State of Wisconsin
Department of Employee Trust Funds
DOA-3049 (R01/2000))
S. 51.01(5) Wis. Stats.; s. 111.32(13m) Wis. Stats.

Department of Employee Trust Funds
801 W. Badger Road
P. O. Box 7931
Madison, WI 53707-7931

Contract By Authorized Board

Commodity or Service: Compliance Audit Services For Pharmacy Benefit Management (PBM)

Request for Proposal (RFP) No: ETJ0003
As modified or clarified in Amendment 3.

Authorized Board:
Employee Trust Funds Board

Contract Period: 01/01/2010 thru 12/31/2015 with options for two (2) additional two-year periods

1. This contract is entered into by and between the State of Wisconsin, Department of Employee Trust Funds (Department), the State of Wisconsin Employee Trust Funds Board (Board). and the Contractor whose name, address, and principal officer appears on page 2. The Department is the sole point of contact for Board contracting;
2. Whereby the Department agrees to direct the purchase and the Contractor agrees to supply the contract requirements cited in accordance with the terms and conditions of the RFP cited above, and in accordance with the Contractor's bid submitted on this RFP, which RFP and Contractor's bid are hereby made a part of this contract;
3. In connection with the performance of work under this contract, the Contractor agrees not to discriminate against any employees or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s.51.01(5), Wis. Stats., sexual orientation as defined in s.111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the contractor further agrees to take affirmative action to ensure equal employment opportunities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.
4. Contracts estimated to be over fifty thousand dollars ($50,000) require the submission of a written affirmative action plan. Contractors with an annual work force of less than fifty (50) employees are exempted from this requirement.

   Within fifteen (15) working days after the award of the contract, the plan shall be submitted for approval to the Department. Technical assistance regarding this clause is provided by the Purchasing Agent, Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931, (608) 266-8989, mark.blank@etf.state.wi.us.
5. The Business Associate Agreement is incorporated as part of this contract and will be amended from time to time as Federal and State regulations require.
6. Amendment 1 is created as part of this contract to clarify information provided by the Contractor in the Contractor's proposal and bid.
7. Exhibit 1. – Time Line, is created as part of this contract to reflect the proposed dates and frequency of audits to be performed by the Contractor, in accordance with Section C, 1.3, c. of the RFP. This Exhibit 1. provides for future audits with anticipated time periods and completion dates to be determined by mutual agreement.
8. For purposes of administering the contract, the Order of Precedence is:
   (a) This contract; with TRICAST, Inc./PSRx Advisors;
   (b) Amendment 3, dated January 1, 2014;
   (c) Amendment 2, dated August 20, 2010;
   (d) Amendment 1, dated February 11, 2010
   (e) Exhibit 1 – Time Line, dated February 11, 2010:
   (f) Business Associate Agreement;
   (g) RFP ETJ0003, dated August 24, 2009 (including all appendices and amendments);
   (h) TRICAST, Inc./PSRx Advisors bid, dated October 7, 2009, in response to the RFP.
9. Amendment 2, dated August 20, 2010, is created as part of this contract to document the agreed upon schedule of fee invoicing by TRICAST/PSRx for the contracted PBM compliance audit services.
10. Amendment 3, dated January 1, 2014, is created as part of this contract to document the agreed upon inclusion of Contractor services to audit the Medicare Part D Employer Group Waiver Plan utilized by the State and Wisconsin Public Employer group health insurance programs. These services replace Contractor services previously agreed to for auditing the Retiree Drug Subsidy program.

Contract Number & Service: ETJ0003 - Compliance Audit Services For Pharmacy Benefit Management (PBM)

Amendment 3-Janauray 1, 2014

State of Wisconsin **Department of Employee Trust Funds**
By Authorized Board (Name) Employee Trust Funds Board
By *(Name)* Robert J. Marchant,
Signature
Title Deputy Secretary
Phone 608-266-7854
Date *(MM/DD/CCYY)*
Witness (1) Signature:
Witness (2) Signature:

To be Completed by Contractor
Legal Company Name TRICAST Inc
Trade Name
Taxpayer Identification Number 39-1910835
Company Address *(City, State, Zip)* 10400 W Innovation Dr #310, Milwaukee WI 53226
By *(Name)* Greg Rucinski
Signature
Title President
Phone 414-302-9733
Date *(MM/DD/CCYY)* December 23, 2013
Witness (1) Signature: Rob Shelley
Witness (2) Signature: Lisa Lenda

State of Wisconsin

Department of Employee Trust Funds

BUSINESS ASSOCIATE AGREEMENT

incorporated into the Contract for

Compliance Audit Services For Pharmacy Benefit Management (PBM)

ETJ0003

This Business Associate Agreement ("Agreement") is by and between TRICAST, Inc., in partnership with PSRx Advisors, ("TRICAST") and the Wisconsin Department of Employee Trust Funds ("ETF"), and acting on behalf of the State of Wisconsin.

RECITALS:

WHEREAS, ETF and TRICAST have executed a contract, to provide auditing Services to ETF, pursuant to which TRICAST provides compliance audits of the Pharmacy Benefit Management plan ("Underlying Contract"), and in connection with those services ETF discloses or allows the disclosure to TRICAST of certain information that is subject to protection by the Health Insurance Portability and Accountability Act of 1996, ("HIPAA") and the Health Information Technology for Economic and Clinical Health Act of 2009 as passed as part of ARRA ("HITECH") and their implementing regulations, Title 45, Parts 160 through 164 of the Code of Federal Regulations, as well as by laws and administrative rules of the State of Wisconsin; and

WHEREAS, with respect to its activities pursuant to the Underlying Contract, TRICAST is ETF's Business Associate as that term is defined by HIPAA; and

WHEREAS, it is the intent of this Agreement to comply with state law and with the federal regulations implementing HIPAA and HITECH concerning the privacy, security and transaction standards in 45 C.F.R. Parts 160 to 164, inclusive,

WHEREAS, ETF and TRICAST agree to incorporate the terms of this Agreement into the Underlying Contract and agree to incorporate this Agreement into any associated addenda and contract extensions, in order to comply with HIPAA, HITECH and state law.

NOW, THEREFORE, in consideration of these premises and the mutual promises and agreements hereinafter set forth, ETF and TRICAST hereby agree as follows:

DEFINITIONS:

It is the intent of this Agreement to comply with the federal regulations implementing HIPAA and HITECH concerning the privacy, security and transaction standards, including the definitions in 45 C.F.R. Parts 160 to 164, inclusive, as applicable. This Agreement also addresses compliance with Wisconsin laws on confidentiality of personal information. In particular, the following words and phrases in this Agreement have the meanings set forth below, unless the context clearly requires otherwise:

"ARRA" means the American Recovery and Reinvestment Act of 2009.

"Individual Personal Information" has the meaning set forth in Wis. Admin. Code § ETF 10.70 (1).

"Medical Record" has the meaning set forth in Wis. Admin. Code § ETF 10.01 (3m).

"Personal Information" is information that can be used to identify a person and includes, without limitation, **Individually Identifiable Health Information, Individual Personal Information, Medical Records and Protected Health Information**; and includes information described in Wis. Stat., § 134.98.

"Third Party" means a party other than a subcontractor or agent that ETF has approved.

PART I – OBLIGATIONS OF TRICAST

A. Uses and Disclosures.
TRICAST may use or disclose Personal Information it creates for or receives from ETF or any other Business Associate of ETF for only the following, limited purposes:

1. Permitted Uses and Disclosures of Personal Information. TRICAST is permitted to use and disclose Personal Information:
   a. To conduct compliance audits of the Pharmacy Benefit Management plan for ETF in accordance with the Underlying Contract.
   b. Subject to the limitations on Uses and Disclosures outlined in this Business Associate Agreement, specifically including the State Law Restrictions in Part I, Section B, TRICAST is authorized to use and disclose Personal Information as necessary for TRICAST's proper management and administration, to carry out TRICAST's legal responsibilities, and as otherwise Required by Law.
2. Prohibition on Unauthorized Use or Disclosure. TRICAST will not use or disclose Personal Information it creates for or receives from ETF or from another Business Associate of ETF, except as authorized or required by this Agreement or as Required by Law or as otherwise authorized in writing by ETF, including, without limitation, marketing and solicitation of business outside the Underlying Contract and disclosure of such information to third-parties.
3. Compliance with Regulations. TRICAST will comply with:
   a. 45 C.F.R. Parts 160 to 164, inclusive, as applicable to a "Business Associate" of a "Covered Entity" and any other regulations adopted pursuant to HIPAA and HITECH; and
   b. Applicable State Law not preempted by 45 C.F.R §§ 160.201 to 160.203, inclusive, or any other federal law.
4. State Law Restrictions. TRICAST shall comply with Wis. Stat. §§ 40.07 and 134.98 with respect to information TRICAST creates for or receives from ETF or from any other Business Associate of ETF. In particular:
   a. Any Third Party request, including a subpoena, for disclosure of Personal Information, including, without limitation, Medical Records or Individually Identifiable Health Information, shall be referred to ETF in a timely manner; and
   b. TRICAST shall not disclose to any Third Party Individual Personal Information which ETF itself may not disclose pursuant to Wis. Stat. § 40.07(1), or of Medical Records that ETF itself may not disclose pursuant to Wis. Stat § 40.07(2).

B. Compliance with Standard Transactions.

1. Standard Transactions Conducted By TRICAST. If TRICAST conducts, in whole or in part, transactions, for or on behalf of ETF that are covered by 45 C.F.R Part 162, TRICAST will comply with the applicable HIPAA transactions standards, and will require any subcontractor or agent involved with the conduct of such transactions to provide reasonable assurances, evidenced by written contract, that it will comply with each applicable requirement of 45 CFR Part 162. Further, TRICAST will require that each of its subcontractors or agents provide assurances, by written contract, that it will not enter into a Trading Partner Agreement, in connection with its conduct of Standard Transactions for and on behalf of ETF that:
   a. Changes the definition, data condition, or use of a data element or segment in a Standard Transaction;
   b. Adds any data element or segment to the maximum data set;
   c. Uses any code or data element that either is not in the Standard Transaction's implementation specification or is marked "not used" by the Standard Transaction's implementation specifications;
   d. Changes the meaning or intent of the Standard Transaction's implementation specifications; or
   e. (v) Otherwise violates 45 CFR §162.915.

2. Communications Between the Parties. Communications between ETF and TRICAST that are required to meet HIPAA transactions standards will meet the standards set by 45 CFR Part 162. For all other communications, the forms, tape formats or electronic formats used shall be those mutually agreed upon by ETF and TRICAST.

C. Information Safeguards.

TRICAST will develop, implement, maintain and use reasonable and appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of Personal Information under the control of TRICAST, and to prevent intentional or unintentional non-permitted or violating use or disclosure of Protected Health Information. TRICAST will document and keep these safeguards current and furnish documentation of the safeguards to ETF upon request. These safeguards will comply with HIPAA, HITECH and their implementing regulations.

D. Reporting of Breach, Improper Use or Disclosure and Security Incidents.

TRICAST will report to ETF the discovery of any breach, use or disclosure of Personal Information, not allowed by this Agreement or in violation of 45 C.F.R. Part 164 or HITECH. An occurrence of a breach, improper use or disclosure or security incident is considered to be discovered as of the first day on which such occurrence is known to TRICAST, or, by exercising reasonable diligence, would have been known to TRICAST.

1. TRICAST shall provide notice to ETF of the occurrence. The notice shall include the identification of each individual whose unsecured Personal Information has been, or is reasonably believed by the Business Associate to have been accessed, acquired, or disclosed during such occurrence.
2. Within one business day of the discovery, TRICAST shall notify ETF's Privacy Officer. TRICAST shall immediately conduct an investigation and report in writing within four business days the following information:
   a. The name and contact information of each individual whose Personal Information has been or is reasonably believed to have been accessed, acquired or disclosed during the occurrence.
   b. A brief description of what happened, including the date of the occurrence and the date of the discovery of the occurrence, if known.
   c. A description of the types of Personal Information that were involved in the occurrence (e.g., full name, date of birth, Social Security number, account number).
   d. A brief description of what TRICAST is doing to investigate the occurrence, to mitigate losses and to protect against further occurrences.
   e. The actions TRICAST has undertaken or will undertake to mitigate any harmful effect of the occurrence.
   f. A corrective action plan that includes the steps TRICAST has taken or will take to prevent similar occurrences.
3. At ETF's option, TRICAST will be responsible for notifying individuals of the occurrence when ETF requires notification and will pay any cost of such notifications, as well as any costs associated with the breach, improper use or disclosure, including, without limitation, credit monitoring services. TRICAST must obtain ETF's approval of the time, manner and content of any such notifications, provide ETF with copies of the notifications, and provide the notifications within sixty (60) days after discovery of the breach, improper use or disclosure. TRICAST shall have the burden of demonstrating to ETF that all notifications were made as required, including any evidence demonstrating the necessity of any delay beyond the 60 day calendar notification to affected individuals after the discovery of the breach by ETF or TRICAST

E. Duty to Mitigate Effect of Misuse or Unauthorized Disclosure and Notify Members of Unauthorized Acquisition:

1. TRICAST will mitigate, as required by HIPAA, HITECH, state law and this agreement, to the extent practicable, any harmful effect that is known to TRICAST of a breach, improper use or unauthorized disclosure reported pursuant to subsection D of this section.
2. TRICAST will comply with the provisions of Wis. Stat. §134.98 and any subsequently adopted state law regarding mitigation of privacy breaches, and shall ensure by written contract that any subcontractor or agent with whom it contracts to carry out the provisions of the Underlying Contract also complies with the provisions of Wis. Stat. §134.98 and any subsequently adopted law regarding mitigation of privacy breaches.

F. Minimum Necessary.

TRICAST will make reasonable efforts to use, disclose, or request only the minimum amount of Personal Information necessary to accomplish the intended purpose and shall comply with regulations issued pursuant to HIPAA and HITECH. Internal disclosure of such information to employees of TRICAST shall be limited only to those employees who need the information and only to the extent necessary to perform their responsibilities according to the UNDERLYING CONTRACT and this Agreement.

G. Disclosure to TRICAST's Subcontractors and Agents.

TRICAST shall require any of its agents or subcontractors to provide reasonable assurance, evidenced by written contract, that the agent or subcontractor will comply with the same privacy and security obligations as TRICAST with respect to such Personal Information. Before entering into such a contract with an agent or subcontractor, TRICAST shall obtain from ETF approval of the contract

H. Access, Amendment and Disclosure Accounting.

1. Access. At the direction of ETF, TRICAST agrees to provide access to any Protected Health Information held by TRICAST which ETF has determined to be part of ETF's Designated Record Set, in the time and manner designated by ETF, so that ETF may meet its access obligations under HIPAA and HITECH. All fees related to this access, as determined by TRICAST, are the responsibility of the individual requesting the access.
2. Amendment. At the direction of ETF, TRICAST agrees to amend or correct Protected Health Information held by TRICAST and which ETF has determined to be part of ETF's Designated Record Set, in the time and manner designated by ETF, so that ETF may meet its amendment obligations pursuant to HIPAA and HITECH. All fees related to this amendment, as determined by TRICAST, are the responsibility of the individual requesting the access.
3. Documentation of Disclosures. TRICAST agrees to document such disclosures of Protected Health Information and information related to such disclosures so that ETF may meet its obligations under HIPAA and HITECH
4. Accounting of Disclosures.
    a. TRICAST shall maintain a process to provide ETF an accounting of disclosures of Protected Health Information for as long as TRICAST maintains Protected Health Information received from or on behalf of ETF. TRICAST agrees to provide to ETF or to an individual, in a time and manner designated by ETF, information collected in accordance with Subsection 3 above, to permit ETF to properly respond to a request by an individual for an accounting of disclosures pursuant to HIPAA and HITECH.
        i. Each accounting will provide:
            (a) The date of each disclosure;
            (b) The name and address of the organization or person who received the Protected Health Information;
            (c) A brief description of the Protected Health Information disclosed; and

(d) For disclosures other than those made at the request of the subject, the purpose for which the Protected Health Information was disclosed and a copy of the request or authorization for disclosure.

ii. For repetitive disclosures which TRICAST makes to the same person or entity, including ETF, for a single purpose, TRICAST may provide:

(a) The disclosure information for the first of these repetitive disclosures;

(b) The frequency or number of these repetitive disclosures; and

(c) The date of the last of these repetitive disclosures,

(d) TRICAST will make a log of this disclosure information available to ETF within five (5) business days of ETF's request.

b. TRICAST need not record disclosure information or otherwise account for disclosures of Protected Health Information if:

i. The disclosures are allowed under this Agreement or are expressly authorized by ETF in another written document; and

ii. The disclosures are for one of the following purposes:

(a) Treatment, Payment or Health Care Operations that are not made through an Electronic Health Record;

(b) In response to a request from the Individual who is the subject of the disclosed Protected Health Information, or to that Individual's Personal Representative;

(c) Made to persons involved in the health care or payment for the health care of the Individual who is the subject of the disclosed Protected Health Information;

(d) For notification for disaster relief purposes;

(e) For national security or intelligence purposes;

(f) As part of a Limited Data Set; or

(g) To law enforcement officials or correctional institutions regarding inmates.

5. Disclosure Tracking Time Periods. Except as otherwise provided in this paragraph, TRICAST must have available to ETF the disclosure information required by this section, but in no case will TRICAST be required to have available information from:

a. More than six (6) years before ETF's request for the disclosure information; or

b. Any period during which TRICAST did not provide services to ETF.

6. Disclosure Tracking for Disclosures made through Electronic Health Records: TRICAST only needs to provide disclosures for Treatment, Payment or Health Care Operations made through an Electronic Health Record for three years prior to the date on which the accounting is requested. TRICAST shall provide all information necessary for ETF to provide an accounting that includes all information required by regulations issued pursuant to HIPAA and HITECH.

7. Effective Date: The effective date for accounting required under subsection 6 depends on the date ETF acquires an Electronic Health Record. If ETF had an electronic Health Record as of January 1, 2009, subsection 6 will apply to Protected Health Information disclosures made by ETF on or after January 1, 2014. If ETF does not have an Electronic Health Record as of January 1, 2009, subsection 6 will apply to Protected Health Information disclosures made by ETF after the later of January 1, 2011 or the date ETF acquires an Electronic Health Record.

I. Accounting to ETF and Government Agencies.
TRICAST will make its internal practices, books, and records relating to its use and disclosure of Protected Health Information available to ETF to provide to the U.S. Department of Health and Human Services (HHS) in a time and manner designated by HHS for the purpose of determining ETF's compliance with HIPAA and HITECH. TRICAST shall promptly notify ETF of any inquiries made to it by HHS concerning ETF's compliance with HIPAA.

J. Red Flag Rules.
If applicable to TRICAST, TRICAST shall be responsible for implementation of an Identity Theft Monitoring Policy and procedure to protect Personal Information under the Federal Trade Commission regulations known as the "Red Flag Rules".

PART II – ETF OBLIGATIONS

A. Changes in Permissions to Use and Disclose Protected Health Information.
ETF shall promptly notify TRICAST of any change in, or revocation of, permission by an individual to use or disclose Protected Health Information, to the extent that such change may affect TRICAST's use or disclosure of such Protected Health Information.

B. Changes in ETF's Notice of Privacy Practices.
ETF shall provide TRICAST with a copy of ETF's Notice of Privacy Practices and shall notify TRICAST of any change made to the Notice of Privacy Practices, to the extent that such change may affect TRICAST's efforts to comply with this Agreement.

C. Changes in State Law.
ETF shall notify TRICAST of any relevant change in Wisconsin law, to the extent that such change may affect TRICAST's efforts to comply with this Agreement.

PART III – TERM, TERMINATION AND AMENDMENT

A. Term.
This Agreement becomes effective on the effective date of the Underlying Contract. The Agreement is co-extensive with the term of the Underlying Contract, including any extensions made to the original Underlying Contract.

B. Termination for Breach.
ETF shall have the right to terminate the Underlying Contract and this Agreement if TRICAST, by pattern or practice, materially breaches any provision of this Agreement.

C. Reasonable Steps to Cure Breach.
In addition to the right to terminate this Agreement and Underlying Contract pursuant to section B, above, ETF may provide TRICAST with an opportunity to cure the material breach. If these efforts to cure the material breach are unsuccessful, as determined by ETF in its sole discretion, ETF may terminate the Underlying Contract and this Agreement, as soon as administratively feasible

D. Effect of Termination: Return or Destruction of Protected Health Information.
Upon termination, cancellation, expiration, or other conclusion of the Agreement, TRICAST shall:

1. Return to ETF or, if return is not feasible, destroy all Personal Information in whatever form or medium that TRICAST received from or created on behalf of ETF. This provision shall also apply to all Personal Information that is in the possession of subcontractors or agents of TRICAST. In such case, TRICAST shall retain no copies of such information, including any compilations derived from and allowing identification of Personal Information. TRICAST shall complete such return or destruction as promptly as possible, but not more than thirty (30) days after the effective date of the conclusion of this Agreement. Within such thirty (30) day period, TRICAST shall certify on oath in writing to ETF that such return or destruction has been completed.

2. If TRICAST destroys Personal Information, it shall be done with the use of technology or methodology that renders the Personal Information unusable, unreadable, or undecipherable to unauthorized individuals as specified by HHS in HHS guidance for the destruction of Protected Health Information. Acceptable methods for destroying Personal Information include: (i) paper, film, or other hard copy media shredded or destroyed in order that Personal Information cannot be read or reconstructed; and (ii) electronic media cleared, purged or destroyed consistent with the standards of the National Institute of Standards and Technology (NIST). HHS specifically excluded redaction as a method of destruction of Protected Health Information, unless the information is properly redacted so as to be fully de-identified.
3. If TRICAST believes that the return or destruction of Personal Information is not feasible, TRICAST shall provide written notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction is not feasible, TRICAST shall extend the protections of this Agreement to Personal Information received from or created on behalf of ETF, and limit further uses and disclosures of such Personal Information, for so long as TRICAST maintains the Personal Information.

E. Agreement to Amend Agreement.
The parties to this contract acknowledge that federal laws relating to transactions, security and privacy are rapidly evolving and that amendment to this Agreement may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, HITECH and their implementing regulations. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this Agreement embodying written assurances consistent with the standards and requirements of HIPAA, HITECH and applicable federal regulations. If this Agreement is not amended by the effective date of any final regulation or amendment to final regulations with respect to HIPAA and HITECH, this Agreement will automatically be amended on such effective date such that the obligations they impose on TRICAST remain in compliance with the regulations then in effect.

PART IV – GENERAL PROVISIONS

A. Conflict.
The provisions of this Agreement override and control any conflicting provision of the Underlying Contract. All non-conflicting provisions of the Underlying Contract remain in full force and effect.

B. Election to Not Treat As Representative.
Nothing in this Agreement shall be construed to limit the discretion of ETF, under 45 C.F.R. § 164.502 (g) (5), to elect not to treat a person as the representative of an individual.

C. No Third Party Beneficiaries.
Nothing expressed or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any entity other than ETF and TRICAST, any rights, remedies, obligations or liabilities whatsoever.

D. Documentation.
All documentation that is required by this Agreement or by 45 C.F.R. Part 164 will be retained by TRICAST for six (6) years from the date of creation or when it was last in effect, whichever is longer.

E. Survival.
The parties' obligations and rights, with respect to TRICAST's engagement to provide services, will be unaffected by the termination of the Underlying Contract and this Agreement. In particular, the provisions of Part III, Sections D and E, and this section, shall survive termination of the Underlying Contract and this Agreement.

State of Wisconsin

Department of Employee Trust Funds

AMENDMENT 1

to the Contract for

Compliance Audit Services For Pharmacy Benefit Management (PBM)

ETJ0003

The parties to this contract agree to the following:

1. Biennial (every two years) audits will be conducted by the Contractor as identified in Exhibit 1 of this contract, and will cover the pharmacy benefit management and RDS program services provided by the PBM contracted with the State of Wisconsin Group Insurance Board.
2. On-site visits to the PBM's location may be required of the Contractor when performing the audit.
3. Vendor will inform the Department of any changes in key staff assigned under this contract as identified in Section B., Part 1.0, Item 1.3, of the contractor's proposal in response to this RFP ETJ0003.
4. Progress reporting intervals and form, as identified in Section C., Part 4.0, Item 4.4 of this RFP ETJ0003 will be determined and mutually agreed to by the Contractor and the Department at the entrance conference.
5. Draft and Final reports will be provided to the Department on a date determined and mutually agreed to by the Contractor and the Department at the entrance conference.

State of Wisconsin

Department of Employee Trust Funds

EXHIBIT 1

to the Contract for

Compliance Audit Services For Pharmacy Benefit Management (PBM)

ETJ0003

SCHEDULE OF BIENNIAL AUDITS

	Proposed Audit Start and Completion Dates		Plan Years Audited	
Audit	**Start no later than:**	**Completed no later than:**	**Pharmacy Benefit Management**	**Retiree Drug Subsidy Program**
Initial	To Be Determined by Mutual Agreement	September 30, 2010	2007 + 2008	2006 + 2007
Second	March 31, 2011	September 30, 2011	2009 + 2010	2008 + 2009
Third	March 31, 2013	September 30, 2013	2011 + 2012	2010 + 2011

The dates proposed for the Initial Audit indicated above will be mutually agreed upon by all parties based on both the Department's and the Contractor's readiness to initiate and conduct the audit.

State of Wisconsin

Department of Employee Trust Funds

AMENDMENT 2

to the Contract for

Compliance Audit Services For Pharmacy Benefit Management (PBM)

ETJ0003

The parties to this contract agree to the following:

The Contractor will invoice the Department for the fees associated with performance of the contracted Compliance Audit Services For Pharmacy benefit Management based on the following schedule of completed milestones:

ETF Project Milestone Schedule	%	Fee Component
1. Pharmacy Data Load	10%	$ 7,625.00
2. Forensic Report Delivery	15%	$ 11,437.50
3. Onsite Review of Rebates and Pharmacy Network Contracts	15%	$ 11,437.50
4. Delivery of Preliminary report (RDS and Standard)	25%	$ 19,062.50
5. Delivery of Final Report (RDS and Standard)	35%	$ 26,687.50
TOTAL	**100%**	**$ 76,250.00**

Invoices will be generated upon completion of each milestone and provided directly to the Department for payment.

Invoices will be made out to:

ACCOUNTS PAYABLE
DEPT OF EMPLOYEE TRUST FUNDS
PO BOX 7931
MADISON WI 53707-7931

State of Wisconsin

Department of Employee Trust Funds

AMENDMENT 3

to the Contract for

Compliance Audit Services For Pharmacy Benefit Management (PBM)

ETJ0003

The parties to this contract agree to the following addition to the Statement of Work (SOW) currently being performed by Contractor:

Employer Group Waiver Plan (EGWP) Audit; Prescription Drug Event (PDE) Oversight.
Beginning with the 2012-2013 Plan Years.

I. EGWP Audit

For Plan Year 2012, the Department commenced an Employer Group Waiver Plan (EGWP) under a separate contract with Navitus and its Medicare Part D contract licensee Sterling Health Plans for the State and Wisconsin Public Employer (WPE) group health insurance plans.

Under this arrangement Medicare enrolled retirees participate in the Medicare Part D prescription drug benefit program through the State and WPE benefit plans. In order to accomplish this audit, additional steps are required.

Contractor (TRICAST/PSRx) will review 100% of the pharmacy (source claims) and PDE data claims processed during the specified project timeline. The TRICAST/PSRx audit process conducted by Contractor shall assess appropriate calculations and various conditions, including:

- Reviewing 100% of pharmacy source claim files;
- Matching source claim files to the PDE record;
- Analyzing claim pricing and plan design specifics to ensure that PDE records have been accurately and appropriately generated;
- Loading PDE response files, MMR files, and TRR files into the PSRx proprietary audit system for evaluation and recalculation;
- Reviewing True Out Of Pocket (TrOOP) calculations;
- Analyzing formulary match;
- Reviewing Low Income Cost Sharing (LICS) subsidy levels and calculations;
- Reviewing GAP Discounts.

II. Assumptions

The Department will work with Contractor to ensure Contractor is provided with the appropriate transaction sets and the most recent PDE file for the corresponding claim pricing and plan design audit plan year, in order to properly perform the audit.

PDE reporting period will be annual; January 1 through December 31.

III. Deliverables

Audit will be completed by Contractor fifteen (15) weeks from the receipt of the most recently submitted PDE file.

Contractor will review 100% of the pharmacy and PDE claims processed during the specified project milestone timeline, and will deliver an Annual Report of their audit findings to the Department.

Fees invoiced by Contractor for the contracted PBM Audit Project are as follows:

Phase 4 ETF Project Milestone Schedule
Start Date 3/31/2014 / End Date 9/30/2014

1. EGWP Program 2012 and 2013
2. Pricing and Plan Design Audit 2013 Retrospective and 2014 Ongoing
3. Pharmacy Network Audit 2012 and 2013
4. Rebate Audit 4th Quarter 2013

Total Annual Fee $84,500; Billed in quarterly installments of $21,125.

Phase 5 ETF Project Milestone Schedule
Start Date 3/31/2015 / End Date 9/30/2015

1. EGWP Program 2014
2. Pricing and Plan Design Audit 2015 Ongoing
3. Pharmacy Network Audit 2014
4. Rebate Audit 4th Quarter 2014

Total Annual Fee $84,500; Billed quarterly installments of $21,125.

Schedule for Phase 4 and 5 audits:

Audit Phase	Start No Later Than	Completed No Later Than	PBM*	Manufacturer Rebate Audit	Pharmacy Network Audit**	EGWP
4	3/31/14	9/30/14	1/1 – 12/31/13 2014 ONGOING	4th Quarter 2013	1/1 – 12/31/12 1/1 – 12/31/13	1/1 – 12/31/12 1/1 – 12/31/13
5	3/31/15	9/30/15	2015 ONGOING	4th Quarter 2014	1/1 – 12/31/14	1/1 – 12/31/14

* Pricing & Plan Design ** Top 10 independent & Top 10 chain pharmacies