party’s fraud or intentional, willful or criminal misconduct in connection with its performance of this Agreement; and

(ii) The insolvency of a party, the general failure of a party to pay its debts as they become due, the entrance of a party into receivership or any arrangement or composition with creditors generally, the filing of a voluntary or involuntary petition or other action or proceeding for bankruptcy or reorganization or dissolution or winding-up of a party, a general assignment for the benefit of creditors of a party, or a seizure or a sale of a material part of a party’s property by or for the benefit of any creditor or governmental agency.

(iii) Continuing unresolved material service issues.

(iv) Failure to facilitate the payment to Aon Hewitt of collected Enrollment Fees or Consulting Fees.

(b) Non-Payment. Notwithstanding anything to the contrary herein, ESI (and its wholly-owned subsidiaries) may terminate or suspend the performance hereunder and cease providing or authorizing provision of Covered Drugs to Members upon forty-eight (48) hours written notice if Sponsor fails to pay undisputed amounts due ESI or provide a mutually agreed upon letter of credit or

a deposit, if required, as regards said undisputed amounts due in accordance with the terms of this Agreement. ESI shall attempt collection through written and verbal communications with Sponsor prior to sending the notice described herein.

(c) In the event of a termination of the Master Agreement for breach as described in Section 5.2 of the Master Agreement, or as a result of the expiration of the term in Section 5.1 of the Master Agreement, this Agreement shall automatically terminate without any early termination charge. Upon termination of the Master Agreement for any other reason, Sponsor may elect to continue or terminate this Agreement at its discretion. However, if Sponsor elects to continue its relationship with ESI, Sponsor shall be required to enter into a new agreement with ESI with different terms and conditions.

(d) Other than as set forth in Section 6.2(b), ESI may only terminate its contract with Sponsor for cause upon one hundred and eighty (180) days written notice to Aon Hewitt and Sponsor.

(e) Upon ninety (90) days prior written notice to ESI, Sponsor may terminate its Sponsor Agreement with no penalty if it: (i) terminates the benefit Plan and does not adopt an alternative benefit Plan or prescription drug program defined by the Plan; (ii) decides to move Members to the Aon Active Health Exchange on a fully insured basis; or (iii) decides to move to the Aon Retiree Health Exchange.

(f) Obligations Upon Termination. Upon notice of termination of this Agreement, the parties will mutually develop a run-off plan providing for: (i) Sponsor notification to Members of the timing of any transition to a successor pharmacy benefit manager at least thirty (30) days prior to the effective date of such termination; (ii) ESI provision of all necessary documentation (i.e. plan set-up), up to twelve (12) months of historical claims data, prescription history, open mail service and specialty pharmacy refills, prior authorization histories, accumulators used in all plan options, and other data needed for the successful transition of the program to the successor pharmacy benefit manager using then existing industry protocol and within a mutually agreed upon reasonable timeframe and at no additional cost to AHRC Sponsors; and (iii) whether Sponsor elects for ESI to process Participating Pharmacy or Member Submitted Claims for prescriptions filled during the Term but filed with ESI after the effective date of termination ("Termination Date"). Sponsor will continue to pay ESI in accordance with this Agreement, including any Fees for PBM Services provided during the term and any run-off period. ESI will continue filing for Rebates for claims incurred prior to the Termination Date and will, subject to final reconciliation of any outstanding amounts owed by Sponsor to ESI, pay Sponsor Rebates for such claims in accordance with the Rebate payment schedule set out herein within thirty-six (36) months of the Termination Date in accordance with the Rebate payment schedule set out herein. If applicable, ESI shall provide required Medicare Part D RDS reconciliation support to AHRC Sponsors for up to two (2) years after termination at no additional cost. Notwithstanding anything in this Agreement to the contrary, ESI shall not be obligated to provide post-transition services following the transition to the successor pharmacy benefit manager and conclusion of the run-off period, including, but not limited to, the provision of continued data reporting, reporting, consultation, or analysis. Sponsor retains the right to audit up to twelve months after the termination of this Agreement, in accordance with the audit provisions of this Agreement.

6.3 Remedies.

(a) Remedies Not Exclusive. A party's right to terminate this Agreement under Article VI will not be exclusive of any other remedies available to the terminating party under this Agreement or otherwise, at law or in equity.

(b) Force Majeure. Neither party will lose any rights under this Agreement or be liable in any manner for any delay to perform its obligations under this Agreement that are beyond a party's

reasonable control, including, without limitation, any delay or failure due to riots, earthquakes, storms, floods or other extreme weather conditions, fires, acts of terrorism, epidemics, embargoes, war or other outbreak of hostilities. If a party asserts Force Majeure as an excuse for failure to perform the party's obligation, then the nonperforming party must prove that the party took reasonable steps to minimize delay or damages caused by foreseeable events, that the party substantially fulfilled all non-excused obligations, and that the other party was timely notified of the likelihood or actual occurrence of an event described.

(c) Limitation of Liability. Except for the indemnification obligations set forth in Section 6.3(d), each party's liability to the other hereunder will in no event exceed the actual proximate losses or damages caused by breach of this Agreement. Except for ESI's liability for third party claims, in no event will either party or any of their respective affiliates, directors, employees or agents, be liable for any indirect, special, incidental, consequential, exemplary or punitive damages, or any damages for lost profits relating to a relationship with a third party, however caused or arising, whether or not they have been informed of the possibility of their occurrence.

(d) Indemnification.

(i) In addition to any indemnification obligations set forth in the Business Associate Agreement, ESI will indemnify, hold harmless and defend Sponsor from and against any claims, liabilities, demands, damages losses, costs and expenses ("Losses") asserted, incurred in connection with or arising out of acts or omissions of ESI and its subsidiaries, affiliates, subcontractors, assignees, and their respective officers, directors, and employees in connection with the PBM Services and this Agreement and the Master Agreement or breach of ESI's obligations or warranties herein and in the Master Agreement as applicable to Sponsor, except to the extent such Losses are caused by the negligent acts or omissions or willful misconduct of Sponsor and its subsidiaries, affiliates, subcontractors, assignees, and their respective officers, directors, and employees including but not limited to (A) ESI's negligent acts or omissions or willful misconduct (including those of the Mail Service Pharmacy and ESI Specialty Pharmacy), or (B) ESI's breach of this Agreement.

(ii) If and to the extent allowed by Florida law, and without waiving the limits of sovereign immunity as set forth in section 768.28, Florida Statutes, Sponsor will indemnify and hold harmless and defend ESI from and against any Losses asserted in connection with or arising out of the acts or omissions of Sponsor and its subsidiaries, affiliates, subcontractors, assignees, and their respective officers, directors, and employees in connection with this Agreement, except to the extent such Losses are caused by the negligent acts or omissions or willful misconduct of ESI or its subsidiaries, affiliates, subcontractors, assignees, and their respective officers, directors, and employees.

(iii) The Parties shall promptly notify the other party of any claim subject to indemnification. No party will be obligated to indemnify the other with respect to any claim settled without the written consent of the other.

6.4 Survival. The parties' rights and obligations under the Sections 2.5, Articles III, IV and V; and Sections 6.2(f), 6.3, 6.4, 7.2, 7.3, 7.4 and 7.6 will survive the termination of this Agreement for any reason.

ARTICLE VII – MISCELLANEOUS

7.1 Liability Insurance. ESI will maintain such policies of general liability, professional liability and other insurance of the types, including self-insurance, and in amounts customarily carried by its respective businesses. Proof of such insurance will be available upon request by Sponsor. ESI

agrees, at its sole expense, to maintain during the term of this Agreement or any renewal hereof, commercial general liability insurance, pharmacists professional liability insurance for the Mail Service and ESI Specialty Pharmacy pharmacies, and managed care liability with limits, excess of a self-insured retention, in amounts of not less than \$5,000,000 per occurrence and in the aggregate per policy year with excess liability coverage in the amount not less than \$10,000,000. ESI does not maintain liability insurance on behalf of any Participating Pharmacy, but does contractually require such pharmacies to maintain a minimum amount of commercial liability insurance or, when deemed acceptable by ESI, to have in place a self-insurance program.

7.2 Notice. Any notice or document required or permitted to be delivered pursuant to this Agreement must be in writing and will be deemed to be effective upon mailing and must be either (a) deposited in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, or (b) sent by recognized overnight delivery service, in either case properly addressed to the other party at the address set forth below, or at such other address as such party will specify from time to time by written notice delivered in accordance herewith:

Express Scripts, Inc.
Attn: President
One Express Way
St. Louis, Missouri 63121
With copy to Legal Department
Fax No. (800) 417-8163

School Board of Indian River County
Attn: President
6500 57th Street
Vero Beach, Florida 32967

Copy To Aon Hewitt
Attn: Michael Emmons
5555 San Felipe
Houston, TX 77056

7.3 Independent Parties. No provision of this Agreement is intended to create or will be construed to create any relationship between ESI and Sponsor other than that of independent entities contracting with each other solely for the purpose of effecting the provisions of this Agreement. Neither party, nor any of their respective representatives, will be construed to be the partner, agent, fiduciary, employee, or representative of the other and neither party will have the right to make any representations concerning the duties, obligations or services of the other except as consistent with the express terms of this Agreement or as otherwise authorized in writing by the party about which such representation is asserted.

7.4 Assignment and Subcontracting. Sponsor may assign this Agreement upon first obtaining ESI's written consent, which consent will not be unreasonably withheld following a standard credit review of the proposed assignee, provided, however, that Sponsor may assign this Agreement without ESI's consent to an affiliate entity controlling, controlled by or under common control with Sponsor (so long as the Sponsor remains liable for the performance of its assignee and for the selection of its assignee) with prior and prompt notification to ESI. Sponsor acknowledges and agrees that ESI may perform certain services hereunder (e.g., mail service pharmacy and specialty pharmacy services) through one or more ESI subsidiaries, affiliates, or designees. ESI is responsible and liable for the performance of its subsidiaries and affiliates in the course of their performance of any such service. ESI may subcontract any PBM Service under this Agreement to a third party, provided, however, that ESI shall be responsible and liable for the performance of any such third party and ESI promptly

notifies Sponsor and Aon Hewitt in writing of the PBM service being subcontracted that impacts Sponsor or their Members. In addition, ESI may contract with third party vendors to provide information technology support services and other ancillary services, which services are not Core PBM Services hereunder, but rather are services that support ESI's conduct of its business operations. "Core PBM Services" means the Participating Pharmacy network, Mail Service Pharmacy, and ESI Specialty Pharmacy; formulary development and management; drug utilization review and management; and claims processing (other than incidental paper claims processing). Notwithstanding the foregoing, if any service to be provided by a subcontractor requires the use, disclosure, or access to protected health information within the meaning of HIPAA, no such subcontracting shall be effective until the proposed subcontractor has entered into a business associate agreement substantially in the form of Attachment 2. This Agreement will be binding upon, and inure to the benefit of and be enforceable by, the respective successors and permitted assigns of the parties hereto.

7.5 Integration; Amendments. This Agreement including the Master Agreement and any Exhibits thereto constitute the entire understanding of the parties hereto and supersedes any prior oral or written communication between the parties with respect to the subject matter hereof. If there is a separate Business Associate Agreement between the parties, such an agreement will be incorporated herein for all applicable purposes. No modification, alteration, or waiver of any term, covenant, or condition of this Agreement will be valid unless in writing and signed by Sponsor and ESI with prior written notice to Aon Hewitt.

7.6 Choice of Law. This Agreement will be construed and governed in all respects according to the laws in the State of Florida, without regard to the rules of conflict of laws thereof.

7.7 Waiver. The failure of either party to insist upon the strict observation or performance of this Agreement or to exercise any right or remedy will not be construed as a waiver of any subsequent breach of this Agreement or impair or waive any available right or remedy.

7.8 Trademarks. Each party acknowledges each other party's sole and exclusive ownership of its respective trade names, commercial symbols, trademarks, and servicemarks, whether presently existing or later established (collectively "Marks"). No party shall use the other party's Marks in advertising or promotional materials or otherwise without the owner's prior written consent.

7.9 Taxes and Assessments. Any applicable sales, use, excise, or other similarly assessed and administered tax, surcharge, or fee imposed on items dispensed, or services provided hereunder, or the fees or revenues generated by the items dispensed or services provided hereunder, or any other amounts ESI or one or more of its subsidiaries or affiliates may incur or be required to pay arising from or relating to ESI's or its subsidiaries' or affiliates' performance of services as a pharmacy benefit manager, third-party administrator, or otherwise in any jurisdiction, will be the sole responsibility of Sponsor or the Member. If ESI is legally obligated to collect and remit, or to incur or pay, any such sales, use, excise, or other similarly assessed and administered tax, surcharge, or fee in a particular jurisdiction, such amount will be reflected on the applicable invoice or subsequently invoiced at such time as such obligation becomes due. If so obligated and ESI does so, ESI reserves the right to charge a reasonable administrative fee for collection and remittance services provided on behalf of Sponsor.

7.10 Third Party Beneficiary. Except as otherwise set forth in this Agreement and in the Master Agreement, this Agreement has been entered solely for the benefit of ESI and Sponsor and is not intended to create any legal, equitable or beneficial interest in any third party or to vest in any third party any interest as to enforcement or performance, including but not limited to participating pharmacies or Members.

7.11 Authority to Contract. The Parties hereby represent and warrant that they have obtained due and proper authority to enter into this Agreement through their governing body.

7.12 Advice of Counsel. Each Party acknowledges that it is represented by counsel and entered into this Agreement voluntarily and with the benefit of advice of counsel. Sponsor represents that it has reviewed the Master Agreement and agrees to the terms and conditions thereof, including the Exhibits attached thereto and attachment(s) thereof.

IN WITNESS WHEREOF, the undersigned have executed this Prescription Drug Program Agreement as of the day and year below set forth.

EXPRESS SCRIPTS, INC.

SCHOOL BOARD OF INDIAN RIVER
COUNTY

By: David L. Brodsky

By: Charles G. Searcy

Printed Name: David L. Brodsky
Vice President - Commercial Division

Printed Name: CHARLES G. SEARCY

Title: _____

Title: Board Chairman

Date: 9/29/2017

Federal ID Number: _____

Date: 10-4-17

ATTACHMENT 1 TO SPONSOR AGREEMENT

FINANCIAL DISCLOSURE TO ESI PBM CLIENTS

This disclosure provides an overview of the principal revenue sources of Express Scripts, Inc. and Medco Health Solutions, Inc. (individually and collectively referred to herein as “ESI”), as well as ESI’s affiliates. In addition to administrative and dispensing fees paid to ESI by our clients for pharmaceutical benefit management (“PBM”) services, ESI and its affiliates derive revenue from other sources, including arrangements with pharmaceutical manufacturers, wholesale distributors, and retail pharmacies. Some of this revenue relates to utilization of prescription drugs by members of the clients receiving PBM services. ESI may pass through certain manufacturer payments to its clients or may retain those payments for itself, depending on the contract terms between ESI and the client. In the event of a conflict between the terms of this Attachment 1 and terms elsewhere in the Pharmacy Benefit Management Agreement between ESI and Sponsor, the terms elsewhere in the Pharmacy Benefit Management Agreement shall prevail.

Network Pharmacies – ESI contracts for its own account with retail pharmacies to dispense prescription drugs to client members. Rates paid by ESI to these pharmacies may differ among networks (e.g., Medicare, Worker’s Comp, open and limited), and among pharmacies within a network, and by client arrangements. PBM agreements generally provide that a client pays ESI an ingredient cost, plus dispensing fee, for drug claims. If the rate paid by a client exceeds the rate contracted with a particular pharmacy, ESI will realize a positive margin on the applicable claim. The reverse also may be true, resulting in negative margin for ESI. ESI also enters into pass-through arrangements where the client pays ESI the actual ingredient cost and dispensing fee amount paid by ESI for the particular claim when the claim is adjudicated to the pharmacy. In addition, when ESI receives payment from a client before payment to a pharmacy, ESI retains the benefit of the use of the funds between these payments. ESI may maintain non-client specific aggregate guarantees with pharmacies and may realize positive margin. ESI may charge pharmacies standard transaction fees to access ESI’s pharmacy claims systems and for other related administrative purposes.

Brand/Generic Classifications – Prescription drugs may be classified as either a “brand” or “generic;” however, the reference to a drug by its chemical name does not necessarily mean that the product is recognized as a generic for adjudication, pricing or copay purposes. For the purposes of pharmacy reimbursement, ESI distinguishes brands and generics through a proprietary algorithm (“BGA”) that uses certain published elements provided by First DataBank (FDB) including price indicators, Generic Indicator, Generic Manufacturer Indicator, Generic Name Drug Indicator, Innovator, Drug Class and ANDA. The BGA uses these data elements in a hierarchical process to categorize the products as brand or generic. The BGA also has processes to resolve discrepancies and prevent “flipping” between brand and generic status due to price fluctuations and marketplace availability changes. The elements listed above and sources are subject to change based on the availability of the specific fields. Updated summaries of the BGA are available upon request. Brand or generic classification for client reimbursement purposes is either based on the BGA or specific code indicators from Medispan or a combination of the two as reflected in the client’s specific contract terms. Application of an alternative methodology based on specific client contract terms does not affect ESI’s application of its BGA for ESI’s other contracts.

Maximum Allowable Cost (“MAC”)/Maximum Reimbursement Amount (“MRA”) – As part of the administration of the PBM services, ESI maintains a MAC List of drug products identified as requiring pricing management due to the number of manufacturers, utilization and/or pricing volatility. The criteria for inclusion on the MAC List are based on whether the drug has readily available generic product(s), is generally equivalent to a brand drug, is cleared of any negative clinical implications, and has a cost basis that will allow for pricing below brand rates. ESI also maintains MRA price lists for drug products on the MAC List based on current price reference data provided by MediSpan or other nationally recognized pricing source, market pricing and availability information from generic manufacturers and on-line research of national wholesale drug company files, and client arrangements. Similar to the BGA, the elements listed above and sources are subject to change based on the availability of the specific fields. Updated summaries of the MAC methodology are available upon request.

Manufacturer Programs Formulary Rebates, Associated Administrative Fees, and PBM Service Fees – ESI contracts for its own account to obtain formulary rebates attributable to the utilization of certain brand drugs and supplies (and possibly certain authorized generics marketed under a brand manufacturer’s new drug

application). Formulary rebate amounts received vary based on client specific utilization, the volume of utilization as well as formulary position applicable to the drug or supplies, and adherence to various formulary management controls, benefit design requirements, claims volume, and other similar factors, and in certain instances also may vary based on the product's market-share. ESI often pays an amount equal to all or a portion of the formulary rebates it receives to a client based on the client's PBM agreement terms. ESI or its affiliates may maintain non-client specific aggregate guarantees and may realize positive margin. In addition, ESI provides administrative services to contracted manufacturers, which include, for example, maintenance and operation of systems and other infrastructure necessary for invoicing and processing rebates, pharmacy discount programs, access to drug utilization data, as allowed by law, for purposes of verifying and evaluating applicable payments, and for other purposes related to the manufacturer's products. ESI receives administrative fees from the participating manufacturers for these services. These administrative fees are calculated based on the price of the drug or supplies along with the volume of utilization and do not exceed the greater of (i) 4.58% of the average wholesale price, or (ii) 5.5% of the wholesale acquisition cost of the products. In its capacity as a PBM company, ESI also may receive other compensation from manufacturers for the performance of various programs or services, including, for example, formulary compliance initiatives, clinical services, therapy management services, education services, inflation protection programs, medical benefit management services, cost containment programs, discount programs, and the sale of non-patient identifiable claim information. This compensation is not part of the formulary rebates or associated administrative fees, and ESI may realize positive margin between amounts paid to clients and amounts received from pharmaceutical manufacturers. ESI retains the financial benefit of the use of any funds held until payment is made to the client.

Copies of ESI's standard formularies may be reviewed at www.express-scripts.com/wps/portal/. In addition to formulary considerations, other plan design elements are described in ESI's Plan Design Review Guide, which may be reviewed at www.express-scripts.com/wps/portal/.

ESI Subsidiary Pharmacies – ESI has several licensed pharmacy subsidiaries, including our specialty pharmacies. These entities may maintain product purchase discount arrangements and/or fee-for-service arrangements with pharmaceutical manufacturers, wholesale distributors, and other health care providers. These subsidiary pharmacies contract for these arrangements on their own account in support of their various pharmacy operations. Many of these subsidiary arrangements relate to services provided outside of PBM arrangements, and may be entered into irrespective of whether the particular drug is on one of ESI's national formularies. Discounts and fee-for-service payments received by ESI's subsidiary pharmacies are not part of the PBM formulary rebates or associated administrative fees paid to ESI in connection with ESI's PBM formulary rebate programs. However, certain purchase discounts received by ESI's subsidiary pharmacies, whether directly or through ESI, may be considered for formulary purposes if the value of such purchase discounts is used by ESI to supplement the discount on the ingredient cost of the drug to the client based on the client's PBM agreement terms. From time to time, ESI and its affiliates also may pursue and maintain for its own account other supply chain sourcing relationships not described below as beneficial to maximize ESI's drug purchasing capabilities and efficiencies, and ESI or affiliates may realize an overall positive margin with regard to these initiatives.

The following provides additional information regarding examples of ESI subsidiary discount arrangements and fee-for-service arrangements with pharmaceutical manufacturers, and wholesale distributors:

ESI Subsidiary Pharmacy Discount Arrangements – ESI subsidiary pharmacies purchase prescription drug inventories, either from manufacturers or wholesalers, for dispensing to patients. Often, purchase discounts off the acquisition cost of these products are made available by manufacturers and wholesalers in the form of either up-front discounts or retrospective discounts. These purchase discounts, obtained through separate purchase contracts, are not formulary rebates paid in connection with our PBM formulary rebate programs. Drug purchase discounts are based on a pharmacy's inventory needs and, at times, the performance of related patient care services and other performance requirements. When a subsidiary pharmacy dispenses a product from its inventory, the purchase price paid for the dispensed product, including applicable dispensing fees, may be greater or less than that pharmacy's acquisition cost for the product net of purchase discounts. In general, our pharmacies realize an overall positive margin between the net acquisition cost and the amounts paid for the dispensed drugs.

ESI Subsidiary Fee-For-Service Arrangements – One or more of ESI's subsidiaries, including, but not limited to, its subsidiary pharmacies also may receive fee-for-service payments from manufacturers,

wholesalers, or other health care providers in conjunction with various programs or services, including, for example, patient assistance programs for indigent patients, dispensing prescription medications to patients enrolled in clinical trials, various therapy adherence and fertility programs, administering FDA compliance requirements related to the drug, 340B contract pharmacy services, product reimbursement support services, and various other clinical or pharmacy programs or services. As a condition to having access to certain products, and sometimes related to certain therapy adherence criteria or FDA requirements, a pharmaceutical manufacturer may require a pharmacy to report selected information to the manufacturer regarding the pharmacy's service levels and other dispensing-related data with respect to patients who receive that manufacturer's product. A portion of the discounts or other fee-for-service payments made available to our pharmacies may represent compensation for such reporting.

Other Manufacturer Arrangements – ESI also maintains other lines of business that may involve discount and service fee relationships with pharmaceutical manufacturers and wholesale distributors. Examples of these businesses include a wholesale distribution business, group purchasing organizations (and related group purchasing organization fees), a medical benefit management company, and United BioSource Corporation (“UBC”). Compensation derived through these business arrangements is not considered for PBM formulary placement, and is in addition to other amounts described herein. Of particular note, UBC partners with life sciences and pharmaceutical companies to develop, commercialize, and support safe, effective use and access to pharmaceutical products. UBC maintains a team of research scientists, biomedical experts, research operations professionals, technologists and clinicians who work with clients to conduct and support clinical trials, create, and validate and administer pre and post product safety and risk management programs. UBC also works on behalf of pharmaceutical manufacturers to provide product and disease state education programs, reimbursement assistance, and other support services to the public at large. These service fees are not part of the formulary rebates or associated administrative fees.

Third Party Data Sales – Consistent with any client contract limitations, ESI or its affiliates may sell HIPAA compliant information maintained in their capacity as a PBM, pharmacy, or otherwise to data aggregators, manufacturers, or other third parties on a fee-for-service basis or as a condition of discount eligibility. All such activities are conducted in compliance with applicable patient and pharmacy privacy laws and client contract restrictions.

October 1, 2015

THIS EXHIBIT REPRESENTS ESI'S FINANCIAL POLICIES. ESI MAY PERIODICALLY UPDATE THIS EXHIBIT AND THE FINANCIAL DISCLOSURES CONTAINED HEREIN TO REFLECT CHANGES IN ITS BUSINESS PROCESSES; THE CURRENT FINANCIAL DISCLOSURE IS AVAILABLE UPON REQUEST AND ACCESSIBLE ON EXPRESS-SCRIPTS.COM AT WWW.EXPRESS-SCRIPTS.COM/WPS/PORTAL/.

ATTACHMENT 2 TO SPONSOR AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

Express Scripts, Inc. and one or more of its subsidiaries (“ESI”), and Sponsor or one of its affiliates are parties to an agreement (“PBM Agreement”) whereby ESI provides certain pharmacy benefit management services to the Sponsor’s group health plan (“Plan”). Plan is a “covered entity” within the meaning of the HIPAA Rules (as defined below). The PBM Agreement addresses certain rights and obligations of the parties concerning the use and disclosure of protected health information of Plan participants and their covered dependents. Sponsor, in its capacity under ERISA as plan sponsor of Plan, and ESI, in its capacity as a business associate (within the meaning of 45 C.F.R. § 160.103) of Plan, agree to enter into this “business associate agreement” to comply with applicable sections of the HIPAA Rules.

1. Definitions.

- (a) “Breach” shall have the same meaning as the term “breach” in 45 C.F.R. § 164.402.
- (b) “Breach Notification Standards” shall mean the standards for notification of a breach of unsecured PHI by covered entities and business associates at 45 C.F.R. Parts 160 and 164, Subparts A and D, as amended from time to time.
- (c) “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 C.F.R. § 164.501.
- (d) “Electronic PHI” shall have the same meaning as the term “electronic protected health information” in 45 C.F.R. § 160.103.
- (e) “Enforcement Rule” means the enforcement provisions at 45 C.F.R. Part 160.
- (f) “HIPAA Rules” means the collective Privacy Rule, Security Standards, Breach Notification Standards, and Enforcement Rule.
- (g) “Individual” shall have the same meaning as the term “individual” in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- (h) “Limited Data Set” shall have the same meaning as the term “limited data set” in 45 CFR § 164.514(e)(2).
- (i) “Plan” shall mean the plan or plans to which ESI renders services under the PBM Agreement. To the extent that Plan shall be deemed a “hybrid entity” under 45 C.F.R. § 164.103, the provisions of this Business Associate Agreement shall be administered and interpreted to apply to that portion of Plan that constitutes a “covered entity” under 45 C.F.R. § 160.103.
- (j) “Privacy Rule” shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and 45 C.F.R. Part 164, Subpart A and Subpart E, as amended from time to time.
- (k) “Protected Health Information” or “PHI” shall have the same meaning as the term “protected health information” in 45 C.F.R. § 160.103, limited to the information created, maintained, or transmitted by ESI for or on behalf of Plan or received by ESI from or on behalf of Plan.
- (l) “Required by Law” shall have the same meaning as the term “required by law” in 45 C.F.R. § 164.103.
- (m) “Secretary” shall mean the Secretary of the Department of Health and Human Services or his/her designee.

(n) "Security Incident" shall have the same meaning as "security incident" in 45 C.F.R. § 164.304

(o) "Security Standards" shall mean the Security Standards, 45 C.F.R. Part 164, Subpart C, as amended from time to time.

(p) "Subcontractor" shall have the same meaning as the term "subcontractor" in 45 CFR § 160.103.

(q) "Transactions Standards" shall mean the Standards for Electronic Transactions, 45 C.F.R. Part 162, Subpart I, as amended from time to time.

(r) "Unsecured PHI" shall have the same meaning as the term "unsecured protected health information" in 45 C.F.R. § 164.402.

Capitalized terms used, but not otherwise defined, in this Business Associate Agreement shall have the same meaning as those terms in the HIPAA Rules.

2. General Use and Disclosure Provisions. ESI and Plan acknowledge and agree as follows:

(a) *Use or Disclosure.* ESI shall not use or further disclose PHI other than as expressly permitted or required by this Business Associate Agreement or the HIPAA Rules or as Required by Law. ESI may use and disclose PHI only if that use or disclosure, respectively, is in compliance with each applicable requirement of 45 C.F.R. § 164.504(e). To the extent that ESI is to carry out Plan's obligations under the Privacy Rule, ESI shall comply with the requirements of the Privacy Rule that apply to Plan in the performance of such obligation.

(i) ESI shall use or disclose PHI on its own behalf, or on behalf of Plan when so directed by Plan, if that use or disclosure is Required by Law. This shall include, without limitation, uses or disclosures in connection with judicial and administrative proceedings, for law enforcement purposes, and for health oversight activities. ESI shall provide to the contact person identified in the PBM Agreement notice of the disclosure concurrently with providing the PHI to a third party pursuant to this paragraph.

(ii) ESI shall use or disclose PHI as requested by Plan and to the extent necessary or appropriate to perform those functions, activities, or services for, or on behalf of, Plan as described in the PBM Agreement.

(iii) ESI shall use or disclose PHI as requested by Plan and to the extent necessary or appropriate for Business Associate to perform, or assist with the performance of, the payment or health care operations functions of Plan.

(iv) ESI shall disclose PHI as requested by Plan to another business associate (as defined in 45 CFR § 160.103) of Plan for purposes of carrying out the treatment, payment or health care operations functions of Plan. In addition, to the extent permitted under 45 CFR § 164.506, ESI shall disclose PHI as requested by Plan either to another covered entity (as defined in 45 CFR § 160.103) to assist that covered entity with its payment activities or with certain of its health care operations or to a health care provider to assist that health care provider with its treatment or payment activities.

(v) ESI shall disclose PHI as requested by Plan to comply with applicable laws relating to workers' compensation programs or similar programs established by law that provide benefits for work-related injuries or illnesses without regard to fault consistent with 45 CFR § 164.512(l).

(vi) In accordance with subsection (h) below and consistent with 45 CFR § 164.524, ESI shall disclose an Individual's PHI contained in a Designated Record Set to the Individual.

(vii) Consistent with 45 CFR § 164.510(b), ESI shall disclose PHI as requested by Plan to assist those involved in the health care (or payment for health care) of an Individual or for notification purposes, including, without limitation, disaster relief efforts.

(viii) Consistent with 45 CFR § 164.512, Business Associate shall use or disclose PHI as requested by Plan to:

- (a) Prevent or lessen a serious and imminent threat to the health or safety of a person or to the health or safety of the public;
- (b) Facilitate specified government functions related to the military and veterans, national security and intelligence activities, protective services for the President of the United States and others, or correctional institutions and inmates;
- (c) Assist with public health activities, such as to assist public health authorities or other legal authorities to prevent or control disease, injury or disability;
- (d) Enable funeral directors or coroners to carry out their lawful duties;
- (e) Assist victims of abuse, neglect, or domestic violence;
- (f) Facilitate organ, eye, or tissue donation and transplantation; or
- (g) Conduct or assist with research.

(ix) Consistent with 45 CFR § 164.504(f), ESI shall disclose PHI or, if applicable, summary health information, to Sponsor as requested by Sponsor.

(x) Consistent with 45 CFR § 164.514(e), ESI shall use or disclose specified PHI as requested by Plan as part of a Limited Data Set.

(xi) ESI shall use or disclose an Individual's PHI to the extent authorized by the Individual in a written authorization meeting the requirements of 45 CFR § 164.508.

(b) *Minimum Necessary.* ESI shall use its professional judgment to determine the minimum necessary and type of PHI necessary to perform its obligations under this Business Associate Agreement and the PBM Agreement and ESI will take reasonable efforts to limit requests for, use and disclosure of PHI to the minimum necessary to accomplish the intended request, use or disclosure.

(c) *Specific Use or Disclosure Provisions.* Except as otherwise limited in this Business Associate Agreement, ESI may use and disclose PHI to properly provide, manage and administer the services required under the PBM Agreement and consistent with applicable law to assist Plan in its operations, as long as such use or disclosure would not violate the HIPAA Rules if done by Plan, or such use or disclosure is expressly permitted in (i) through (iii) below:

(i) ESI may use PHI for the proper management and administration of ESI or to carry out ESI's legal responsibilities.

(ii) ESI may disclose PHI to third parties for the proper management and administration of ESI or to carry out the legal responsibilities of ESI provided that the disclosures are Required by Law, or ESI obtains reasonable assurances from the person to whom the information is disclosed that: (A) the information will remain confidential, (B) the information will be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and (C) the person notifies ESI of any instances of which it is aware in which the confidentiality of the information has been breached.

(iii) ESI may use PHI to perform Data Aggregation services on behalf of Plan as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

(d) *Reporting.* ESI shall notify Plan in writing within 5 business days if ESI has knowledge that PHI has been used or disclosed in a manner that violates this Business Associate Agreement ("Unauthorized Use or Disclosure"). To the extent that ESI creates, receives, maintains or transmits Electronic PHI, ESI shall

report to Plan any Security Incident, as determined by ESI, involving PHI of which ESI becomes aware. ESI shall make the report required by this subsection (d) to the contact person identified in the PBM Agreement. ESI shall report at least the following information, if known at the time of the report (and to the extent not known at the time, shall supplement its report when the information becomes known), to the contact person:

- (i) The nature of the Unauthorized Use or Disclosure;
- (ii) The nature of the PHI that is the subject of the Unauthorized Use or Disclosure;
- (iii) The title of the person who made and/or received the Unauthorized Use or Disclosure;
- (iv) What ESI has done or will do to mitigate any deleterious effect of the Unauthorized Use or Disclosure;
- (v) What corrective action ESI has taken or will take to prevent a future similar Unauthorized Use or Disclosure; and
- (vi) Such other information, including a written report, as reasonably requested by the contact person.

(e) *Safeguards.* ESI shall use appropriate safeguards, consistent with applicable law, to prevent use or disclosure of PHI in a manner that would violate this Business Associate Agreement. ESI shall provide Plan with such information concerning such safeguards as Plan may reasonably request from time to time. To the extent that ESI creates, receives, maintains or transmits Electronic PHI, ESI agrees to use appropriate administrative, physical and technical safeguards, and comply with the Security Standards, to protect the confidentiality, integrity and availability of the Electronic PHI that ESI creates, receives, maintains or transmits on behalf of Plan. Safeguards shall include, but shall not be limited to, the following:

- (i) Maintenance of a comprehensive written privacy policy and security program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of ESI's operations and the nature and scope of ESI's activities;
- (ii) Standards to limit access to PHI to those members of ESI's workforce who require such access to perform the functions of their jobs; and
- (iii) Training by ESI of those members of its workforce who have access to PHI.

(f) *Mitigation.* ESI shall mitigate, to the extent practicable, any harmful effect that is known to ESI of a use or disclosure of PHI by ESI in violation of this Business Associate Agreement or the PBM Agreement.

(g) *Subcontractors.* In accordance with 45 CFR § 164.502(e)(1)(ii) and 45 CFR § 164.308(b)(2), ESI shall ensure that any Subcontractors, to whom it provides PHI (including Electronic PHI) received from, or created or received by ESI on behalf of Plan, or that create, receive, maintain, or transmit PHI (including Electronic PHI) on behalf of ESI, agree in writing to at least the same restrictions, conditions, and requirements that apply through this Business Associate Agreement and to ESI with respect to the information. Further, the written contracts or agreements between ESI and any Subcontractors shall not permit Subcontractors to use or disclose PHI in a manner that would not be permissible by ESI under the Business Associate Agreement. Furthermore, ESI shall ensure that Subcontractors agree in writing that they will appropriately safeguard this information. ESI shall implement and maintain sanctions against Subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation. ESI agrees that it is its duty and responsibility to obtain satisfactory assurances, such as a written contract or written arrangement, from any Subcontractor with respect to a Subcontractor's receipt, creation, maintenance, or transmission of PHI, in accordance with and as required by the HIPAA Rules. Plan is not required, and it is not Plan's responsibility, to obtain satisfactory assurances and enter into any arrangement or contract with any Subcontractor.

(h) *Access.* Within ten (10) business days of a request by Plan, ESI shall provide access to Plan to PHI in a Designated Record Set in order to meet the requirements under 45 C.F.R. § 164.524. If ESI receives a request directly from an Individual, or if requested by Plan that access be provided to the Individual,

ESI shall provide access to the Individual to PHI in a Designated Record Set within thirty (30) days in order to meet the requirements under 45 C.F.R. § 164.524. If Plan or an Individual or the Individual's designee requests an electronic copy of PHI maintained in a Designated Record Set, ESI shall provide Plan, the Individual or the Individual's designee with access to the PHI in the electronic form or format requested by the Individual, if it is readily producible in such form and format; or if not, in a readable electronic form and format as mutually agreed to by ESI and Plan or the Individual or the Individual's designee.

(i) *Amendment.* Within ten (10) days of a request by Plan or subject Individual, ESI agrees to make any appropriate amendment(s) to PHI in a Designated Record Set that Plan directs or agrees to pursuant to 45 C.F.R. § 164.526 or take other measures as necessary to satisfy Plan's obligations under 45 CFR § 164.526. ESI shall promptly provide notice of any amendment(s) to PHI to all Subcontractors of ESI who maintain and rely on the PHI that is the subject of the amendment. If an Individual's request for access directs Plan or ESI to transmit a copy of the PHI to another person designated by the Individual, ESI shall provide a copy to the designated person.

(j) *Accounting.* With respect to the obligation to provide an accounting to an Individual of the disclosures of such Individual's PHI, ESI shall comply with 45 CFR § 164.528. In addition, ESI shall provide to Plan or to an Individual, at a time and in a manner mutually agreed upon, information collected in accordance with 45 CFR § 164.528 in order to permit Plan to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528. Notwithstanding anything herein to the contrary, ESI shall not be required to document disclosures that occurred more than six (6) years before a request by an Individual for an accounting.

(k) *Restrictions on Use or Disclosure.* If an Individual or the Individual's designee makes a request to ESI, or to a Subcontractor of ESI, for a restriction on the use and/or disclosure of the Individual's PHI, or if the Individual's restriction request is made to Plan and transmitted by Plan to ESI, then within ten (10) business days of a request of Plan, ESI shall consider restrictions on the use or disclosure of PHI and respond to a request for a restriction on the use or disclosure of the Individual's PHI in accordance with 45 CFR § 164.522(a), and take other measures as necessary to satisfy Plan's obligations under 45 CFR § 164.522(a).

(l) *Audit and Inspection.* ESI shall make internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by ESI on behalf of Plan, available to Plan within ten (10) business days, or at the request of Plan or the Secretary, to the Secretary in a time and manner directed by the Secretary, for purposes of the Secretary determining Plan's compliance with the HIPAA Rules. ESI shall provide to the contact person identified in the PBM Agreement a copy of any PHI that ESI provides to the Secretary concurrently with providing the PHI to the Secretary. Notwithstanding the foregoing, the fact that ESI makes its internal practices, books, and records relating to the use and disclosure of PHI available to Plan does not relieve ESI of its responsibility to comply with this Business Associate Agreement or the PBM Agreement, nor does Plan's failure to detect, or detection but failure to notify ESI or to require ESI's remediation of any unsatisfactory practice, constitute acceptance of the practice or waiver of Plan's enforcement rights under this Business Associate Agreement or the PBM Agreement. When required by the Secretary, ESI shall make its internal practices, books, and records relating to the use and disclosure of PHI available to the Secretary so that the Secretary may investigate or determine ESI's compliance with the HIPAA Rules. Any release of information regarding ESI's practices, books and records is proprietary to ESI and shall be treated as confidential and shall not be further disclosed without the written permission of ESI, except as necessary to comply with the HIPAA Rules.

(m) Breaches of Unsecured PHI.

(i) **Investigation of an Incident and Risk Assessment.** If ESI discovers an incident involving an impermissible acquisition, access, use or disclosure of PHI that violates the Privacy Rule, ESI shall conduct and document a risk assessment of this incident; at a minimum, the risk assessment shall include the factors set forth in 45 CFR § 164.402. If ESI determines that an impermissible acquisition, access, use or disclosure of PHI does not constitute a Breach of Unsecured PHI, ESI shall document such risk assessment that demonstrates that there is a low probability that the PHI has been compromised. ESI shall also determine whether the impermissible acquisition, access, use, or disclosure of PHI falls within one of the exceptions to a Breach of Unsecured PHI set forth in 45 CFR § 164.402.

(ii) **Notification to Plan.** If ESI discovers a Breach of Unsecured PHI, ESI shall notify Plan, by means of the contact person identified in the PBM Agreement, without unreasonable delay and in no case later than thirty (30) calendar days after discovery of the Breach, in accordance with 45 C.F.R. § 164.410. ESI shall also notify Plan of any confirmed security incidents, such as a major system compromise, within five (5) calendar days after discovery. A Breach shall be treated as discovered by ESI in accordance with the provisions of 45 CFR § 164.410(a)(2). ESI's notification shall include, to the extent possible, the identification of each Individual whose Unsecured PHI has been, or is reasonably believed by ESI to have been, accessed, acquired, used, or disclosed during the Breach. At the time of notification to Plan or promptly thereafter as information becomes available, ESI shall provide the contact person with any other available information that is required to be included in the Individual notification under 45 CFR §164.404(c). In addition, Business Associate agrees to reimburse the Plan reasonable costs associated with providing the required Breach notifications.

(n) *Privacy of Individually Identifiable Health Information.* To the extent ESI is to carry out one or more of Plan's obligations under Subpart E of 45 C.F.R. Part 164, ESI shall comply with the requirements of subpart E that apply to the covered entity in the performance of such obligations.

3. Plan Obligations.

(a) Plan shall notify ESI of any limitation(s) in the notice of privacy practices of Plan in accordance with 45 C.F.R. § 164.520, to the extent that such limitation may affect ESI's use or disclosure of PHI.

(b) Plan shall notify ESI of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes may affect ESI's use or disclosure of PHI.

(c) Plan shall notify ESI of any restriction to the use or disclosure of PHI that Plan has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect ESI's use or disclosure of PHI.

(d) Plan shall not request that ESI use or disclose PHI in any manner that would exceed that which is minimally necessary under the HIPAA Rules or that would not be permitted by a covered entity.

(e) Plan agrees that it will have entered into "Business Associate Agreements" with any third parties (e.g., case managers, brokers or third party administrators) to which Plan directs and authorizes ESI to disclose PHI.

4. Transactions Standards. The HIPAA Rules provide for certain Transactions Standards for transfer of data between trading partners. While certain of the standards may or may not be adopted by Plan (e.g., for eligibility), ESI will be prepared to accept the following in accordance with 45 C.F.R. Part 162.1502: ASC X12N 834 – Benefit Enrollment and Maintenance. In addition, to the extent applicable, ESI shall comply with other applicable Transactions Standards for claims processing functions between ESI and provider pharmacies and shall conduct any such transaction as a "standard transaction" as that term is defined under 45 CFR Part 162. ESI shall require any agent or Subcontractor to comply with all applicable requirements of 45 CFR Part 162. Each party hereby agrees that it shall not change any definition, data condition or use of a data element or segment in a standard, add any data elements or segment to the maximum defined data set, use any code or data elements that are either marked "not used" in the standard's implementation specification or are not in the implementation specification, or change the meaning or intent of the implementation specification.

5. Material Breach of Business Associate Agreement; Termination.

(a) Without limiting the termination rights of the parties pursuant to the PBM Agreement, upon either party's knowledge of a material breach by the other of this Business Associate Agreement, the non-breaching party shall notify the breaching party of such material breach and the breaching party shall have thirty (30) days to cure such material breach. In the event the breach is not cured, or cure is infeasible, the non-breaching party shall have the right to immediately terminate this Business Associate Agreement and the related portion of the PBM Agreement.

(b) To the extent feasible, upon termination of the PBM Agreement for any reason, ESI shall, and shall cause any subcontractors and agents to, return or destroy and retain no copies of all PHI received from, or created or received by ESI on behalf of, Plan. If ESI determines, in its sole discretion, that return or destruction of such information is not feasible, ESI shall continue to limit the use or disclosure of such information as set forth in this Agreement as if the PBM Agreement had not been terminated.

(c) **Indemnification.** Each party (the "Indemnifying Party") shall indemnify and hold the other party and its officers, directors, employees and agents (each an "Indemnified Party") harmless from and against any loss, liability, damage, cost or expense ("Liabilities") to which the Indemnified Party becomes subject to as a result of third party claims (including reasonable attorneys' fees and court or proceeding costs) brought against the Indemnified Party, which arise as a result of: (i) the material breach of this Business Associate Agreement by the Indemnifying Party; or (ii) the gross negligence or willful misconduct of the Indemnifying Party, except to the extent such Liabilities were caused by the Indemnified Party. A party entitled to indemnification under this Section 5 shall give prompt written notification to the Indemnifying Party of the commencement of any action, suit or proceeding relating to a third party claim for which indemnification is sought, subject to applicable confidentiality constraints. The Indemnifying Party shall be entitled to assume control of the defense of such action, suit, proceeding or claim with competent counsel of its choosing. Indemnification shall not be required if any claim is settled without the Indemnifying Party's consent, which such consent shall not be unreasonably withheld. NOTWITHSTANDING THE FOREGOING PROVISIONS OF THIS SECTION 5, IN NO EVENT WILL AN INDEMNIFYING PARTY BE LIABLE TO AN INDEMNIFIED PARTY UNDER CONTRACT, TORT, OR ANY OTHER LEGAL THEORY FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR SPECIAL LOSSES OR DAMAGES OF ANY KIND. Notwithstanding the above paragraph regarding indemnification, nothing in this agreement shall serve to waive the Sponsor's sovereign immunity protections. The Sponsor does not waive its sovereign immunity as set forth in section 768.28, Florida Statutes, by entering into this Agreement.

6. Miscellaneous.

(a) **Amendment.** The parties acknowledge that the foregoing provisions are designed to comply with the mandates of the HIPAA Rules. ESI shall provide written notice to Plan to the extent that any regulation or amendment to regulations promulgated by the Secretary requires changes to this Business Associate Agreement. Such written notice shall include any additional amendment required by any such final regulation and the Business Associate Agreement shall be automatically amended to incorporate the changes set forth in such amendment provided by ESI to Plan, unless Plan objects to such amendment in writing within fifteen (15) days of receipt of such written notice. In the event that Plan objects timely to such amendment, the parties shall work in good faith to reach agreement on an amendment to the Business Associate Agreement that complies with the final regulations. If the parties are unable to reach agreement regarding an amendment to the Business Associate Agreement within thirty (30) days of the date that ESI receives any written objection from Plan, either ESI or Sponsor may terminate this Business Associate Agreement upon ninety (90) days written notice to the other party. Any other amendment to this Business Associate Agreement unrelated to compliance with applicable law and regulations shall be effective only upon execution of a written agreement between the parties.

(b) **Effect on PBM Agreement.** Except as relates to the use, security and disclosure of PHI and electronic transactions, this Business Associate Agreement is not intended to change the terms and conditions of, or the rights and obligations of the parties under, the PBM Agreement.

(c) **Data Security Breach.** Notwithstanding anything in this Agreement to the contrary, the parties acknowledge and agree to comply with the requirements of section 501.171, Florida Statutes. In the event of a breach of security as defined in section 501.171, Florida Statutes, ESI shall notify Sponsor immediately, but no later than thirty (30) calendar days following a determination of a breach of data security involving Sponsor's data. Additionally, ESI shall fully cooperate with Sponsor regarding Sponsor's statutory notification requirements, and ESI shall be fully responsible for the costs incurred by Sponsor in complying with such statutory notification requirements.

(d) **No Third-Party Beneficiaries.** Nothing express or implied in the PBM Agreement or in this Business Associate Agreement is intended to confer, nor shall anything herein confer, upon any person other

than the parties and the respective successors or assigns of the parties, any rights, remedies, obligations or liabilities whatsoever.

(e) **Disclaimer.** Plan makes no warranty or representation that compliance by ESI with this Business Associate Agreement, the Privacy Rule, the Security Standards, or the Breach Notification Standards will be adequate or satisfactory for ESI's own purposes. ESI is solely responsible for all decisions made by ESI regarding the safeguarding of PHI.

(f) **Independent Contractors.** Business Associate is an independent contractor to, and not an agent of, the Plan.

(g) **Interpretation.** Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits both parties to comply with the HIPAA Rules.

(h) **Effective Date.** This Business Associate Agreement shall be effective as of the effective date of the PBM Agreement.



EXPRESS SCRIPTS®

2017 PBM Agreement Service Addendum

Date of PBM Agreement: 10/1/2017

Client Name: School District of Indian River County ("Sponsor")

Carrier: 7983 **BPL/Contract:** _____ **Group:** _____

Effective Date of Addendum: 10/1/2017

If you are sending Prenotification letters please provide the following:

1. Client name to appear on letters: _____
2. Formulary in place as of effective date of the letter: _____

Sponsor hereby directs Express Scripts to implement the selected programs on the attached Clinical Programs schedule as of the Effective Date. Sponsor agrees to pay the applicable fees in accordance with the payment provisions of the PBM Agreement. Upon execution by Sponsor, this Addendum shall replace and supersede any previously executed Clinical Programs schedule Addendum as it pertains to the programs contained herein and shall become part of and incorporated into the PBM Agreement between Sponsor and Express Scripts identified above as of the Effective Date.

Sponsor acknowledges that due to variations in benefit plan design and product utilization, the Preferred Specialty Management ("PSM") program generated savings will vary at the individual claim level. In limited cases, based on how a drug is prescribed, a Prescription Drug Claim subject to the PSM program could result in a higher cost to Sponsor. However, in the aggregate across all Prescription Drug Claims subject to the PSM program, the PSM program is estimated to produce an overall net client savings for Sponsor.

Sponsor acknowledges and agrees that any provisions in Sponsor's Pharmacy Benefit Management Agreement with ESI relating to drug interchange that may be interpreted to require that every Prescription Drug Claim resulting from a drug interchange must result in savings to the Sponsor will not apply to each Prescription Drug Claim subject to the PSM program.

By signing below, Sponsor agrees to the prices and terms set forth in this PBM Agreement Service Addendum.

If this Form was communicated to Sponsor as an attachment to an electronic communication (i.e., email), then any response to such email from Sponsor indicating Sponsor's approval shall constitute Sponsor's electronic signature to implement the changes set forth.

AUTHORIZED SIGNATURE:

Charles G. Searcy
(Signatory must have authority to legally bind Sponsor)

Charles G. Searcy

TITLE:

Chairman

10/4/2017

Date Signed



Clinical Programs

Express Scripts offers a comprehensive suite of trend and integrated health management programs. This offering may change or be discontinued from time to time as we update our offering to meet the needs of the marketplace. List of drugs subject to change at the discretion of ESI.

SAFEGUARD RX - Programs								
Hepatitis Cure Value	Fee - PMPM	Guarantee	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Program Requirements: Exclusive Accredo, no courtesy fills for Viekira Pak/XR and Harvoni Exclusive Viekira Pak/XR and Harvoni for Genotype 1 Prefer Harvoni for all other FDA approved Genotypes PA criteria must not contain Metavir score requirements Express Scripts standard clinical criteria Express Scripts standard clinical rules Automatic updates (if applicable) NOTE: Non-NPF clients must also select the Hep C Oral PSM rule on the UM tab (not required for NPF)				X				
Commercial	\$0.00	• POS discount		X				ESI managed
Cholesterol Care Value	Fee - PMPM	Guarantee	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Program Requirements: Exclusive Accredo, no courtesy fills for PCSK9 Inhibitors Comprehensive prior authorization for PCSK9s Express Scripts standard clinical criteria Express Scripts managed coverage reviews Express Scripts standard clinical rules (includes PA & DQM) Automatic updates Clinical days' supply				X				
Commercial	\$0.00	• POS discount • PCSK9 inhibitors \$65 PMPY cost cap		X				ESI managed
Oncology Care Value	Fee - PMPM	Guarantee	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Program Requirements: Exclusive Accredo, no courtesy fills for all oncology medications Oncology drug preference by indication Express Scripts standard criteria Express Scripts managed coverage reviews Express Scripts standard clinical rules (includes PA) Automatic updates				X		X		
Commercial	\$0.00	• POS discount • Early discontinuation reimbursement		X		X		ESI managed
Inflammatory Conditions Care Value	Fee - PMPM	Guarantee	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Program Requirements: Exclusive Accredo, no courtesy fills for all inflammatory conditions medications Inflammatory condition drug preference by indication Express Scripts standard criteria Express Scripts managed coverage reviews Express Scripts standard clinical rules Automatic updates				X		X		
Commercial Place X by choice below: 1. <input checked="" type="checkbox"/> NPF/Basic 2. <input type="checkbox"/> High Performance	\$0.00	• Early discontinuation reimbursement • \$2K per 30 day prescription for up to 90 day supply		X		X		ESI managed
Market Events Protection Program	Fee - PMPM	Guarantee	In Place	Add	Remove	Grandfather	PreNotify	Cov Review

Program Requirements: Any of the following actions may be taken in response to a market event: Block brand Block generic Prefer a clinically equivalent alternative Implement a prior authorization Implement step therapy Quantity level limits Dosage form changes									
Commercial	\$0.00			X					ESI managed

Note:

- 1) Criteria for modules are subject to change at the discretion of ESI.
- 2) ESI is not responsible for clinical program impact due to missed file delivery dates from client's vendor(s).
- 3) ESI has structured the terms of this program to comply with certain exceptions and safe harbors to the Federal Anti-Kickback Statute (42 U.S.C. §1320a-7b(b)), including the discount exception (42 U.S.C. § 1320a-7b(b)(3)(A) and safe harbor (42 C.F.R. § 1001.952(h)). ESI will treat any reimbursement made to Sponsor hereunder as retrospective discounts on the price of the product paid by Sponsor. ESI will fully and accurately report such discounts on the payment advice submitted to Sponsor. ESI hereby informs Sponsor that it may be required by law to properly disclose and appropriately reflect (in any costs claimed or charges made) all such discounts. Further, ESI will refrain from taking any action that would impede or frustrate Sponsor in any such disclosure requirements. Sponsor may be required to provide information on the discount furnished to Sponsor to the Secretary of Health and Human Services, or any state or other governmental agency, upon request. ESI will comply with all applicable reporting and disclosure obligations.

SafeGuardRx Savings Guarantee Notes:

- 1) If Sponsor chooses to participate in any of the SafeGuardRx programs, all the terms and conditions of that program will apply.

Hepatitis Cure Value Notes:

- 1) Sponsor's benefit design must be set to exclusive Accredo for Viekira Pak/XR and Harvoni with no courtesy fills allowed at any other pharmacy.
- 2) Sponsor's formulary must adopt Viekira Pak/XR and Harvoni exclusively (or preferred with Express Scripts' standard step edit) for Hepatitis C genotype 1.
- 3) Sponsor's formulary must also prefer Harvoni for all other FDA approved Hepatitis C genotypes.
- 4) Sponsor's Prior Authorization criteria for Viekira Pak/XR and Harvoni must not have Metavir score requirements.
- 5) Claims for which Sponsor overrides the applicable PA criteria will be excluded from all components of the program.
- 6) The Program does not apply to patients receiving therapy for off-label indications.
- 7) The total value to be provided to the Sponsor, on a benefit plan by benefit plan basis, from rebates (if applicable) and the Additional Discount on Viekira Pak/XR shall not exceed 60% of the total, aggregated amount of WAC (Wholesale Acquisition Cost) attributable to the Sponsor's Viekira Pak/XR claims for the applicable year. A benefit plan will be defined based on Sponsor's level of enrollment in the program.

COMMERCIAL: Click Below link (<https://www.express-scripts.com/art/pdf/TC-HCV.pdf>) to view the full terms and conditions of the programs. If you have difficulty accessing the terms and conditions or require a printed version, please reach out to your account team contact.

[HCV Commercial Division Terms and Conditions](#)

Cholesterol Care Value Notes:

- 1) Sponsor's benefit design will be set to exclusive Accredo for Repatha and Praluent (and any future PCSK9 inhibitors) with no courtesy fills allowed at any other pharmacy.
- 2) Sponsor must utilize the Express Scripts CCV Prior Authorization criteria for Repatha and Praluent (and any future PCSK9 inhibitors).
- 3) Express Scripts must manage Sponsor's prior authorization process.
- 4) Claims for which Sponsor overrides ESI's PA criteria will not be eligible to be included in the program.
- 5) The Program does not apply to patients receiving therapy for off-label indications.

Cost Cap:

- 1) ESI will provide Sponsor with a PCSK9 Cost Cap per member per year. ESI will provide Sponsor with a credit, dollar for dollar, to the extent that Sponsor's actual PCSK9 spend (net of Rebates and Manufacturer Administrative Fees) exceeds the PMPY cap. ESI will determine if the PMPY cap is exceeded by comparing the cap to the result of the following equation: Sponsor's actual ingredient cost billed for PCSK9 inhibitors for the calendar year, less any Rebates and Manufacturer Administrative Fees paid divided by the average enrollment in Sponsor's Plans during the calendar year.
- 2) Only utilization while Sponsor is enrolled in the Cholesterol Care Value Program will count towards the PMPY cost cap. Only utilization while the patient is covered by Sponsor will apply.
- 3) The PMPY Cap may be adjusted if there are significant changes to the FDA approved labels for Praluent or Repatha (or any future PCSK9 Inhibitors). ESI may adjust the PMPY cap if outcomes trials are released that materially change prescriber behavior. ESI may also adjust the cap if the number of Sponsor's members enrolled in the program drops below 1,000.
- 4) The PMPY cost cap is only applicable to Praluent or Repatha claims and does not include the cost of any other therapies used by the patient, including statin therapy.
- 5) The total value to be paid to Sponsor under PCSK9 Cost Cap will not exceed 25% of AWP of the PCSK9 products dispensed to Sponsor's members.
- 6) The PMPY Cost Cap will apply only to claims dispensed after all prior authorization criteria are implemented for Sponsor's plans. If Sponsor was not enrolled in the CCV program in 2015, it will take additional time to implement the prior authorization criteria.
- 7) ESI reserves the right to retain an administrative fee, not to exceed 2.75% of wholesale acquisition cost of the pharmaceutical product from the payments which are paid to Sponsor in exchange for ESI's services rendered under the programs.

COMMERCIAL: Click below link (<https://www.express-scripts.com/tc/TC-CCV-CD.pdf>) to view the full terms and conditions of the programs. If you have difficulty accessing the terms and conditions or require a printed version, please reach out to your account team contact. Password: u`HH%2)~*Fez

[CCV Commercial Division Terms and Conditions](#)

Password: u`HH%2)~*Fez

Oncology Care Value Notes:

- 1) Sponsor's pharmacy network must be set to exclusive Accredo for all oncology drugs, when Accredo has access to the oncology drug, with no courtesy fills allowed at any other pharmacy.
- 2) Sponsors must accept applicable drug preference requirements at the indication level and formulary status updates to qualify for applicable discounts at Accredo.
- 3) Sponsors must accept automatic updates and/or enhancements to the program to continue to qualify for applicable discounts at Accredo.
- 4) Express Scripts must manage Sponsor's PA process.
- 5) Claims for which Sponsor overrides the applicable PA criteria will not be eligible for, or included in, any portion of the program.
- 6) If Sponsor participates in the program, Sponsor will be eligible for additional discounts or credits, which will be applied at the point of sale or paid out on an annual basis for all specified oncology products dispensed at Accredo. The list of products, and their associated discount rates or credit values, will be provided to Sponsor upon request and will be reflected in the invoices sent to Sponsor. The list of specified products (and their associated discounts) may be updated by ESI from time to time upon notice to Sponsor.

COMMERCIAL: Click below link (<https://www.express-scripts.com/art/pdf/TC-OCV.pdf>) to view the full terms and conditions of the programs. If you have difficulty accessing the terms and conditions or require a printed version, please reach out to your account team contact.

[OCV Commercial Division Terms and Conditions](#)

Inflammatory Conditions Care Value Notes:

- 1) Sponsor's benefit design must be set to exclusive Accredo for inflammatory conditions' drugs with no courtesy fills allowed at any other pharmacy.
 - 2) Sponsor must be enrolled in Express Script's National Preferred Formulary, or a clone thereof, or utilization management programs that drives preference by indication for the applicable Inflammatory Products.
 - 3) Claims for which Sponsor overrides the applicable PA criteria will be excluded from all components of the program
- Early Discontinuation:
- 1) Early discontinuation only applies in situations when a member has their initial and subsequent fills at Accredo
 - 2) Sponsor will only be reimbursed up to one time per patient for each unique preferred inflammatory condition drug
 - 3) To be eligible for the ICCV Discontinuation Credit, the ICCV Patient must start (receive their first fill) at Accredo and remain at Accredo through discontinuation of therapy. In addition, the ICCV Patient must have been continuously eligible in the prior 270 days and remained covered by Sponsor for the duration of the credit period (136 Days after first fill). (i.e., must remain benefit eligible) and Sponsor must be able to provide 270 days of claims data evidencing that the patient has not previously filled an Inflammatory Product.
- General Terms:
- 1) ESI reserves the right to retain an administrative fee, not to exceed 2.75% of wholesale acquisition cost of the pharmaceutical product from the payments which are paid to Sponsor in exchange for ESI's services rendered under the programs.

COMMERCIAL: Click below link (<https://www.express-scripts.com/tc/TC-ICCV-CD.pdf>) to view the full terms and conditions of the programs. If you have difficulty accessing the terms and conditions or require a printed version, please reach out to your account team contact.

[ICCV Commercial Division Terms and Conditions](#)

Market Event Protection Program Notes:

- 1) Sponsor acknowledges and agrees that for certain actions to be taken when preferring a specific medication, Sponsor must have dispense as written ("DAW") code(s) 5 and/or 9 enabled for adjudication to prevent potential member disruption. By enrolling, Sponsor agrees to enable DAW 5 and/or 9, if necessary.
- 2) ESI will provide Sponsor advance notice of any action taken under the Program. ESI will provide Sponsor's members advance notice of any action taken under the Program if such action has a direct member impact that will require a member to take action (e.g. if a new prescription may be required).
- 3) Sponsor may disenroll from the Program at any time, provided that ESI is given 30 days advance written notice. If Sponsor disenrolls from the program, any authorized action previously taken under the Program during Sponsor's enrollment will no longer apply and Sponsor will be reverted back to its state prior to enrollment in the Program.
- 4) Claims impacted by the Program will be adjudicated and reconciled in accordance with the pricing set forth in the PBM Agreement. Nothing herein changes the pricing guarantees under the PBM agreement.
- 5) The current list of market events eligible for the Program and the specific actions that Sponsor is authorizing ESI to take are set forth in the table included in the full terms and conditions of the program. Market events will be reviewed on a book of business basis.

Click below link (<https://www.express-scripts.com/tc/TC-ME-CD.pdf>) to view the full terms and conditions of the programs. If you have difficulty accessing the terms and conditions or require a printed version, please reach out to your account team contact.

[ME Commercial Division Terms and Conditions](#)

Clinical Programs

Express Scripts offers a comprehensive suite of trend and integrated health management programs.
 This offering may change or be discontinued from time to time as we update our offering to meet the needs of the marketplace.
 List of drugs subject to change at the discretion of ESI
 Additional fees apply for custom rules
 Healthplans-Pricing will be based on client contract.

Utilization Management Packages	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Unlimited UM Option Includes all Items in the Limited UM Package: Limited PA Proactive PA Limited DQM Limited Step Therapy Plus all items in the Advantage UM Package: Advantage PA Nonessential Therapy PA Advantage DQM Preferred Specialty Management Advantage Step Therapy Plus all items in the Advantage Plus UM Package Advantage Plus PA Pharmacogenomic PA Oncology Package Advantage Plus DQM Advantage Plus Step Therapy Plus Adjunctive Specialty PA Optional PA Optional Step Therapy	\$1.23		X				ESI managed
Prior Authorization Intervene to support appropriate use at the point of service through pre-established clinical criteria (Member Pre-communication letter program included) Automatic Updates to the below programs apply.	Fee - PMPM	In Place	Add	Remove	G'dfather	PreNotify	Cov Review
Limited PA List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Limited PA List	INCLUDED IN PACKAGE		X				ESI managed
Adempas***			X				ESI managed
Alpha1 Proteinase Inhibitors (Aralast NP***/Glassia***/Prolastin***/Prolastin C***/Zemaira***)			X				ESI managed
Ampyra***			X				ESI managed
Aranesp***			X				ESI managed
Avonex***			X				ESI managed
Betaseron***, Extavia***			X				ESI managed
Cholbam***			X				ESI managed
Copaxone***			X				ESI managed
Daliresp			X				ESI managed
Egrifta***			X				ESI managed
Emflaza			X				ESI managed
Epogen***, Procrit***			X				ESI managed
Esbriet***			X				ESI managed
Flolan***, Veletri***, Remodulin***			X				ESI managed
Hetlioz***			X				ESI managed
Hyaluronic Acid Derivatives (Euflexxa***, Gel-One***, Hyalgan***, Monovisc***, Orthovisc***, Supartz***, Synvisc***, Synvisc-One***)			X				ESI managed
Growth Hormones (Genotropin***, Humatrope***, Norditropin*** Novo Nordisk, Nutropin***, Nutropin AQ***, Omnitrope***, Saizen***, Serostim***, Tev-Tropin***, Zorbtive***)			X				ESI managed
Increlex***			X				ESI managed
Lemtrada***			X				ESI managed
Letairis***, Tracleer***, Opsumit***			X				ESI managed
Mircera***			X				ESI managed
Myalept***			X				ESI managed
Northera***			X				ESI managed
Ocrevus			X				ESI managed
Ofev***			X				ESI managed

Plegridy***			X					ESI managed
PDE-5 inhibitors for PAH (Adcirca***, Revatio***)			X					ESI managed
Orenitram***			X					ESI managed
Rebif***			X					ESI managed
Tysabri***			X					ESI managed
Tyvaso***, Ventavis***			X					ESI managed
Uptravi***			X					ESI managed
Xeomin***			X					ESI managed
Zinbryta			X					ESI managed
Advantage PA List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	
Advantage PA List	INCLUDED IN PACKAGE		X					ESI managed
Actemra***			X					ESI managed
Cimzia***			X					ESI managed
Cinqair***			X					ESI managed
Cosentyx***			X					ESI managed
Dupixent			X					ESI managed
Enbrel***			X					ESI managed
Entyvio***			X					ESI managed
Forteo***			X					ESI managed
Granix***			X					ESI managed
Grastek***, Oralair***			X					ESI managed
Humira***			X					ESI managed
Inflectra***/Remicade***			X					ESI managed
Kevzara			X					ESI managed
Kineret***			X					ESI managed
Lidoderm***			X					ESI managed
Lovaza***, Vascepa***			X					ESI managed
Natpara***			X					ESI managed
Neulasta***			X					ESI managed
Neupogen***			X					ESI managed
Nucala***			X					ESI managed
Nuvigil***, Provigil***			X					ESI managed
Orencia***			X					ESI managed
Otezla***			X					ESI managed
Ragwitek***			X					ESI managed
Rituxan***			X					ESI managed
Simponi***			X					ESI managed
Solaraze			X					ESI managed
Stelara***			X					ESI managed
Taltz***			X					ESI managed
Xeljanz***			X					ESI managed
Xolair***			X					ESI managed
Zarxio***			X					ESI managed
Zovirax			X					ESI managed
Advantage Plus PA List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	
Advantage Plus PA List	INCLUDED IN PACKAGE		X					ESI managed
Chemet***			X					ESI managed
Combination Beta Agonist/ICS (Advair Diskus***, Advair HFA***, Breo Ellipta, Dulera, Symbicort)			X					ESI managed

Corlanor			X					ESI managed
Eliquis			X					ESI managed
Entresto***			X					ESI managed
Fentanyl Transmucosal Drugs (Abstral***, Actiq***, Fentora***, Onsolis***, Subsys***, Lazanda***)			X					ESI managed
Iron Chelators*** (Oral)			X					ESI managed
Pradaxa			X					ESI managed
Savaysa			X					ESI managed
Suboxone***, Zubsolv*** and Bunavail***			X					ESI managed
Syprine***			X					ESI managed
Xarelto			X					ESI managed
Zontivity			X					ESI managed
Nonessential Therapy PA List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	
Nonessential Therapy PA List: Please Note: Current drug exclusions will stay excluded unless requested under separate Service Request.	INCLUDED IN PACKAGE		X					ESI managed
Addyi			X					ESI managed
Alprostadil Products (Edex, Caverject, Caverject Impulse, Muse)			X					ESI managed
Botox***			X					ESI managed
Cialis***			X					ESI managed
Diclegis***			X					ESI managed
Dysport***			X					ESI managed
GLP-1 Agonists (Byetta***, Bydureon***, Incretim Mimetics, Trulicity***, Victoza***)			X					ESI managed
Injectable Testosterone (Aveed@***, Depo@ - Testosterone [testosterone cypionate injection, generics], Delatestry@ [testosterone enanthate injection, generics], Testopel@*** [testosterone pellet])			X					ESI managed
Levitra/Staxyn			X					ESI managed
Myobloc***			X					ESI managed
Ophthalmic Prostaglandin (Lumigan, Xalatan[Generics], Travatan, Travatan Z, Zioptan)			X					ESI managed
Restasis***			X					ESI managed
Stendra			X					ESI managed
Symlin			X					ESI managed
Topical Tazarotene Products (Tazorac@ 0.05% and 0.1% cream, gel - Allergan; Fabor 0.1% foam - Stiefel)			X					ESI managed
Topical Testosterone (Androderm***, AndroGel***, Axiron***, Fortesta***, Natesto***, Striant***, Testim***, First@-Testosterone MC, First@-Testosterone)			X					ESI managed
Topical Tretinoin-Indication age limit is MANDATORY. If this info is missing drug will be covered through age 30 and PA will apply for age 31 and older. ____ (age) (Retin-A@, Retin-A@ Micro@ - Ortho; Avita@ - Bertek Pharmaceuticals; Tretin-X™ - Triax; Atralin™ gel - Coria; other generic topical tretinoin products - various manufacturers) and Clindamycin Phosphate 1.2% and Tretinoin 0.025% gel(Ziana(R) - Medicis; Veltin(TM) - Stiefel)			X					ESI managed
Viagra			X					ESI managed
Weight Loss Drugs (Adipex (phentermine), Bontril [phendimetrazine], Contrave (bupropion; naltrexone), Didrex [benzphetamine], Sanorex [mazindol], Saxenda, Suprenza [phentermine], Tenuate [diethylpropion], Xenical [orlistat], Belviqu, Qsymia)			X					ESI managed
Xiidra***			X					ESI managed
Pharmacogenomic PA List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	
Pharmacogenomics PA List	INCLUDED IN PACKAGE		X					ESI managed
Afinitor*** (also Included in Oncology Package)			X					ESI managed
Alecensa**** (also Included in Oncology Package)			X					ESI managed

Bosulif*** (also Included in Oncology Package)			X					ESI managed
Cotellic*** (also Included in Oncology Package)			X					ESI managed
Daklinza***			X					ESI managed
Erbitux***/Vectibix***			X					ESI managed
Epclusa***			X					ESI managed
Exondys 51***			X					ESI managed
Gilotrif*** (also Included in Oncology Package)			X					ESI managed
Gleevec*** (also Included in Oncology Package)			X					ESI managed
Harvoni***			X					ESI managed
Herceptin***			X					ESI managed
Ibrance *** (also Included in Oncology Package)			X					ESI managed
Iclusig*** (also Included in Oncology Package)			X					ESI managed
Iressa*** (also Included in Oncology Package)			X					ESI managed
Kadcyla			X					ESI managed
Kalydeco***			X					ESI managed
Kisqali (also Included in Oncology Package)			X					ESI managed
Lynparza*** (also Included in Oncology Package)			X					ESI managed
Mekinist*** (also Included in Oncology Package)			X					ESI managed
Olysio***			X					ESI managed
Orkambi***			X					ESI managed
Pegasy***, PegIntron***			X					ESI managed
Perjeta***			X					ESI managed
Rubraca			X					ESI managed
Selzentry***			X					ESI managed
Sovaldi***			X					ESI managed
Spinraza			X					ESI managed
Sprycel*** (also Included in Oncology Package)			X					ESI managed
Stivarga*** (also Included in Oncology Package)			X					ESI managed
Tafinlar*** (also Included in Oncology Package)			X					ESI managed
Tagrisso*** (also Included in Oncology Package)			X					ESI managed
Tarceva*** (also Included in Oncology Package)			X					ESI managed
Tasigna*** (also Included in Oncology Package)			X					ESI managed
Technivie***			X					ESI managed
Tykerb*** (also Included in Oncology Package)			X					ESI managed
Venclexta*** (also Included in Oncology Package)			X					ESI managed
Viekira***			X					ESI managed
Xalkori*** (also Included in Oncology Package)			X					ESI managed
Zepatier***			X					ESI managed
Zelboraf*** (also Included in Oncology Package)			X					ESI managed
Zykadia*** (also Included in Oncology Package)			X					ESI managed
Adjunctive Specialty PA List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	
Adjunctive Specialty PA List	INCLUDED IN PACKAGE		X					ESI managed
H.P. Acthar Gel***			X					ESI managed
IVIG (Bivigam***, Carimun***e, Flebogamma DIF***, Gammagard***, Gammagard S/D***, Octagam***, Privigen, Gammplex***, Gamunex***, Gammaked)			X					ESI managed
Leuprolide long acting (Lupron Depot@***, Lupron Depot-Ped@; Eligard@***, Lupaneta***)			X					ESI managed
Prolia***			X					ESI managed
Reclast***/Boniva***			X					ESI managed
Ribavirin (Copegus***, Rebetol***, Ribasphere***)			X					ESI managed
SCIG(Gammagard Liquid, Gammaked***, Gamunex-C***, Hyqvia***, Hizentra***)			X					ESI managed
Synagis***			X					ESI managed
Oncology Package PA - Full Package Only	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	

Oncology Package PA - Full Package Only Alecensa Afintor Bosulfir Cabometyx Caprelisa Cometriq Cotalic Erivedge Farydak Giletrif Gleevec Ibrance Ictavis Imbruvica Inlyta Iressa Jaxxif Kicqali Lenvima Lenvima Lonsurf Lypsoza Mekinist Nexavar Nintaro Odonto Revlimid Rubraca Sprycel Suvagra Sutent Tafinlar Tagrisso Tarceva Teysina Temodar (capsules) Thalomid Tykerb Vendetta Votrient Xalkori Xtandi Zolista Zolofar Zydelig Zykadia Zytiga	INCLUDED IN PACKAGE		X				ESI managed
Proactive PA List - Full List Only	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Proactive PA List - Full List Only Arcalyst*** Austedo Cinryze***, Berinert*** Chenodal Firazyr*** Ilaris*** Ingrezza Kalbitor*** Keveyis*** Korlym*** Krystexxa*** Kuvan*** Macular Degeneration (Eylea***, Lucentis***, Macugen***) Makena*** Nplate*** Ocaliva*** Promacta*** Ruconest*** Samsca Signifor*** & Signifor LAR*** Xenazine*** Xermelo	INCLUDED IN PACKAGE		X				ESI managed
Optional PA Modules	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Nuedexta	INCLUDED IN PACKAGE		X				ESI managed
Sensipar***	INCLUDED IN PACKAGE		X				ESI managed
Xyrem*** (Grandfathering Required)	INCLUDED IN PACKAGE		X		X		ESI managed
Zyvox, Sivextro***	INCLUDED IN PACKAGE		X				ESI managed
PCSK9 – Standard PA* *** (Does NOT include Clinical Documentation)	INCLUDED IN PACKAGE		X				ESI managed
Juxtapid***/Kynamro***	INCLUDED IN PACKAGE		X				ESI managed
Daraprim*** (ADD FOR ALL New Commercial Clients and IN Place for existing)	INCLUDED IN PACKAGE		X				ESI managed
Drug Quantity Management Ensure that the quantity of units supplied in each prescription remains consistent with clinical dosing guidelines and a Sponsor's benefit design. Note: List of drugs subject to change at the discretion of ESI. Automatic Updates to the below programs apply.	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Limited DQM List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review

Limited DQM List - Limited-default DQM per rx ___X___	INCLUDED IN PACKAGE		X				ESI managed
Allergies***			X				ESI managed
Anaphylaxis			X				ESI managed
Anti-fungal***			X				ESI managed
Anti-Infective***			X				ESI managed
Anti-Influenza***			X				ESI managed
Asthma/COPD***			X				ESI managed
Contraceptives			X				ESI managed
Eye Conditions***			X				ESI managed
Hormone Supplementation***			X				ESI managed
Impotence***			X				ESI managed
Inflammatory Conditions			X				ESI managed
Migraine Headaches***			X				ESI managed
Nausea/Vomiting***			X				ESI managed
Sleep Disorder***			X				ESI managed
Topical Inflammatory Conditions			X				ESI managed
Topical Pain***			X				ESI managed
Ulcer***			X				ESI managed
Advantage DQM list	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Advantage DQM List	INCLUDED IN PACKAGE		X				ESI managed
Anti-Infective - Specialty***			X				ESI managed
Asthma - Specialty			X				ESI managed
Blood Cell Deficiency***			X				ESI managed
Bone Conditions***			X				ESI managed
Diabetes***			X				ESI managed
Endocrine/Rare***			X				ESI managed
Fertility			X				ESI managed
Hepatitis C***			X				ESI managed
High Blood Cholesterol***			X				ESI managed
High Blood Pressure			X				ESI managed
Inflammatory Conditions-Specialty***			X				ESI managed
Multiple Sclerosis***			X				ESI managed
Overactive Bladder***			X				ESI managed
Pain***			X				ESI managed
Pain - Narcotic***			X				ESI managed
Respiratory Miscellaneous***			X				ESI managed
Pulmonary Hypertension***			X				ESI managed
Wound Care			X				ESI managed
Advantage Plus DQM List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Advantage Plus DQM List	INCLUDED IN PACKAGE		X				ESI managed
Depression***			X				ESI managed
Heart Failure			X				ESI managed
Mental/Neurological Disorders***			X				ESI managed

Oncology Package DQM List - Included in Oncology PA Package	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Oncology Package DQM List Alecensa Bosulif Caprelsa Cotellic Erivedge Farydak Gilotrif Gleevec Ibrance Iclusig Imbruvica Inlyta Iressa Jakafi Mekinist Nexavar Ninlaro Odomzo Rubraca Sprycel Stivarga Sutent Tafinlar Tagrisso Tarceva Tasigna Tykerb Venclexta Votrient Xalkori Xtandi Zejula Zelboraf Zydelig Zykadia Zytiga	INCLUDED IN PACKAGE		X				ESI managed
Step Therapy Intervene to support the use of less expensive and clinically appropriate medications at the point of service. (Member and Physician Rapid Response Programs are included for all programs) (Member Pre-communication letter program included when programs are implemented without Grandfathering) Automatic Updates to the below programs apply.	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Limited Step Therapy List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review
Limited Step Therapy List - 1. <input checked="" type="checkbox"/> Default Version Note: all modules are available ala carte	INCLUDED IN PACKAGE		X		X		ESI managed
Colchicine (Grandfathering not avail)			X				ESI managed
COX-2			X		X		ESI managed
Expendable Step*** (Grandfathering not avail)			X				ESI managed
Hydrocortisone Acetate Suppository			X		X		ESI managed
Hypnotics***			X		X		ESI managed
Nasal Steroid Preferred*** (Default/Preferred List)* (Grandfathering not avail)			X				ESI managed
Ophthalmic Antiallergy			X		X		ESI managed
NSAID***			X		X		ESI managed
PPI ***(Zegerid - Grandfathering not avail)			X		X		ESI managed
Tetracyclines - Oral***			X		X		ESI managed
Topical Acne/Rosacea			X		X		ESI managed
Topical Antifungal***			X		X		ESI managed
Topical Corticosteroids***			X		X		ESI managed
Atopic Dermatitis – Topical ***			X		X		ESI managed
Advantage Step Therapy List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review

Advantage Step Therapy List - 1. <u>X</u> Default Version	INCLUDED IN PACKAGE		X			X		ESI managed
Note: all modules are available ala carte								
ARB*** (Default & Generic/Enhanced List)			X			X		ESI managed
Avodart			X			X		ESI managed
Bisphosphonates***			X			X		ESI managed
Fenofibrate***			X			X		ESI managed
HMG Enhanced*** (Default & Generic/Enhanced List)			X			X		ESI managed
Inhaled Corticosteroids Preferred (Grandfathering not avail)			X					ESI managed
Metformin			X			X		ESI managed
Methotrexate			X			X		ESI managed
Overactive Bladder Preferred (Default & Preferred List)			X			X		ESI managed
SGLT-2 Inhibitors*** (Grandfathering Required)			X			X		ESI managed
SGLT-2/DPP-4 Combo*** (Grandfathering Required)			X			X		ESI managed
Thiazolidinedione (TZD) (Grandfathering Required)			X			X		ESI managed
Advantage Plus Step Therapy list	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	
Advantage Plus Step Therapy List - 1. <u>X</u> Default Version	INCLUDED IN PACKAGE		X			X		ESI managed
Note: all modules are available ala carte								
ADHD Non-Stimulant			X			X		ESI managed
ADHD Stimulant			X			X		ESI managed
Alzheimers (Grandfathering Required) (Namenda - Grandfathering not avail)			X			X		ESI managed
Antiepileptic Drugs (Grandfathering Required)			X			X		ESI managed
Gabapentin***			X			X		ESI managed
Long Acting Opioids - Oral***			X			X		ESI managed
Naloxone injection*** (Grandfathering not avail)			X					ESI managed
Opioid Induced Constipation			X			X		ESI managed
Other Antidepressants (Grandfathering Required)			X			X		ESI managed
SSRI *** (Grandfathering Required)			X			X		ESI managed
Topiramate			X			X		ESI managed
Tramadol***			X			X		ESI managed
Triptan*** (Default & Generic/Enhanced List)			X			X		ESI managed
Uloric***			X			X		ESI managed
Preferred Specialty Management (PSM) List	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	
Preferred Specialty Management (PSM) List Please indicate formulary below: National Preferred/Basic <u>X</u>	INCLUDED IN PACKAGE		X			X		ESI managed
Alpha-1 Inhibitors			X			X		ESI managed
Colony Stimulating Factors (Grandfathering not avail)			X					ESI managed
Cryopyrin-Associated Periodic Syndrome (CAPS) (Grandfathering Required)			X			X		ESI managed
Erythroid Stimulants			X			X		ESI managed
Gaucher's Disease*** (Grandfathering Required)			X			X		ESI managed
Growth Hormones			X			X		ESI managed
Hepatitis C - Oral (Grandfathering Required)			X			X		ESI managed
Infertility***			X			X		ESI managed
Inflammatory Conditions (Grandfathering Required)			X			X		ESI managed
Multiple Sclerosis*** (Grandfathering Required)			X			X		ESI managed
Prostate Cancer GnRH Analogs (Grandfathering Required)			X			X		ESI managed
Prostate Cancer Oral (Grandfathering Required)			X			X		ESI managed
Pulmonary Arterial Hypertension (Grandfathering Required)			X			X		ESI managed
Optional Step Therapy Modules	Fee - PMPM	In Place	Add	Remove	Grandfather	PreNotify	Cov Review	
Alpha Blockers for BPH	INCLUDED IN PACKAGE		X					ESI managed

Beta Blockers	INCLUDED IN PACKAGE		X				ESI managed
Bile Acid Sequestrants	INCLUDED IN PACKAGE		X				ESI managed
Calcium Channel Blockers (CCBs)	INCLUDED IN PACKAGE		X				ESI managed
Contraceptives	INCLUDED IN PACKAGE		X				ESI managed
DPP-4 Inhibitors (Grandfathering Required)	INCLUDED IN PACKAGE		X		X		ESI managed
Epinephrine - Epipen, Epipen JR.	INCLUDED IN PACKAGE		X				ESI managed
Ophthalmic Prostaglandin	INCLUDED IN PACKAGE		X		X		ESI managed
Vitamin D Analogs	INCLUDED IN PACKAGE		X				ESI managed
Zetia***	INCLUDED IN PACKAGE		X		X		ESI managed
Summary	Fee	In Place	Add	Remove			
New Total Drug Choices UM Program Fee:	\$1.23 PMPM		X				ESI managed

Note:

- 1) Prices for new modules will be established upon development.
- 2) Criteria for modules are subject to change at the discretion of ESI.
- 3) ESI is not responsible for clinical program impact due to missed file delivery dates from client's vendor(s).

Savings Guarantee Notes:

- 1) Savings are calculated on measurable annual pharmacy cost savings, (ingredient cost savings) inclusive of member copayments, and do not include inferred medical savings. A full description of the savings methodology for all programs is available from Sponsor's ESI Account Management Team.
- 2) Savings calculations do not account for rebate gain or loss that may result from program implementation. Program implementation may result in a reduction of any rebate guarantees. ESI will model the impact and notify Sponsor of the change in rebates.
- 3) Savings guarantees require that client's average monthly member enrollment is above the thresholds listed for relevant lists and packages
- 4) ESI may equitably adjust the guarantee at any time in the event there is a change in Sponsor's drug program that has a material effect on Sponsor's PMPM drug cost, including, but not limited to, changes in membership demographics, copayment/cost share structures, coverage rules, formularies (e.g., less or more restrictive), etc.
- 5) Your account team can provide program-specific reports to validate savings generated. Sponsor shall be reimbursed 100% of any savings shortfall, on an annual basis.
- 6) On an annual basis, programs will be re-evaluated for estimated savings in light of changes in clinical practice or market conditions. Our goal is to maintain the current price and guarantee by adding drugs to a particular list or package. In the unlikely event we find it necessary to decrease a guarantee, the price will be adjusted to ensure the same ROI. In all instances we will review this with client in detail before changes are made.
- 7) To preserve the guarantee for the 3-year term of the contract and account for annual formulary drug exclusions, ESI reserves the right to include savings in list guarantee calculations for any drug on the list subject to a formulary or benefit exclusion related to the programs above.
- 8) Standard guarantees require the implementation of Prior Authorization rules without grandfathering, and with any automated, "Smart" logic (taking into account claims history) that is used by the standard rules.

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**School District of Indian River County
2017-2018 Revised Instructional Calendar 9-26-2017**

July '17						
Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August '17						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September '17						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October '17						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November '17						
Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December '17						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

January '18						
Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February '18						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

March '18						
Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April '18						
Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May '18						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June '18						
Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Rev. 9/21/2017

In order to make up instructional time lost to Hurricane Irma, the following school days were added to the calendar: Nov, 22, Dec 21, Apr 2.

**Graduation for Vero Beach High School will be May 18
Graduation for Sebastiana River High School will be May 19
Graduation for Indian River Charter High School will be May 19**

Key and Notes:

Holiday; No School	
Hurricane Irma; No School	
Teacher Workday or Professional Development (PD); No School	
Teachers Paid and Off for Conferences; No School	
Professional Development (PD) for Teachers; Early Release	
Conference Night	
First Day of School for Students (8/14/2017 & 1/4/2018)	
Semester/Final Exams; Early Release for Students	
8/7/2017	Teachers Report; Workday
8/8/2017	Professional Development (PD) for Teachers (School)
8/9/2017	PD (District)/Teacher Workday
8/9/2017	Student Orientation; Secondary
8/10-11/2017	Teacher Workday
8/10/2017	Student Orientation; Elementary
8/14/2017	First Day of School for Students
8/23/2017	PD for Teachers; Early Release for Students
9/4/2017	Labor Day; No School
9/7-15/2017	Hurricane Irma; No School
9/15/2017	District Workday - No School
9/21/2017	PD for Teachers; Early Release
9/28/2017	Conference Night, Secondary
10/5/2017	Conference Night, Elementary
10/6/2017	No School; Teachers Paid and Off for Conferences
10/18/2017	PD for Teachers; Early Release for Students
11/15/2017	PD for Teachers; Early Release for Students
11/23-24/2017	Thanksgiving; No School; Paid Holiday for Teachers
12/18/2017	PD for Teachers; Early Release for Students
12/19-21/2017	Semester/Final Exams; Early Release for Students
12/22/17-1/2/18	No School; Winter Break
1/3/2018	Teachers Return from Winter Break; PD/Workday
1/4/2018	Students Return from Winter Break
1/15/2018	Dr. M.L. King, Jr. Day; No School; Paid Holiday for Teachers
1/24/2018	PD for Teachers; Early Release for Students
2/8/2018	Conference Night, Elementary
2/15/2018	Conference Night, Secondary
2/16/2018	No School; Teachers Paid and Off for Conferences
2/19/2018	Presidents' Day; No School; Paid Holiday for Teachers
2/28/2018	PD for Teachers; Early Release for Students
3/14/2018	PD for Teachers; Early Release for Students
3/26-3/30/2018	Spring Break
4/25/2018	PD; Early Release for Students
5/21/2018	PD; Early Release for Students
5/22-24/2018	Semester/Final Exams; Early Release for Students
5/25/2018	Teacher Workday; Last Day for Teachers

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School District of Indian River County
2017-2018 Instructional Calendar Revised 9/26/2017

Day of Week	Date	Event Description
Monday	8/07/2017	Teachers Report; Workday
Tuesday	8/08/2017	Professional Development (PD) for Teachers (School)
Wednesday	8/09/2017	PD (District)/Teacher Workday; Student Orientation; Secondary
Thursday	8/10/2017	Teacher Workday; Student Orientation; Elementary
Friday	8/11/2017	Teacher Workday
Monday	8/14/2017	First Day of School for Students
Wednesday	8/23/2017	PD for Teachers; Early Release for Students
Monday	9/04/2017	Labor Day; No School
Thursday – Friday	9/07-15/2017	Hurricane Irma; No School
Thursday	9/21/2017	PD for Teachers; Early Release for Students
Thursday	9/28/2017	Conference Night, Secondary
Thursday	10/05/2017	Conference Night, Elementary
Friday	10/6/2017	No School; Teachers Paid and Off for Conferences
Monday	10/16/2017	End of 1 st Quarter
Wednesday	10/18/2017	PD for Teachers; Early Release for Students
Saturday	11/11/2017	Veteran's Day; No School
Wednesday	11/15/2017	PD for Teachers; Early Release for Students
Thursday	11/23/2017	Thanksgiving; No School; Paid Holiday for Teachers
Friday	11/24/2017	No School; Paid Holiday for Teachers
Monday	11/27/2017	Students and Teachers Return from Thanksgiving Break
Monday	12/18/2017	PD for Teachers; Early Release for Students
Tuesday	12/19/2017	Semester/Final Exams; Early Release for Students
Wednesday	12/20/2017	Semester/Final Exams; Early Release for Students
Thursday	12/21/2017	Semester/Final Exams; Early Release for Students; End 1 st Semester
Friday	12/22/2017	No School; Winter Break Begins; 12/22/2017-1/02/2018
Wednesday	1/03/2018	Teachers Return from Winter Break; PD/Workday
Thursday	1/04/2018	Students Return from Winter Break
Monday	1/15/2018	Dr. M.L. King, Jr. Day; No School; Paid Holiday for Teachers
Wednesday	1/24/2018	PD for Teachers; Early Release for Students
Thursday	2/08/2018	Conference Night, Elementary
Thursday	2/15/2018	Conference Night, Secondary
Friday	2/16/2018	No School; Teachers Paid and Off for Conferences
Monday	2/19/2018	Presidents' Day; No School; Paid Holiday for Teachers
Wednesday	2/28/2018	PD for Teachers; Early Release for Students
Tuesday	3/13/2018	End of 3 rd Quarter
Wednesday	3/14/2018	PD for Teachers; Early Release for Students
Monday	3/26/2018	Spring Break 3/26-3/30; No School for Teachers and Students
Tuesday	3/27/2018	No School for Students and Teachers
Wednesday	3/28/2018	No School for Students and Teachers
Thursday	3/29/2018	No School for Students and Teachers; Paid Holiday for Teachers
Friday	3/30/2018	No School for Students and Teachers; Paid Holiday for Teachers
Wednesday	4/25/2018	PD for Teachers; Early Release for Students
Friday	5/18/2018	Graduation – VBHS – 7:00 p.m.
Saturday	5/19/2018	Graduation – SRHS – 8:00 a.m.
Saturday	5/19/2018	Graduation – IRCHS – 3:00 p.m.
Monday	5/21/2018	PD for Teachers; Early Release for Students
Tuesday	5/22/2018	Semester/Final Exams; Early Release for Students
Wednesday	5/23/2018	Semester/Final Exams; Early Release for Students
Thursday	5/24/2018	Semester/Final Exams; Early Release for Students; Last Day for Students
Friday	5/25/2018	Teacher Workday; Last Day for Teachers

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School District of Indian River County

6500 57th Street • Vero Beach, Florida, 32967 • Telephone: 772-564-3000 • Fax: 772-564-3054

Mark J. Rendell, Ed.D. - Superintendent

September 20, 2017

MEMORANDUM

TO: Mark J. Rendell
Superintendent

FROM: Carter Morrison
Assistant Superintendent for Finance & Employee Services

SUBJECT: 2017-18 Board Travel Budget

The purpose of this memorandum is to submit to you a copy of the 2017-18 School Board Travel Budget.

As you are aware on September 7, 2017 the School Board approved the 2017-18 Beginning Budget. Included in the Beginning Budget is the School Board's discretionary budget with a line item of \$3500 for the purposes of travel reimbursement for School Board Members when travelling on official School Board Business.

We have attached a draft allocation sheet (**Attachment A**) which shows an individual Board Member travel allocation of \$500 plus a Legislative Representative Allocation of \$1000 for the Board appointed Legislative Liaison. Please be mindful that this is only a draft and is subject to change by the Board.

It is customary for this information to be shared with all Board Members by the Board Chair, informing them so that they are aware of their individual allocations and budget restriction. However, on occasion, Board Members have been known to grant a portion or all their individual allocations to other Board Members should a situation warrant an individual allocation increase by another Board Member.

Please feel free to contact me with any questions.

"Educate and inspire every student to be successful"

Shawn R. Frost • Dale Simchick • Laura Zorc • Charles G. Searcy • Tiffany Justice District
District 1 District 2 District 3 District 4 District 5

"To serve all students with excellence"
Equal Opportunity Educator and Employer

