

**EXHIBIT G
RETAIL PHARMACY NETWORK AGREEMENT**

DAS Contract No. _____
NCPDP# _____

RETAIL PHARMACY NETWORK AGREEMENT AND APPLICATION FORM

THIS APPLICATION is submitted by _____

(“Contractor”) to the State of Oregon by and through its Office of Oregon Health Policy & Research administering the Oregon Prescription Drug Program (the State in such capacity, “OPDP”). Upon receipt and acceptance by OPDP, this Application will form a contract under that certain OPDP “Retail Pharmacy Network Agreement—Terms and Conditions” (the “Agreement Terms and Conditions”), attached hereto and incorporated herein by this reference.

Contractor owns, operates, or is authorized to enter into this Agreement on behalf of one or more pharmacy locations (each a “Pharmacy”). Information about Contractor’s participating Pharmacies is set forth in one or more counterparts of Appendix A, attached hereto and incorporated herein by this reference. The undersigned Contractor, each Pharmacy, and OPDP agree to be bound by all the Agreement Terms and Conditions.

I, the undersigned, hereby swear or affirm under penalty of perjury that I am authorized to act on behalf of Contractor, that I have authority and knowledge regarding the payment of taxes, and that Contractor is, to the best of my knowledge, not in violation of any Oregon Tax Laws. For purposes of this certificate, “Oregon Tax Laws” means those programs listed in ORS 305.380(4), which is incorporated herein by this reference. Examples include inheritance tax, personal income tax, withholding tax, corporation income and excise taxes, amusement device tax, timber taxes, cigarette tax, other tobacco tax, 9-1-1 emergency communications tax, the homeowners and renters property tax relief program and local taxes administered by the Department of Revenue (Lane Transit District Self-Employment Tax, Lane Transit District Employer Payroll Tax, Tri-County Metropolitan Transit District of Oregon (“Tri-Met”) Employer Payroll Tax, and Tri-Met Self-Employment Tax).

IN WITNESS WHEREOF, Contractor has executed this “Retail Pharmacy Network Agreement—Application Form” by its duly authorized representative as of the date written below.

CONTRACTOR

OPDP

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

APPENDIX A: PHARMACY INFORMATION

The following information is required for each Pharmacy that Contractor enrolls in the OPDP network. Please complete a separate copy of this form (or a table or spreadsheet with the information) for each participating Pharmacy location.

PHARMACY NAME	
NCPDP NUMBER (NABP)	
PHARMACY ADDRESS (PHYSICAL LOCATION)	
CITY	
COUNTY	
STATE	
ZIP CODE	
BILLING ADDRESS	
CITY	
STATE	
ZIP CODE	
TELEPHONE NUMBER	
FAX NUMBER	
E-MAIL ADDRESS	
PHARMACY MANAGER NAME (FIRST & LAST)	
IS THIS LOCATION OPEN 24 HOURS?	
TAX ID NUMBER (FEIN)	
STATE TAX ID NUMBER	
DEA NUMBER	
STATE LICENSE NUMBER	
MEDICAID NUMBER	
RETAIL?	

Oregon Prescription Drug Program

DAS Contract No. _____

Retail Pharmacy Network Agreement—Terms and Conditions

This document contains the terms and conditions for a contract between the State of Oregon by and through its Department of Administrative Services for the benefit of its Office of Oregon Health Policy and Research administering the Oregon Prescription Drug Program (the State in such capacity, “OPDP”) and the Contractor whose legal name is set forth on the attached Application for Retail Pharmacy Network Agreement.

RECITALS

WHEREAS, OPDP manages prescription drug benefit plans and arranges for prescription and claim processing services for participating groups and enrollees, administered by a PBA;

WHEREAS, Contractor has entered into this Agreement on behalf of one or more Pharmacies in areas where such participating groups and enrollees desire prescription services to be provided; and

WHEREAS, Contractor desires to participate in a network or networks upon the terms and conditions herein provided and has submitted a signed application to OPDP (the “Application”), which includes information in Appendix A regarding each Pharmacy and which, together with these terms and conditions is intended to be the contract between OPDP and Contractor and to bind Pharmacy to its terms.

NOW, THEREFORE, in consideration of the covenants and agreements set forth herein and in the Application, the parties agree as follows:

I. DEFINITIONS

- A. “Ancillary Charge” in addition to the Copayment or Deductible, means an amount which an Eligible Member is required to pay to Pharmacy when an Eligible Member and/or a Physician requires that a Covered Drug be dispensed which is not in conformance with the Formulary or the MAC List.
- B. “Average Wholesale Price” or “AWP” means the average wholesale price of a prescription drug (by national drug code) in the package size from which it was dispensed as determined by PBA from the most current information provided to PBA by drug pricing services such as First Databank or another source nationally recognized in the retail prescription drug industry and agreed upon by OPDP and PBA.
- C. “Benefit Design” or “Benefit Plan Design” or “BPD” means a description of the essential elements of the pharmacy benefit plan that an Eligible Member receives from a Plan Sponsor or directly from OPDP.
- D. “Brand Name Drug” means a single or multi-source branded prescription drug as set forth in First Databank’s national drug file, or in the file of another nationally recognized source in the retail prescription drug industry agreed upon by PBA and OPDP.
- E. “Copayment” means a dollar amount that the Benefit Plan requires an Eligible Member to pay to Pharmacy for a Covered Drug, limited by some Benefit Plans to a maximum dollar amount per year (“Deductible”).
- F. “Covered Drug” means a legend drug (whether a Brand Name Drug or Generic Drug) and any other drug or item when ordered by a Physician by means of a Prescription Order and which is eligible for compensation under the terms of a Benefit Plan.
- G. “Eligible Group Member” means any person (including any eligible dependent) who is enrolled or covered under a benefit plan or health care program sponsored or maintained by a Participating Group.

- H. “Eligible Member” means any person or eligible dependent who is covered under a Benefit Plan and whose enrollment, Copayment and benefit coverage is communicated by PBA to Pharmacy in accordance with the terms of this Agreement. An Eligible Member is either an Eligible Group Member or a Self-Pay Member.
- I. “Formulary” means the list of certain Covered Drugs adopted by a Benefit Plan and which may be dispensed by Pharmacy to an Eligible Member. A Formulary is subject to periodic review and modification by OPDP.
- J. “Generic Drug” means a prescription drug, whether identified by its chemical, proprietary, or non-proprietary name, that is accepted by the U.S. Food and Drug Administration as therapeutically equivalent and interchangeable with Brand-Name drugs having an identical amount of the same active ingredient. As published in the most current information provided to PBA by a drug Pricing service drug such as First Databank or another source nationally recognized in the retail prescription drug industry and agreed upon by OPDP and PBA.
- K. “Maximum Allowable Cost List” or “MAC List” means a pricing designation (discount from AWP) for certain multi-source drugs. The designation is developed and maintained by PBA, and updated periodically to reflect changes in multi-source drug prices.
- L. “Member Payment” means any Ancillary Charge, Copayment, Deductible, or other charges due from the Eligible Member.
- M. “Participating Group” means a Plan Sponsor that enrolls to participate in the OPDP.
- N. “Payor” means the person, group, organization, or other entity who is obligated to pay Pharmacy, through PBA, for Covered Drugs provided to Eligible Members. OPDP is not the Payor. The Payor is
- i. In the case of Self-Pay members, the Self-Pay member.
 - ii. In the case of Eligible Group Members covered by a self-insured group plan, the Participating Group’s Vendor, or the Participating Group itself if no TPA is used.
- O. “Pharmacy Benefit Administrator” or “PBA” means the entity under contract with OPDP to perform the following: process and pay prescription drug claims, process payments to pharmacies, facilitate program management, transmit prescription drug prices and claims and enrollment data among pharmacies and the OPDP and its groups, maintain pharmacy benefit enrollment, and issue pharmacy benefit I.D. cards.
- P. “Physician” means a licensed medical doctor or other health care professional who is legally authorized to prescribe drugs in the state in which he/she is licensed.
- Q. “Plan Sponsor” means the employer or other sponsor of a group pharmacy benefit plan that participates in OPDP. Notwithstanding the characterization of Self-Pay Members enrolled directly through OPDP as a group for purposes of data collection, “Plan Sponsor” does not include OPDP.
- R. “Point of Sale” or “POS” means the on-line or real time telecommunication system used to communicate information regarding Covered Drugs, Eligible Members, claims, drug utilization, Member Payments, and the amounts payable to Pharmacy.
- S. “Prescription Charge” means the total compensation payable to Pharmacy, as set forth in Attachment A-1 hereto, for a Prescription Order. The Prescription Charge will be paid (1) in the case of Self-Pay Member, entirely by the Eligible Member; or (2) in the case of an Eligible Group Member, entirely by PBA or partly by PBA and partly by the Eligible Group Member as a Member Payment.
- T. “Prescription Order” means the request by a Physician to dispense medications, including refills.

- U. “Program Administration Fee” means an amount collected at point of service by Pharmacy from self-paying members as directed by the PBA electronically. That amount is currently \$1.00.
- V. “Self-Pay Member” means an individual who is an Eligible Member enrolled directly through OPDP, not through a Plan Sponsor, and who is responsible for paying his or her own Prescription Charges.
- W. “Usual and Customary Charge” means the minimum retail price charged by Pharmacy for a Covered Drug in a cash transaction (in the quantity dispensed), on the date the prescribed drug is dispensed, as reported to PBA by the network pharmacy, including any discounts or special promotions offered on that date.

II. RESPONSIBILITIES OF PHARMACY AND CONTRACTOR

- A. Pharmacy will dispense Covered Drugs to Eligible Members in accordance with the terms and conditions of this Agreement (including any attachments).
- B. Before providing the Covered Drugs, Pharmacy will request each Eligible Member requesting a Covered Drug to present an identification card.
- C. Pharmacy will provide services hereunder at all locations operated by Pharmacy, which in state locations are listed on the Application. Contractor must provide all information requested on the Application for each location to be enrolled in the network. Contractor must notify PBA and OPDP in writing of any and all changes to the Application. All locations must submit claims for Covered Drugs using POS.
- D. Pharmacy will provide services to Eligible Members in as timely a manner as provided to other customers and may not discriminate against an Eligible Member for any reason, including but not limited to, race, sex, religion, color, national origin, age, or physical or mental status.
- E. Pharmacy will use commercially reasonable efforts to comply with the Formulary (to the extent it applies and is communicated to Pharmacy via the POS) and the MAC List (to the extent it applies and is communicated to Pharmacy via the POS) in dispensing Covered Drugs, unless Pharmacy is (a) prohibited by law; or (b) otherwise directed by PBA via POS.
- F. Pharmacy will collect the applicable Member Payment for a Covered Drug dispensed, as specified via POS. Pharmacy shall have the right to rely on all information provided by PBA via the POS, and PBA shall not later deny or revoke payment based upon incomplete or inaccurate information provided via the POS to Pharmacy, unless Pharmacy had reason to believe at the time of the service that the POS information was incorrect. Pharmacy may not discount, waive, rebate, or otherwise reduce the applicable Member Payment.
- G. Pharmacy will use commercially reasonable efforts to cooperate with and support PBA’s drug utilization review program. Pharmacy will review the current profile of Eligible Members and, using professional judgment, act upon drug utilization review information as provided by PBA.
- H. Pharmacy will exercise professional judgment in the dispensing of Covered Drugs and may refuse to dispense a Covered Drug to an Eligible Member based upon professional judgment.
- I. Pharmacy will comply with the provisions of all applicable state, local, and federal laws and regulations and will obtain and maintain all federal, state, and local approvals, licenses, permits, and certifications required to operate as a pharmacy at each location listed on the Application. Contractor will notify PBA within seven (7) days of any suspension, revocation, condition, limitation, qualification, or other restriction on any such approval, license, permit, or certification which could impede Pharmacy in the performance of its obligations under this Agreement.

- J. Pharmacy will ensure that all pharmacists who are employed or subcontracted by Pharmacy and who dispense Covered Drugs to Eligible Members are properly licensed to practice and are appropriately insured. Pharmacy will also ensure that all its employees and subcontractors, including pharmacists, perform their duties in accordance with the applicable standards of professional ethics and practice.
- K. Pharmacy will notify PBA as soon as possible of any claim or suit against Pharmacy arising from services provided to an Eligible Member. Pharmacy will provide such other information regarding the claim that might reasonably be requested as soon as possible.
- L. Pharmacy will maintain records and reports for prescriptions filled under this Agreement for a period of three (3) years from the date of service or for the period required by applicable law, whichever is longer. During normal working hours at such time as business will not unreasonably be disrupted and upon written request, Pharmacy will allow PBA or its designee reasonable access to such Eligible Member Prescription Order records required to be maintained, and also the right to make photocopies of such documents to the extent permitted by law.
- M. Pharmacy will make commercially reasonable efforts to dispense Generic Drugs in lieu of prescribed Brand Name Drugs if commercially available and consistent with the pharmacist's professional judgment and state and federal law.
- N. Pharmacy is responsible for the recording and transmitting to PBA any and all claims or claim information of all Eligible Members, including Self-Pay Members and Eligible Group Members.
- O. Pharmacy will reasonably cooperate with Plan Sponsors and PBA in resolving any complaints received from Eligible Members.

III. RESPONSIBILITIES OF OPDP AND PBA

- A. OPDP will enter into and maintain a contract causing and obligating PBA to perform the duties stated herein. However, Contractor and Pharmacy shall have no direct contractual relationship with PBA by virtue of this Agreement and shall look solely to OPDP for performance of the obligations of PBA stated herein. In the event PBA breaches or fails to perform any duties or obligations of PBA stated herein, such breach or failure to perform shall constitute a breach of this Agreement by OPDP. In the event OPDP has no contract with any PBA, the obligations of PBA under this Agreement shall be obligations of OPDP. In the event Pharmacy is part of another pharmacy network with PBA, the rights and duties under this Agreement shall in all respects control with respect to Eligible Members.
- B. PBA will process transactions submitted by Pharmacy in accordance with the parameters for processing transactions established by NCPDP. PBA will provide Pharmacy with specific information or notices necessary for the administration of a Benefit Plan in accordance with the terms of this Agreement. PBA will provide Pharmacy with all information reasonably required to enable Pharmacy to fulfill its duties and obligations under this Agreement, including, but not limited to communicating the following information to Pharmacy via the POS:
 - (1) whether a person is an Eligible Member, and if so is an Eligible Group Member or Self-Pay Member);
 - (2) whether a pharmaceutical product is a Covered Drug; and
 - (3) the amount of any Member Payment the Pharmacy is to collect.
- C. PBA will provide or arrange for the provision of identification cards to Eligible Members. However, Pharmacy shall rely solely on the on-line POS claims processing system for verification of eligibility.
- D. PBA will process Pharmacy's claims for Covered Drugs dispensed to Eligible Members and the payment of such POS claims processing charges.

- E. PBA will not perform any activities under its contract with OPDP which ORS 414.312 prohibits in a contract between OPDP and a pharmacy benefits manager.
- F. PBA will maintain records and reports for prescriptions filled under this Agreement for a period of three (3) years from the date of service or for the period required by applicable law, whichever is longer. During normal working hours at such time as business will not unreasonably be disrupted and upon written request, PBA will allow Pharmacy or its designee reasonable access to such Eligible Member Prescription Order records required to be maintained, and also the right to make photocopies of such documents to the extent permitted by law.

IV. COMPENSATION

- A. Pharmacy will accept the Prescription Charge for each Covered Drug dispensed to an Eligible Member and which is eligible for payment under the terms of this Agreement. PBA will pay Pharmacy the Prescription Charge for Eligible Group Members, less any Member Payment. If PBA has not received funding from a Payor, then PBA has no obligation to pay Pharmacy, nor will PBA incur any such payment liability whatsoever until such a time as a Payor makes funds available. OPDP has required payment from Payors consistent with the payment time and terms set forth in this Agreement. In the event a Payor fails to timely pay the full amount due hereunder, Pharmacy has the right to immediately suspend performance under this Agreement with respect to such Payor's members.
- B. Claims submitted by Pharmacy for Covered Drugs for Eligible Group Members will be processed and paid by PBA twice monthly in accordance with Attachment A-1 and in all events, within thirty (30) days of submittal of a clean claim by Pharmacy. PBA will provide a detailed reconciliation of all transactions, including a record of all claims submitted, processed, and paid.
- C. In order to receive payment, Pharmacy must submit all original claims for payment on-line to PBA and/or its processor within thirty (30) days of the date service is rendered to an Eligible Group Member. For purposes of the preceding sentence, the date service is rendered shall be the later of the date on which the prescription is dispensed or the date on which the transaction is repriced using the Prescription Charge. If any claim is rejected or suspended, or if additional information is required for further processing by PBA and/or its processor, Pharmacy must resubmit the claim for payment to PBA and/or its processor within 90 days of Pharmacy's receipt of such rejected claim. Claims submitted after the time periods described in this paragraph will not be eligible for payment. Any claim submitted after the said time periods will be rejected by PBA.
- D. PBA will notify pharmacy in writing of any alleged overpayments made to Pharmacy. Pharmacy will have thirty (30) days to provide documentation disputing such alleged overpayments. Thereafter, PBA may obtain reimbursement for undisputed overpayments made to Pharmacy by offsetting such undisputed amounts against future payments due or requiring reimbursement from Pharmacy of such undisputed overpayments. PBA or its delegate will provide Pharmacy with 30 days' notice prior to any such offsetting. Pharmacy will notify PBA in writing of any alleged underpayments made to Pharmacy. PBA will have thirty (30) days to provide documentation to Pharmacy disputing such alleged underpayments. Thereafter, PBA will pay Pharmacy the undisputed amount of the underpayment within thirty (30) days.
- E. Attachment A-1 hereto may only be modified by amendment to this Agreement upon mutual written consent of the parties hereto. The foregoing sentence shall not restrict the updating by PBA of AWP and MAC Lists in the ordinary course of business.
- F. In no event, including, but not limited to, non-payment by PBA or Payors, PBA's insolvency, or breach of this Agreement, may Pharmacy bill, charge, collect a deposit from, seek compensation from, seek remuneration from, surcharge, or have any recourse against an Eligible Group Member for Covered Drugs dispensed pursuant to this Agreement. This provision does not prohibit Pharmacy from

collecting the applicable Member Payment indicated via POS as payable by an Eligible Group Member. This Section IV.F will survive termination of this Agreement and will be construed to be for the benefit of an Eligible Group Member. This Section is not intended to apply to Covered Drugs dispensed after this Agreement has been terminated or drugs which are not Covered Drugs. This provision supersedes any oral or written agreement to the contrary now existing or hereinafter entered into between Pharmacy and an Eligible Group Member or persons acting on an Eligible Group Member's behalf.

- G. All payments for Prescriptions Charges for a Self-Pay Member shall be the responsibility of the Self-Pay Member. Pharmacy will not look to OPDP or PBA for payments in regard to a Self-Pay Member. PBA shall communicate the correct amount to collect from the Self-Pay Member via the POS. That amount will include a \$1.00 administrative fee that will be collected by PBA in subsequent payments to Pharmacy.
- H. Pharmacy acknowledges that the MAC List is subject to periodic review and modification by PBA. PBA shall provide the MAC List price of any item to Pharmacy upon request via POS.

V. TERM AND TERMINATION

This Agreement is effective on the date fully executed by the parties and will remain in effect thereafter, subject to any termination rights set forth in this Agreement, including the following:

- A. Either party may terminate this Agreement without cause upon sixty (60) days' prior notice to the other party.
- B. OPDP may terminate this Agreement as to an individual Pharmacy by notice to Contractor:
 - 1. Upon a material breach by Pharmacy, and such termination will be effective 10 days after written notice of such breach has been provided to Pharmacy, unless such breach has been cured prior to the end of the 10 day period.
 - 2. Immediately upon loss of Pharmacy's license or permit or any other license or permit necessary to provide services under this Agreement.
- C. Either party may terminate this Agreement upon a material breach by the other party, and such termination will be effective 15 days after written notice detailing the breach has been provided to the breaching party, unless such breach has been cured prior to the end of the 15 day period.
- D. No waiver by either party with respect to any breach or default of any right or remedy and no course of dealing may be deemed to constitute a continuous waiver of any other breach or default or of any other right or remedy unless such waiver is expressed in writing by the party to be bound.
- E. Termination has no effect upon the rights or obligations of the parties arising out of any transactions occurring prior to the effective date of such termination.
- F. In addition to termination rights contained elsewhere in this Agreement, any of the following acts or omissions by either party will be considered a default, and will give the nondefaulting party the rights herein contained: if either party to this Agreement voluntarily files a petition in or for bankruptcy, reorganization, or an arrangement with creditors; if either party makes a general assignment for the benefit of creditors; if either party fails to pay, or admits in writing its inability to pay, debts as they become due; if a trustee, receiver, or other custodian is appointed for either party; or, if any other case or proceeding under any bankruptcy is commenced in respect to either party, then the nondefaulting party may terminate this Agreement under Section V.C.

G. Upon sixty (60) days notice to OPDP, Contractor may:

1. Delete a Pharmacy from this Agreement, provided that if Contractor deletes all its participating Pharmacies then this Agreement shall be terminated.
2. Add a Pharmacy to this Agreement, by furnishing the Application Appendix A information.

VI. INDEMNIFICATION

Pharmacy will indemnify and hold Plan Sponsors, PBA and OPDP, their shareholders, directors, officers, employees, delegates, and representatives free and harmless from and against any and all liabilities, losses, settlements, claims, demands, and expenses of any kind (including, but not limited to, attorneys' fees), which may result or arise out of: (a) any actual or alleged malpractice, negligence or misconduct of Pharmacy in the performance or omission of any act or responsibility assumed by Pharmacy under this Agreement; or (b) the sale, compounding, dispensing, failure to sell, or use of a Covered Drug dispensed to an Eligible Member pursuant to this Agreement. This Article VI will survive termination of this Agreement. In no event will either party be liable to the other for indirect or consequential damages of any nature, loss of profit, punitive damages, injury to reputation, or loss of customer or business damages of any nature.

VII. INSURANCE AND LIABILITY

Pharmacy will comply with either subsection A or B below.

- A. Pharmacy will acquire and maintain throughout this Agreement, at Pharmacy's sole expense, druggist liability insurance with limits of no less than \$1,000,000 for each claim and \$3,000,000 in the aggregate (or such other amounts as OPDP may agree to in writing), as well as comprehensive general liability insurance to insure against any claim for damages arising by reason of personal injury or death caused directly or indirectly by providing services pursuant to this Agreement. All insurance will be on an occurrence basis. Upon request, Pharmacy will provide OPDP with a certificate of insurance evidencing such coverage. Pharmacy will notify OPDP as soon as possible but in no event later than 30 days after any restriction on or denial, cancellation, adverse modification, or termination of Pharmacy's general or professional liability insurance.
- B. Pharmacy will self-insure for druggist liability, as well as comprehensive liability. On request, Pharmacy will provide a statement verified by a certified public accounting firm. Pharmacy will notify OPDP within 30 days of any material adverse change in Pharmacy's financial condition or status that affects its self-insurance. OPDP may immediately terminate this Agreement upon notice to Pharmacy following the occurrence of any such change.

VIII. AUDITS

- A. OPDP, PBA or its delegate has the right, at its own expense during normal business hours at such time as business will not unreasonably be disrupted, to inspect, review, audit, and make copies of Pharmacy's prescription files, Usual and Customary Charges, and financial and administrative records, all to extent related to the dispensing of Covered Drugs to Eligible Members hereunder, for up to three (3) years after the date a Covered Drug is dispensed, subject to applicable laws. This Article VIII will survive the termination of this Agreement.
- B. Pharmacy will maintain the confidentiality of all records and information relating to an Eligible Member and will release such records and information only in accordance with this Agreement or as required by applicable law or governmental order.

IX. CONFIDENTIALITY.

The Formulary, MAC List and similar documents provided by OPDP to Pharmacy are considered proprietary and will remain the sole property of OPDP or PBA as applicable. This information is considered confidential and may not be released to any third party without the written consent of OPDP or PBA, as appropriate, or as required by law.

X. GENERAL TERMS

- A. OPDP may amend this Agreement to comply with applicable law. OPDP will forward a copy of any such proposed amendments to Contractor at least 30 days prior to the effective date of such amendment. The amendment will become effective on the date stipulated unless prior to the indicated effective date OPDP receives a written objection from Contractor. All such proposed amendments and objections will be communicated pursuant to Article XI of this Agreement. If Contractor objects to an amendment, the amendment will not go into effect, however, OPDP at its discretion may terminate this Agreement pursuant to the terms of this Agreement. All other amendments to this Agreement will be in writing and signed by authorized representatives of both parties.
- B. The relationship between OPDP on the one hand and Contractor and Pharmacy on the other is that of independent contracting entities and nothing herein or otherwise may be construed to create an employer/employee relationship, a partnership, a joint venture relationship, an agency relationship, or any other legal relationship between the parties other than or in addition to that of independent contracting parties.
- C. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction will not affect the validity or enforceability of such term or provision in any other situation or in any other jurisdiction.
- D. The performance by either party hereunder is excused to the extent of circumstances beyond such party's reasonable control, such as flood, tornado, earthquake, or other natural disaster, epidemic, war, material destruction of facilities, fire, acts of God, etc. In such event, the parties will use their best efforts to resume performance as soon as reasonably possible under the circumstances giving rise to the party's failure to perform.
- E. Neither party may assign this Agreement to a third party, except that either party may assign this Agreement to any direct or indirect parent, subsidiary, or affiliated company or to a successor company. Any permitted assignee will assume all obligations of its assignor under this Agreement. No assignment will relieve any party of responsibility for the performance of any obligations which have already occurred. This Agreement will inure to the benefit of and be binding upon each party, its respective successors, and permitted assignees.
- F. Neither party may advertise or use any trademarks, service marks, and/or symbols of the other party without first receiving the written consent of the party owning the mark and/or symbol with the following exceptions. OPDP may reference the name, addresses, and phone numbers, of Pharmacies in OPDP's informational brochures or other publications or services OPDP or Payors provide to Eligible Members, potential Eligible Members or the general public and Pharmacy may reference OPDP's name, trademark, service mark and/or symbols to inform Eligible Members and the general public that Pharmacy is a participating provider to OPDP.
- G. This Agreement constitutes the entire and full agreement between the parties hereto and supersedes any previous contract and no changes, amendments (except as otherwise provided in Sections IV.E. and X.A., above) or alterations will be effective unless reduced to writing signed by both parties. Contractor acknowledges that its signature on the Application represents an application of each Pharmacy to become a provider in OPDP's pharmacy network(s) and that OPDP's execution of this

Agreement is evidence of OPDP's acceptance thereof. Any prior agreements, documents, understandings, or representations relating to the subject matter of this Agreement not expressly set forth herein or referred to or incorporated herein by reference are of no force or effect. Attachments, lists, exhibits and/or appendices referred to in this Agreement are incorporated by reference as if fully set forth in this Agreement.

- H. This Agreement is governed by the laws of the State of Oregon, without regard to principles of conflict of laws.
- I. Each party represents and warrants that the person signing this Agreement on its behalf is duly authorized to bind such party (and in the case of Contractor, each Pharmacy) to all terms and conditions set forth herein.

XI. NOTICES: All notices provided for herein must be in writing and sent by certified mail to the parties at the address set forth below in this Article XI. for OPDP and on the Application for Contractor and Pharmacy, or to such other address as a party may indicate by written notice to the other party. Notices will be deemed delivered upon receipt or upon refusal to accept delivery.

H. Missy Dolan
Administrator, Oregon Prescription Drug Program (OPDP)
Oregon Health Plan Policy and Research
Public Service Building
255 Capitol St. NE, 5th floor
Salem, OR 97310
Tel. (503) 373-1595, Email: Missy.Dolan@ode.state.or.us

Attachment A-1: Retail Pharmacy OPDP Program Pricing

1. PBA will reimburse Pharmacy for each prescription or refill dispensed pursuant to this Agreement, reduced by any applicable Member Payment received, as follows:
 - (i) Brand Name Medications: the lesser of (a) 83.50% of the AWP of the dispensed medication plus a dispensing fee of \$2.00, or (b) the dispensing pharmacy's Usual and Customary Charge;
 - (ii) Generic Medications: the lowest of (a) 73% of the AWP of the dispensed medication plus a dispensing fee of \$2.50, or (b) the Maximum Allowable Cost (from the MAC List) plus a dispensing fee of \$2.50, or (c) the dispensing pharmacy's Usual and Customary Charge;
2. If the total of the discounted AWP in paragraph 1, above, or MAC (from the MAC List) added to the dispensing fee is less than the Member Payment or the Usual and Customary Charge, Pharmacy will receive, at a minimum, the lesser of the Member Payment or the dispensing pharmacy's Usual and Customary Charge. Pharmacy will submit Usual and Customary Charges with each claim.
3. Regardless of the amount billed by the dispensing pharmacy as the dispensing fee, Pharmacy will be reimbursed the dispensing fee referenced in paragraph 1 above with the exception of when Usual and Customary Charge is used for full reimbursement. 90+ day supplies will be available at the same rates with a maximum of one dispensing fee.
4. If Payor is required to reimburse PBA, PBA will be responsible for any wholesale distributor tax or any other excise or value added tax based upon purchases at wholesale. If Payor is required to reimburse PBA, PBA also will be responsible to reimburse Pharmacy any applicable federal, state or local sales tax liability for prescriptions dispensed or goods and services provided to the Payor or its Eligible Group Members. Sales tax is defined as an excise tax based on consumer retail sales or gross revenues whether designated a sales tax, gross receipts tax, retail occupation tax, value added tax, health care provider tax or tax otherwise titled or styled. It includes any tax in existence or hereafter created whether or not the bearer of the tax is the retailer or consumer. In all other situations Pharmacy will remit sales tax directly to the appropriate governmental entity and PBA has no responsibility to reimburse Pharmacy.
5. PBA will not assess administrative fees, transaction fees, access fees or spread to pharmacies, except as described in this paragraph. Pharmacy authorized switch fees for clearing houses may be collected by PBA. PBA will include \$1.00 over and above the rates in section 1 for OPDP self-paying uninsured members for program administration cost that will be collected by PBA from subsequent payments.