

Agreement No: Q3A 1000128

STATE OF MAINE
DEPARTMENT OF CORRECTIONS
Agreement to Purchase Services

THIS AGREEMENT, made this 11th day of January 2007, is by and between the State of Maine, Department of Corrections, hereinafter called "Department" or "MDOC," and Correct Rx Pharmacy Services, Inc., a Maryland corporation located at 803-A Barkwood Court, Linthicum, Maryland, 21090, telephone number 410-636-9500, hereinafter called "Provider," for the period of February 1, 2007, to June 30, 2008.

The Employer Identification Number of the Provider is E75-3111459.

WITNESSETH, that for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the Department, the Provider hereby agrees with the Department to furnish all qualified personnel, facilities, materials and services and in consultation with the Department, to perform the services, study or projects described in Rider A, and under the terms of this Agreement. The following riders are hereby incorporated into this Agreement and made part of it by reference:

- Rider A - Specifications of Services to be Performed
- Rider B - Payment and Other Provisions
- Rider C - Exceptions to Rider B
- Rider G - Provision of Contract Services by Foreign Nationals or Work Performed Aboard
- Exhibit 1 - Correct Rx Pharmacy Services, Inc., Corporate Resolution

IN WITNESS WHEREOF, the Department and the Provider, by their representatives duly authorized, have executed this agreement in six (6) original copies.

DEPARTMENT OF CORRECTIONS

By: Denise V. Lord
Denise V. Lord, Associate Commissioner
Maine Department of Corrections

and

CORRECT RX PHARMACY SERVICES, INC.

By: Ellen H. Yankellow
Ellen H. Yankellow
President and CEO

ENCUMBERED
1,239,000.00
FEB 13 2007
STATE CONTROLLER

Total Agreement Amount: \$3,740,000.00

Approved:

Betty M. Lamoreau FEB 13 2007

State Controller

Chair, State Purchases Review Committee

BP54 (Rev 6/04)

MFASIS ACCOUNT CODING

VENDOR CODE	DOC TOTAL	FND	AGY	ORG	SUB ORG	APPR	ACTIVITY	OBJ	SUB ORG	JOB NO.	REPT. CATG.
E 75311459	187,000	010	03A	4090		012		4028			
VENDOR CODE	DOC TOTAL	FND	AGY	ORG	SUB ORG	APPR	ACTIVITY	OBJ	SUB ORG	JOB NO.	REPT. CATG.
	149,600	010	03A	4091		012		4028			
VENDOR CODE	DOC TOTAL	FND	AGY	ORG	SUB ORG	APPR	ACTIVITY	OBJ	SUB ORG	JOB NO.	REPT. CATG.
	1,084,600	010	03A	4092		012		4028			
VENDOR CODE	DOC TOTAL	FND	AGY	ORG	SUB ORG	APPR	ACTIVITY	OBJ	SUB ORG	JOB NO.	REPT. CATG.
	1,832,600	010	03A	4093		012		4028			
VENDOR CODE	DOC TOTAL	FND	AGY	ORG	SUB ORG	APPR	ACTIVITY	OBJ	SUB ORG	JOB NO.	REPT. CATG.
	261,800	010	03A	4094		012		4028			
VENDOR CODE	DOC TOTAL	FND	AGY	ORG	SUB ORG	APPR	ACTIVITY	OBJ	SUB ORG	JOB NO.	REPT. CATG.
	74,800	010	03A	4096		012		4028			
VENDOR CODE	DOC TOTAL	FND	AGY	ORG	SUB ORG	APPR	ACTIVITY	OBJ	SUB ORG	JOB NO.	REPT. CATG.
	149,600	010	03A	4097		012		4028			
VENDOR CODE	DOC TOTAL	FND	AGY	ORG	SUB ORG	APPR	ACTIVITY	OBJ	SUB ORG	JOB NO.	REPT. CATG.

AGREEMENT FOR PHARMACY SERVICES FOR MDOC FACILITIES

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RIDER A
SPECIFICATION OF SERVICES TO BE PERFORMED

I. DEFINITIONS

As used in this Agreement, unless the context otherwise indicates, the following terms have the following meanings:

- A. ACA. "ACA" means the American Correctional Association.
- B. Agreement Administrator. "Agreement Administrator" means the person identified in section 6 of Rider B who oversees implementation of the Agreement generally on behalf of the Maine Department of Corrections.
- C. BCF. "BCF" means the Bolduc Correctional Facility.
- D. CCF. "CCF" means the Charleston Correctional Facility.
- E. Chief Administrative Officer. "Chief Administrative Officer" means the Maine Department of Corrections official in charge of a Maine Department of Corrections facility.
- F. CMPRC. "CMPRC" means the Central Maine Pre-Release Center.
- G. Commissioner. "Commissioner" means the Commissioner of the Maine Department of Corrections.
- H. Contracting County Jail. "Contracting County Jail" means a County Jail that has entered into, or has requested in writing to enter into, a contract as a result of the Request for Proposals issued by the Maine Department of Corrections that resulted in this Agreement.
- I. County Jails. "County Jail" or "County Jails" means one or more of the following Maine county correctional facilities: Androscoggin County Jail, Aroostook County Jail, Cumberland County Jail, Franklin County Jail, Hancock County Jail, Kennebec County Jail, Knox County Jail, Oxford County Jail, Penobscot County Jail, Piscataquis County Jail, Somerset County Jail, Two Bridges Regional Jail, Waldo County Jail, Washington County Jail, York County Jail.
- J. Department. "Department," when no modifier is used, means the Maine Department of Corrections.
- K. DCF. "DCF" means the Downeast Correctional Facility.
- L. Division of Purchases. "Division of Purchases" means the Division of Purchases within the Maine Department of Administrative and Financial Services.
- M. LCYDC. "LCYDC" means the Long Creek Youth Development Center.

- N. MCC. "MCC" means the Maine Correctional Center.
- O. MDOC. "MDOC" means the Maine Department of Corrections.
- P. MDOC Facilities. "MDOC facilities" or "MDOC facility" means one or more of the following correctional facilities operated by the Maine Department of Corrections: Maine State Prison; Maine Correctional Center; Bolduc Correctional Facility; Charleston Correctional Facility; Downeast Correctional Facility; Central Maine Pre-Release Center; Mountain View Youth Development Center; and Long Creek Youth Development Center.
- Q. MSP. "MSP" means the Maine State Prison.
- R. MVYDC. "MVYDC" means the Mountain View Youth Development Center.
- S. NCCHC. "NCCHC" means the National Commission on Correctional Health Care.
- T. On-Site Manager. "On-Site Manager" means the person designated by the Maine Department of Corrections at each MDOC facility to oversee implementation of the contract at that particular facility.
- U. Prisoner. "Prisoner" means an adult person sentenced and committed to, transferred to, or detained in the custody of the Maine Department of Corrections. The term "prisoner" does not include a person on supervised community confinement.
- V. Resident. "Resident" means a juvenile residing at Mountain View Youth Development Center or Long Creek Youth Development Center.
- W. RFP. "RFP" means the Request for Proposals issued by the Maine Department of Corrections that resulted in this Agreement.
- X. State. "State," unless the context otherwise indicates, means the State of Maine.

II. **TERM AND CONTENTS OF AGREEMENT**

A. Term, Renewal, and Commencement

The initial term of this Agreement is 17 months, beginning February 1, 2007, and ending June 30, 2008. The Agreement may be renewed for up to two additional periods of up to two years each.

Provider shall commence furnishing services only after (i) the State Controller and the State Purchases Review Committee have approved this Agreement, and (ii) MDOC gives Provider written notification to proceed.

B. Contents

The following documents constitute the State of Maine Agreement for Special Services with Provider:

1. State of Maine Agreement for Special Services (Division of Purchases Form BP54 – Page 1, Signatures).
2. Rider B, Method of Payment and Other Provisions.
3. Rider C, Exceptions to Rider B.
4. Rider A, Specification of Services to be Performed.
5. Rider G, Provision of Contract Services by Foreign Nationals or Work Performed Aboard
6. Exhibit 1 – Correct Rx Pharmacy Services, Inc., Corporate Resolution.
7. Maine Department of Corrections “2006 Request for Proposals for Pharmacy Services for MDOC Adult and Juvenile Facilities and Maine County Jails,” RFP # 1006128 issued October 18, 2006, which is incorporated by reference herein.
8. Correct Rx Pharmacy Services, Inc., Proposal Submitted in Response to Request for Proposal # 1006128 (including Price Proposal), with transmittal letter dated December 6, 2006 and signed by Ellen H. Yankellow, President and CEO, which is incorporated by reference herein.

The parties mutually understand and agree that in the event of any conflict among the provisions of the above documents that constitute the State of Maine Contract for Special Services with Provider, the conflict shall be resolved by giving precedence to the documents in the order listed, with the State of Maine Agreement for Special Services (Division of Purchases Form BP54; Face Page) having the highest precedence, and the Correct Rx Pharmacy Services, Inc., Proposal for Pharmacy Services – State of Maine Department of Corrections being subordinate to all other listed documents.

III. PURPOSES OF AGREEMENT; COUNTY JAILS

A. Purposes of Agreement

The purposes of this Agreement are as follows:

1. To provide appropriate medications on a cost effective basis for the benefit of prisoners and residents at the MDOC facilities;
2. To deliver quality pharmacy services that will satisfy, and can be evaluated and audited against, NCCHC and ACA standards, MDOC Policies and Procedures, and the terms of this Agreement;
3. To maintain an open and collaborative relationship between Provider and the Administration and staff of MDOC;
4. To provide a cooperative working relationship between Provider and the MDOC’s medical contractor(s); and

5. To maintain good working relationships among Provider, MDOC, and local pharmacies.

B. County Jails

Provider shall enter into contracts with County Jails for the provision of medications and pharmacy services as follows:

1. At the same time or promptly after Provider executes this Agreement with MDOC, Provider shall enter into separate contracts, containing essentially the same terms and conditions as this Agreement, with each of the following County Jails that participated in the RFP process: Kennebec County Jail; Knox County Jail; Two Bridges Regional Jail; Waldo County Jail; and York County Jail; and
2. Provider shall enter into separate contracts, containing essentially the same terms and conditions contained in this Agreement, with any County Jails not specified in subsection (B)(1) that submit to Provider and MDOC a request in writing, after February 1, 2007, to enter into a contract with Provider on essentially the same terms and conditions contained in this Agreement.

MDOC shall be a party to each of the contracts specified in subsections (B)(1) and (2).

IV. **SCOPE OF SERVICES**

A. Provision of Medications

1. Generally. To the extent requested by MDOC, Provider shall purchase and provide at all of the MDOC facilities all necessary prescription and non-prescription medications. MDOC reserves the right to purchase any or all prescription and non-prescription medications from sources other than Provider. If MDOC elects to purchase medications from a source other than Provider, Provider shall ensure that at the time MDOC purchases the medications from another source there is at least a 30 days' supply of prescription and non-prescription medications at each MDOC facility.
2. Inventory at Commencement. Not later than January 19, 2007, the Agreement Administrator and Provider shall agree on the nature and scope of an assessment of medication storage areas at all MDOC facilities. Upon commencement of the Agreement, Provider and MDOC shall coordinate with MDOC's medical contractor to assess the medication storage area at each MDOC facility. Upon completion of the assessment, Provider shall give to the Agreement Administrator and each On-Site Manager a written report of Provider's findings and recommendations.
3. Comparable Formulary. Provider's formulary for prisoners and residents must be, at a minimum, comparable to the formulary furnished in writing by MDOC to

Provider on or before February 1, 2007 (the "initial MDOC formulary"). Provider shall certify in writing to MDOC no later than March 1, 2007, that Provider's formulary is, at a minimum, comparable to the initial MDOC formulary for prisoners and residents and, for prisoners, also comparable to the formularies used by the State's mental health institutions (Riverview Psychiatric Center and Dorothea Dix Psychiatric Center).

The formulary shall be reviewed at least annually by Provider and the Agreement Administrator and shall be revised as necessary, identifying both adult and juvenile needs.

Nothing in this subsection A(3) is intended to prohibit the prescription of an off-formulary medication when doing so is clinically in the best interests of the prisoner or resident.

4. Procurement and Delivery. All prescriptions faxed to Provider before the 4:00 p.m. cut-off time Monday through Friday will be delivered by Provider the next day, with the exception of Saturday deliveries to CCF, DCF, and MVYDC, where Saturday delivery is not available.

All prescriptions faxed to Provider before noon on Saturday will be delivered by Provider on the following Monday.

5. Dispensing. Provider shall dispense solid oral prescriptions primarily in 30-dose, modified unit of use blister cards, bulk containers, and/or stat packs when required. The quantity dispensed will be adjusted to meet the requirements of the MDOC program. Provider shall provide the specified day supply or the quantity requested by the prescribing practitioner.
6. Cooperation. Provider shall work cooperatively with all personnel of the MDOC facilities and with the adult medical services, juvenile medical services, and adult and juvenile psychiatric services contractors and subcontractors to ensure timely and appropriate delivery of medications and health care services to all prisoners and residents.

B. Utilization Data

Provider shall submit quarterly, or more frequently if required by the Agreement Administrator, to the Agreement Administrator a pharmacy report, in electronic or paper format, for each MDOC facility. The pharmacy report shall include the following information: date of order; formulary and non-formulary orders; summary statistics; medication utilization; cost of the medications; and any other information requested by the Agreement Administrator. The report shall be sorted in a manner to be agreed upon by the Agreement Administrator and Provider.

Provider shall provide other utilization data as requested by the Agreement Administrator.

C. Training

1. Before the commencement of the Agreement, and upon a schedule to be agreed to by the parties, Provider shall provide on-site, in-person training to personnel at each MDOC facility sufficient to ensure a smooth transition for the provision of medications and services by Provider. The transitional training shall address, among other things, prescribing, ordering, billing, and pharmacy review standards.
2. After provision of the training specified in subsection C(1), Provider shall provide any ongoing training requested by the Agreement Administrator.

D. Related Services

1. Provider shall perform at all MDOC facilities all monitoring services expected of a pharmacy, including quarterly inspection of medication rooms and carts. Provider shall submit to the Agreement Administrator, within 30 days of each quarterly inspection, a written report setting forth the results of the monitoring.
2. Provider shall make available at all times a licensed pharmacist for telephone consultation.
3. Provider shall ensure that a registered pharmacist visits each MDOC facility at least every three months and that at each facility the pharmacist:
 - a. Reviews medication administration records for the appropriateness of the documentation;
 - b. Reviews drugs on site for dating and storage;
 - c. Ensures that medications are being destroyed appropriately;
 - d. Provides recommendations as to therapy; and
 - e. Provides education as needed.

For each visit required by this subsection, Provider shall submit to the Agreement Administrator, within 30 days of the visit, a written report setting forth the pharmacist's findings as to items (a) – (e).

E. Local Pharmacies

1. As to each MDOC facility, Provider shall make arrangements with a local pharmacy for an emergency backup supply of medications. Provider, in consultation with MDOC's medical services contractor, shall prepare and submit to the Agreement Administrator by March 1, 2007, written policies to ensure that

medications are purchased from local pharmacies only at appropriate times and in appropriate quantities.

2. MDOC reserves the right to designate the local pharmacy from which emergency medications are obtained.
3. Provider shall invoice MDOC for the cost of medications from local pharmacies in accordance with subsection VII(A)(2).

F. Electronic Medical Records

Provider shall work collaboratively with MDOC in the development of electronic medical records for prisoners and residents.

G. Cost Containment

Provider shall implement and maintain throughout the term of the Agreement the five cost containment initiatives specified at pages 89-92 of Provider's proposal submitted in response to the RFP.

H. Bar Coding

In collaboration with MDOC's medical services contractor, Provider shall institute a bar code scanning system at MDOC facilities where appropriate and technologically feasible in accordance with a schedule to be agreed upon by the Agreement Administrator and Provider. MDOC shall be responsible for the reasonable cost of the purchase of the bar coding equipment; however, there shall be no ongoing cost to MDOC for use of the bar coding system.

I. Audit

MDOC may conduct a performance audit of the pharmacy services at each MDOC facility consistent with NCCHC standards for health care services in prisons.

V. GENERAL SPECIFICATIONS

A. Licensure

All prescription medications may be ordered only by health care professionals appropriately licensed to order the medications. Provider shall retain on file, and shall make available to MDOC on request, all licenses and certifications for all Provider's employees or independent contractors providing services under this Agreement. MDOC shall make available to Provider on request all licenses and certifications of health care professionals, including employees and subcontractors of MDOC's medical services and mental health contractors, who order medications for prisoners and residents.

B. Standards and Compliance

Provider shall provide all medications and services under this Agreement in accordance with all applicable provisions of federal and State laws and regulations, MDOC Policies and Procedures (including MDOC policies governing both routine and emergency procurements), NCCHC Standards for Health Services in Prisons, NCCHC Standards for Health Services in Juvenile Facilities, ACA Standards for Medical Care in Prisons, ACA Standards for Medical Care for Juvenile Facilities, any requirements imposed by the Maine Department of Health and Human Services, and any applicable court order that may be entered before or during the term of the Agreement.

C. Quality Assurance

Provider shall comply with all MDOC Policies and Procedures relating to quality assurance and review.

Provider shall provide to MDOC, on a quarterly basis, a quality assurance report that includes:

1. Error rate;
2. Compliance with medication room audits;
3. Quality indicators; and
4. Discrepancy reports.

D. Security

Provider's personnel shall be subject to all MDOC Policies and Procedures relating to security and to the individual MDOC facility's practices relating to security.

E. Health Care Policies

Provider shall cooperate with MDOC in establishing and/or revising health care policies and procedures as necessary.

F. Accreditation and Compliance

Provider shall work cooperatively with MDOC to secure NCCHC and ACA accreditation with respect to the medication component of the health care delivery system at all MDOC facilities.

G. Disaster Preparedness Plan

Provider shall participate in the planning of, training for, and operation of each MDOC facility's emergency plan to the satisfaction of the Chief Administrative Officer and the On-Site Manager.

VI. MISCELLANEOUS REQUIREMENTS

A. Transition

1. Upon execution of this Agreement, Provider must work with MDOC, any other agencies designated by MDOC, and MDOC's current contractor(s) for medical services, to ensure an orderly transition of services and responsibilities under the Agreement and to ensure continuity of medications and pharmacy services for prisoners and residents.
2. In the event that services furnished by Provider end by either expiration or termination of the Agreement, Provider must continue to provide the services required by the Agreement, if and to the extent requested by the Commissioner or designee until new services are completely operational. The transitional period shall not extend more than 180 days after the expiration date of the Agreement, or the expiration date of any renewal period, or the date of termination of the Agreement if the Agreement is terminated before the expiration date. Provider will be reimbursed during the period of transition at the rate in effect when the Agreement expired or was terminated.

During the transition, Provider shall:

- a. Cooperate fully with any successor or replacement contractor and with the State of Maine to ensure a smooth and timely transition to the successor or replacement contractor;
- b. Fully inform the successor or replacement contractor about the status and inventory of medications at all MDOC facilities;
- c. Continue providing medications and pharmacy services until these duties are actually taken over by the successor or replacement contractor, so that at no time are the prisoners and residents in the MDOC facilities without medications or pharmacy services;
- d. Preserve and deliver to MDOC all records of any type, whether electronic or paper, that are maintained by Provider with respect to the performance of the Agreement;
- e. Preserve, inventory, account for, and deliver to MDOC all property belonging to MDOC; and
- f. Preserve, inventory, account for, and deliver to MDOC any and all pharmaceuticals and related supplies on hand at the MDOC facilities or in shipment to the MDOC facilities.

B. Modification of the Agreement

Changes in services to be furnished under the Agreement, or other modifications of the Agreement, may be made only after being mutually agreed to in writing by Provider and MDOC through an amendment to the Agreement. Modifications of the Agreement will commence only upon written approval by the Division of Purchases.

C. Performance Bond

On or before the date of execution of this Agreement, Provider shall file with the Agreement Administrator a performance bond payable to "Treasurer, State of Maine" in the amount of \$1,000,000 guaranteeing full and faithful performance of all undertakings required of Provider by this Agreement and the contracts with all contracting County Jails, and the payment of all Provider's obligations arising under this Agreement and the contracts with all contracting County Jails for both the initial term and all renewals or extensions. The bond shall be for an initial seventeen-month term and then shall be renewable annually on the anniversary date of the Agreement with MDOC. The bond must be in the manner and form prescribed by the State of Maine and must be issued by an insurance or security company authorized to issue such a bond in the State of Maine. The bond shall be in effect at all times during the term of the Agreement and the contracts with all contracting County Jails.

Provider shall not be required to obtain a separate performance bond for the County Jails, individually or collectively; instead, as specified in the preceding paragraph, the performance bond required by this subsection D shall also guarantee Provider's full and faithful performance under Provider's contracts with all contracting County Jails.

D. Confidentiality

No person providing services under this Agreement shall communicate, in writing or orally, regarding the provision of such services, the conditions of confinement, or any other matter the knowledge of which has been obtained by virtue of their position as provider of pharmacy services at an MDOC facility with any other person, without the specific permission of the Chief Administrative Officer or designee unless such communication is with another medical provider for the sole purpose of providing medical care to the prisoner or resident involved. This restriction does not apply to communications between Provider and MDOC's staff, MDOC's attorney, or Provider's employees or contract agents, or to the release of a prisoner's or resident's medical records upon receipt of a signed and witnessed MDOC release of information form. (See generally 34-A M.R.S.A. § 1216 and MDOC Policies and Procedures).

E. Publication of Findings

Provider shall not publish any findings based on data obtained from or relating to the operation of the Agreement without the prior written consent of MDOC. MDOC reserves the right to publish any material relating to or arising out of the operation of the Agreement.

F. Research

Provider shall not conduct any research projects involving prisoners or residents without the prior written consent of the Commissioner or designee. Provider and MDOC may collaborate to identify opportunities for Provider, or for Provider and MDOC, to perform research regarding best practices in a correctional setting. If the parties agree that Provider should perform the research, the parties shall reduce their understanding to writing before Provider begins the research. Provider may conduct authorized research only in compliance with State law and with the written conditions and guidelines agreed upon by Provider and MDOC. In every case, the written informed consent of a subject of a research project shall be obtained before the subject may participate. In the case of a juvenile, the written informed consent shall be obtained from the juvenile's parent or guardian prior to participation.

Provider shall cooperate fully with any research conducted by MDOC, by another State agency, or by an outside research firm approved by MDOC.

G. News Releases

Provider may not issue news releases, press releases, or statements to the media regarding any aspect of the services being provided under the Agreement, or any matter pertaining to the Agreement, without the prior written consent of the Commissioner or designee.

H. Force Majeure

In the event that MDOC excuses the performance of one or more obligations of Provider because of the occurrence of one of the events listed in Section 25 of Rider B, Provider shall make every effort to ensure that at least an emergency supply of medications will continue during the occurrence of the event(s).

I. Requirements Contract

During the term of the Agreement, Provider will furnish all of the services specified in the RFP, Provider's Proposal, and the Agreement.

J. Non-Compete Agreements

Provider may not enter into any agreement with any of its officers, employees, independent contractors, or subcontractors that would restrict or interfere in any way with their ability to:

1. Accept employment, an independent contractor relationship, or a subcontractor relationship with MDOC, with any other agency of the State of Maine, or with an entity furnishing services or goods to MDOC or any other agency of the State of Maine;
2. Compete with Provider; or

3. Negotiate with MDOC or any other agency of the State of Maine for a contract that is the subject of the RFP or for any other future contract with MDOC or any other agency of the State of Maine.

K. Notices

All notices required under the Agreement, unless jointly agreed to otherwise in writing, shall be in writing and shall be delivered by certified mail, return receipt requested, to the correct address of the parties to the Agreement. A party changing its address must give written notice of the new address to the other party.

L. Notice of Suit

Provider shall notify the Agreement Administrator immediately if Provider or any person or subcontractor furnished by Provider to provide services under the Agreement, or any agent or employee of Provider is named as a party in a civil action in federal or state court arising out of services provided under the Agreement or if Provider receives a notice of claim as to a possible civil action arising out of services provided under the Agreement.

M. Data Non-Proprietary

Any cost data obtained by MDOC from Provider during the term of the Agreement will be non-proprietary and non-confidential and may be disclosed by MDOC to third parties.

N. Health Care Records

All health care records and information contained in those records are the property of MDOC and shall remain with MDOC upon termination of the Agreement. Provider shall follow all MDOC Policies and Procedures relating to access to and confidentiality of the health care records. Provider shall supply upon request of the Agreement Administrator, Chief Administrative Officer, or On-Site Manager, any and all records relating to prisoner or resident medications or health care which are in Provider's possession.

All nonproprietary records kept by Provider pertaining to the Agreement or to services provided under the Agreement, including but not limited to those records specifically mentioned in the RFP or the Agreement, shall be made available by Provider to MDOC for lawsuits, monitoring or evaluation of the Agreement, and other statutory responsibilities of MDOC and/or other State agencies, and shall be provided at the cost of Provider when requested by MDOC during the term of the Agreement or after expiration or termination of the Agreement for the period specified in subsection O.

O. Length of Retention Period

1. Unless otherwise specifically governed by MDOC Policies and Procedures, Provider shall retain all records specified in subsection N above for a period of 7 years or for the period for which records of the same type must be retained by the

State pursuant to statute, whichever is longer. All retention periods start on the day the record is created.

2. If any litigation, claim, negotiation, audit, or other action involving the records referred to in subsection O(1) has been started before the expiration of the applicable retention period, Provider shall retain all records until completion of the action and resolution of all issues which arise from it, or until the end of the period specified in subsection O(1), whichever is later.

VII. COMPENSATION

A. Agreement Price

1. MDOC shall pay Provider, for medications and services furnished by Provider during the term of and in accordance with this Agreement, on the following cost-plus basis:

- a. Administrative Fee – Per Prisoner or Resident/Per Month Cost: \$2.95

At the beginning of each month, MDOC shall determine the average daily aggregate prisoner and resident population for all MDOC facilities during the preceding month. The Administrative Fee for any month shall be calculated by multiplying the average daily population for the month times \$2.95.

- b. All Other Costs: Cost plus 3%

2. Provider shall invoice MDOC for medications obtained from local or backup pharmacies at the lesser of the following:

- a. Invoice acquisition cost plus 3%; or
- b. Actual price charged by the local pharmacy with no mark up.

MDOC will be responsible for payment of all charges by the local or backup pharmacy other than the cost of medications. Such other charges include, but are not limited to, administrative and/or delivery fees.

3. As used in this subsection A, the following terms have the following meanings:

- a. Administrative Fee. “Administrative fee” means Provider’s facility-based expenses, including, but not limited to, labor, packaging, telephonic pharmacist consulting, and designated report generation.
- b. All Other Costs. “All Other Costs” means Provider’s cost of acquiring medications (i.e., actual acquisition cost as defined by wholesaler invoice), shipping, consultant pharmacist (inspections, P&T not to exceed

\$1,500.00 per quarter, and other meetings), training, pharmacy management meetings, backup/emergency pharmacy, non-standard report generation, internet ordering (if requested), and other services requested by MDOC not included in overhead costs under subsection A(3)(a). Costs of medications shall be based on actual utilization during the given month. The remainder of "all other costs" shall be reflected in the billing.

4. Adjustment of Estimated Agreement Amount. If costs exceed or are less than the estimated amount specified in Rider B, section 1, the parties shall enter into an amendment to this Agreement to reflect the agreed-upon adjustment.
5. Renewal. If the parties renew this Agreement in accordance with subsection II(A), the pricing for each 12 months of the renewal period shall be the same as the price stated in subsection VII(A)(1); provided, however, that subsection VII(A)(1)(a) shall be increased, for each 12 months of each renewal period, by an amount no greater than the Medical Care Component of the Consumer Price Index for the Northeast within the 12 months immediately preceding the commencement of the period of renewal.

B. Invoice Documentation

Provider shall submit monthly to MDOC an invoice for 1/17 of MDOC's estimate of the Department's total cost of the medications and services provided under this Agreement.

By the 20th day of each month, Provider shall submit to the Agreement Administrator, a monthly invoice for reconciliation of estimated cost to actual cost for the preceding month. The monthly financial package submitted by Provider shall reflect costs and expenses for the preceding month in a manner that is in accordance with generally accepted accounting principles and consistent with Provider's current practice.

C. Payments

MDOC shall make monthly electronic payments to Provider by the 15th of the month based on 1/17 of MDOC's estimate, which may be revised from month to month, of the Department's annual cost of the medications and services provided under the Agreement minus any penalties or adjustments described in Section VI and any other instances of non-compliance with the Agreement. As to any given month's estimated payment, Provider shall provide a reconciliation of estimated cost to actual cost by the 20th of the following month. The estimated annual Agreement cost shall be based on the annualized total cost of medications in the previous contract year.

MDOC may audit any or all invoices, receipts, or other records necessary to reconcile actual expenses as reported.

MDOC shall withhold the final payment of the term of this Agreement until MDOC has determined and reconciled any and all overpayments, adjustments, or penalties. The final payment of the term of this Agreement, and of the term of any renewals of this Agreement, shall be handled as follows: MDOC shall pay 50% of the invoice on the day

it is due, and MDOC shall pay the remaining 50% of the invoice, less any applicable adjustments, penalties, or overpayments, within 45 days of the last day of service.

VIII. PENALTIES AND ADJUSTMENTS TO COMPENSATION

A. Late Report Adjustment

MDOC shall furnish to Provider updated census data within 7 days after the close of the month. For any month in which MDOC furnishes to Provider updated census data within 7 days after the close of the month and Provider fails to provide the quarterly report specified in subsection III(B) within 15 days after the close of that month, the report shall be deemed late for that month (a "late report"). Any late report not received within 20 days thereafter shall result in an adjustment assessed in the amount of \$500. Provider shall be assessed additional adjustments of \$500 per month for each successive month that the late report is not received.

B. Late Payment Adjustment

If Provider fails to pay a local pharmacy or other vendor or creditor providing goods or services relating to this Agreement within 45 days of receipt of an invoice, an adjustment of 10% of the amount of the particular invoice shall be assessed unless the Agreement Administrator, at his or her sole discretion, excuses or reduces the adjustment.

C. Penalties and Adjustments Non-Exclusive

The assessment and collection of any of the penalties or adjustments authorized by this Section VIII do not constitute an exclusive remedy and shall not preclude MDOC from terminating the Agreement in whole or in part, from seeking damages in a civil action, and/or from seeking other available judicial relief, because of such failures.

RIDER B
METHOD OF PAYMENT AND OTHER PROVISIONS

1. **AGREEMENT AMOUNT.** \$3,740,000.00

2. **INVOICES AND PAYMENTS.** The Department will pay Provider as follows:

The Department will pay Provider in accordance with the price, invoice documentation, and payment provisions of Rider A, Section VII.

Payments are subject to Provider's compliance with all items set forth in this Agreement and subject to the availability of funds. The Department will process approved payments within 30 days.

3. **BENEFITS AND DEDUCTIONS.** If Provider is an individual, Provider understands and agrees that he/she is an independent contractor for whom no Federal or State Income Tax will be deducted by the Department, and for whom no retirement benefits, survivor benefit insurance, group life insurance, vacation and sick leave, and similar benefits available to State employees will accrue. Provider further understands that annual information returns, as required by the Internal Revenue Code or State of Maine Income Tax Law, will be filed by the State Controller with the Internal Revenue Service and the State of Maine Bureau of Revenue Services, copies of which will be furnished to Provider for his/her Income Tax records.

4. **INDEPENDENT CAPACITY.** In the performance of this Agreement, the parties hereto agree that Provider, and any agents and employees of Provider shall act in the capacity of an independent contractor and not as officers or employees or agents of the State.

5. **DEPARTMENT'S REPRESENTATIVE.** The Agreement Administrator shall be the Department's representative during the period of this Agreement. He/she has authority to curtail services if necessary to ensure proper execution. He/she shall certify to the Department when payments under the Agreement are due and the amounts to be paid. He/she shall make decisions on all claims of Provider, subject to the approval of the Commissioner of the Department.

6. **AGREEMENT ADMINISTRATOR.** All progress reports, correspondence and related submissions from Provider shall be submitted to:

Name: Katherine E. Plante
Title: Director of Health Care Services,
Address: Maine Department of Corrections
 State House Station #111
 Augusta, Maine 04333

who is designated as the Agreement Administrator on behalf of the Department for this Agreement, except where specified otherwise in this Agreement.

7. **CHANGES IN THE WORK.** The Department may order changes in the work, the Agreement Amount being adjusted accordingly. Any monetary adjustment or any substantive change in the work shall be in the form of an amendment, signed by both parties and approved by the State Purchases Review Committee. Said amendment must be effective prior to execution of the work.
8. **SUB-AGREEMENTS.** Unless provided for in this Agreement, no arrangement shall be made by Provider with any other party for furnishing any of the services herein contracted for without the consent and approval of the Agreement Administrator. Any sub-agreement hereunder entered into subsequent to the execution of this Agreement must be annotated "approved" by the Agreement Administrator before it is reimbursable hereunder. This provision will not be taken as requiring the approval of contracts of employment between Provider and its employees assigned for services thereunder.
9. **SUBLETTING, ASSIGNMENT OR TRANSFER.** Provider shall not sublet, sell, transfer, assign or otherwise dispose of this Agreement or any portion thereof, or of its right, title or interest therein, without written request to and written consent of the Agreement Administrator. No subcontracts or transfer of agreement shall in any case release Provider of its liability under this Agreement.
10. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Agreement, Provider agrees as follows:
 - a. Provider shall not discriminate against any employee or applicant for employment relating to this Agreement because of race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, or sexual orientation, unless related to a bona fide occupational qualification. Provider shall take affirmative action to ensure that applicants are employed and employees are treated during employment, without regard to their race, color, religion, sex, age, national origin, physical or mental disability, or sexual orientation.

Such action shall include but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; and selection for training including apprenticeship. Provider agrees to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions of this nondiscrimination clause.
 - b. Provider shall, in all solicitations or advertising for employees placed by or on behalf of Provider relating to this Agreement, state that all qualified applicants shall receive consideration for employment without regard to race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, or sexual orientation.

- c. Provider shall send to each labor union or representative of the workers with which it has a collective bargaining agreement, or other agreement or understanding, whereby it is furnished with labor for the performance of this Agreement a notice to be provided by the contracting agency, advising the said labor union or workers' representative of Provider's commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - d. Provider shall inform the contracting Department's Equal Employment Opportunity Coordinator of any discrimination complaints brought to an external regulatory body (Maine Human Rights Commission, EEOC, Office of Civil Rights) against their agency by any individual as well as any lawsuit regarding alleged discriminatory practice.
 - e. Provider shall comply with all aspects of the Americans with Disabilities Act (ADA) in employment and in the provision of service to include accessibility and reasonable accommodations for employees and clients.
 - f. Contractors and subcontractors with contracts in excess of \$50,000 shall also pursue in good faith affirmative action programs.
 - g. Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
11. **EMPLOYMENT AND PERSONNEL.** Provider shall not engage any person in the employ of any State Department or Agency in a position that would constitute a violation of 5 MRSA § 18 or 17 MRSA § 3104. Provider shall not engage on a full-time, part-time or other basis during the period of this Agreement, any other personnel who are or have been at any time during the period of this Agreement in the employ of any State Department or Agency, except regularly retired employees, without the written consent of the State Purchases Review Committee. Further, Provider shall not engage on this project on a full-time, part-time or other basis during the period of this Agreement any retired employee of the Department who has not been retired for at least one year, without the written consent of the State Purchases Review Committee. Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
12. **STATE EMPLOYEES NOT TO BENEFIT.** No individual employed by the State at the time this Agreement is executed or any time thereafter shall be admitted to any share or part of this Agreement or to any benefit that might arise therefrom directly or indirectly that would constitute a violation of 5 MRSA § 18 or 17 MRSA § 3104. No other individual employed by the State at the time this Agreement is executed or any time thereafter shall be admitted to any share or part of this Agreement or to any benefit that might arise therefrom directly or indirectly due to his employment by or financial interest

in Provider or any affiliate of Provider, without the written consent of the State Purchases Review Committee. Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

13. **WARRANTY.** Provider warrants that it has not employed or contracted with any company or person, other than for assistance with the normal study and preparation of a proposal, to solicit or secure this Agreement and that it has not paid, or agreed to pay, any company or person, other than a bona fide employee working solely for Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon, or resulting from the award for making this Agreement. For breach or violation of this warranty, the Department shall have the right to annul this Agreement without liability or, in its discretion to otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.
14. **ACCESS TO RECORDS.** Provider shall maintain all books, documents, payrolls, papers, accounting records and other evidence pertaining to this Agreement and make such materials available at its offices at all reasonable times during the period of this Agreement and for such subsequent period as specified under Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP) rules. Provider shall allow inspection of pertinent documents by the Department or any authorized representative of the State of Maine or Federal Government, and shall furnish copies thereof, if requested.
15. **TERMINATION.** The performance of work under the Agreement may be terminated by the Department in whole, or in part, whenever for any reason the Agreement Administrator shall determine that such termination is in the best interest of the Department. Any such termination shall be effected by delivery to Provider of a Notice of Termination specifying the extent to which performance of the work under the Agreement is terminated and the date on which such termination becomes effective. The Agreement shall be equitably adjusted to compensate for such termination, and modified accordingly.
16. **GOVERNMENTAL REQUIREMENTS.** Provider warrants and represents that it will comply with all governmental ordinances, laws and regulations.
17. **GOVERNING LAW.** This Agreement shall be governed in all respects by the laws, statutes, and regulations of the United States of America and of the State of Maine. Any legal proceeding against the State regarding this Agreement shall be brought in State of Maine administrative or judicial forums. Provider consents to personal jurisdiction in the State of Maine.
18. **STATE HELD HARMLESS.** Provider agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims, costs, expenses, injuries, liabilities, losses and damages of every kind and description (hereinafter in this paragraph referred to as "claims") resulting from or arising out of the performance of this Agreement by Provider, its employees, agents, or subcontractors. Claims to which this

indemnification applies include, but without limitation, the following: (i) claims suffered or incurred by any contractor, subcontractor, materialman, laborer and any other person, firm, corporation or other legal entity (hereinafter in this paragraph referred to as "person") providing work, services, materials, equipment or supplies in connection with the performance of this Agreement; (ii) claims arising out of a violation or infringement of any proprietary right, copyright, trademark, right of privacy or other right arising out of publication, translation, development, reproduction, delivery, use, or disposition of any data, information or other matter furnished or used in connection with this Agreement; (iii) claims arising out of a libelous or other unlawful matter used or developed in connection with this Agreement; (iv) claims suffered or incurred by any person who may be otherwise injured or damaged in the performance of this Agreement; and (v) all legal costs and other expenses of defense against any asserted claims to which this indemnification applies. This indemnification does not extend to a claim that results solely and directly from (i) the Department's negligence or unlawful act, or (ii) action by Provider taken in reasonable reliance upon an instruction or direction given by an authorized person acting on behalf of the Department in accordance with this Agreement.

19. **NOTICE OF CLAIMS.** Provider shall give the Agreement Administrator immediate notice in writing of any legal action or suit filed related in any way to the Agreement or which may affect the performance of duties under the Agreement, and prompt notice of any claim made against Provider by any subcontractor which may result in litigation related in any way to the Agreement or which may affect the performance of duties under the Agreement.
20. **APPROVAL.** This Agreement must have the approval of the State Controller and the State Purchases Review Committee before it can be considered a valid, enforceable document.
21. **LIABILITY INSURANCE.** Provider shall keep in force a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Agreement with adequate liability coverage to protect itself and the Department from suits. Providers insured through a "risk retention group" insurer prior to July 1, 1991 may continue under that arrangement. Prior to or upon execution of this Agreement, Provider shall furnish the Department with written or photocopied verification of the existence of such liability insurance policy.
22. **NON-APPROPRIATION.** Notwithstanding any other provision of this Agreement, if the State does not receive sufficient funds to fund this Agreement and other obligations of the State, if funds are de-appropriated, or if the State does not receive legal authority to expend funds from the Maine State Legislature or Maine courts, then the State is not obligated to make payment under this Agreement.
23. **SEVERABILITY.** The invalidity or unenforceability of any particular provision or part thereof of this Agreement shall not affect the remainder of said provision or any other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision or part thereof had been omitted.

24. **INTEGRATION.** All terms of this Agreement are to be interpreted in such a way as to be consistent at all times with the terms of Rider B (except for expressed exceptions to Rider B included in Rider C), followed in precedence by Rider A, and any remaining Riders in alphabetical order.
25. **FORCE MAJEURE.** The Department may, at its discretion, excuse the performance of an obligation by a party under this Agreement in the event that performance of that obligation by that party is prevented by an act of God, act of war, riot, fire, explosion, flood or other catastrophe, sabotage, severe shortage of fuel, power or raw materials, change in law, court order, national defense requirement, or strike or labor dispute, provided that any such event and the delay caused thereby is beyond the control of, and could not reasonably be avoided by, that party. The Department may, at its discretion, extend the time period for performance of the obligation excused under this section by the period of the excused delay together with a reasonable period to reinstate compliance with the terms of this Agreement.
26. **SET-OFF RIGHTS.** The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any monies due to the Provider under this Agreement up to any amounts due and owing to the State with regard to this Agreement, any other Agreement, any other Agreement with any State department or agency, including any Agreement for a term commencing prior to the term of this Agreement, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Controller.
27. **ENTIRE AGREEMENT.** This document contains the entire Agreement of the parties, and neither party shall be bound by any statement or representation not contained herein. No waiver shall be deemed to have been made by any of the parties unless expressed in writing and signed by the waiving party. The parties expressly agree that they shall not assert in any action relating to the Agreement that any implied waiver occurred between the parties which is not expressed in writing. The failure of any party to insist in any one or more instances upon strict performance of any of the terms or provisions of the Agreement, or to exercise an option or election under the Agreement, shall not be construed as a waiver or relinquishment for the future of such terms, provisions, option or election, but the same shall continue in full force and effect, and no waiver by any party of any one or more of its rights or remedies under the Agreement shall be deemed to be a waiver of any prior or subsequent rights or remedy under the Agreement or at law.

RIDER C
EXCEPTIONS TO RIDER B

1. Termination. Section 15 of Rider B (“Termination”) is amended by deleting the section and inserting in its place the following:

Provider may terminate this Agreement, without cause, upon 120 days prior written notice. MDOC may terminate this Agreement at any time and reserves the right to purchase medications from a source other than Provider. If MDOC elects to terminate this Agreement and purchase medications from a source other than Provider, Provider shall ensure that at each MDOC facility at the time of the termination of the Agreement there is at least a 30 days’ supply of prescription and non-prescription medications.

2. Indemnification. Section 18 of Rider B (“State Held Harmless”) is amended by deleting the section and inserting in its place the following:

Provider shall indemnify, defend, and hold MDOC, its employees, and its agents harmless from and against any claims against them, or them based on Provider’s failure or the failure of any employee or agent of Provider to perform its obligations under the Agreement. This indemnification shall be capped at \$1,000,000 per occurrence. This indemnification shall not waive any tort claim or civil rights claim immunity defense otherwise available under the Maine Tort Claims Act or any other law.

3. Insurance. Section 21 of Rider B (“Liability Insurance”) is amended by deleting the last sentence and by inserting at the end of the section the following:

Provider shall also comply with the following requirements regarding insurance coverage:

- a. Professional Liability Insurance

- (1) Coverage. At the time of commencement of the Agreement, Provider shall have in force: (a) a professional liability insurance policy to cover tort claims against Provider and Provider’s staff, with a limit of \$1,000,000.00 per occurrence and a \$3,000,000.00 total policy limit; (b) civil rights insurance to cover civil rights claims against Provider and Provider’s staff, with a limit of \$1,000,000 per occurrence and a \$3,000,000 total policy limit; and (c) insurance to cover tort and civil rights claims, resulting from the conduct of Provider’s staff, against the MDOC facilities, their employees and agents, whom Provider is required by contract to indemnify, with a limit of \$1,000,000 per occurrence and a \$3,000,000 total policy limit.

- (2) Continuing Coverage. At the time of termination of the Agreement, Provider shall provide continuing insurance coverage to cover the claims described in subsection 3(a)(1), using professional liability insurance and civil rights insurance policies subject to the same MDOC review and

approval provisions described in subsection 3(a)(3), for a period sufficient to meet any applicable statute of limitations.

(3) Proof of Coverage; Changes in Coverage. Provider must submit proof of insurance coverage consistent with the requirements of the RFP before the signing of the Agreement. MDOC will retain the right to review any insurance policies procured by Provider. Provider must promptly notify MDOC of any changes in insurance coverage, and MDOC will have the right to approve any such changes. MDOC will not unreasonably withhold such approval.

b. Employee-Related Insurance. Before signing the Agreement, Provider must have in place, and must be prepared to submit proof of, Workers' Compensation Insurance as required by Maryland law, Unemployment Insurance as required by federal and Maryland law, and any other employee insurance required by federal or Maryland law.

4. Non-Appropriation. Section 22 of Rider B ("Non-Appropriation") is amended by inserting at the end of the section the following:

If the State informs Provider that the State is unable to make payment to Provider for any of the reasons specified in this Section, Provider's duties under this Agreement shall thereupon cease.

RIDER G
PROVISION OF CONTRACT SERVICES BY FOREIGN NATIONALS OR
WORK PERFORMED ABROAD

The Maine Legislature has asked the Division of Purchases¹ to determine the country where contracted services will be performed.

The following contract/amendment has been executed with the State of Maine.

1	Division of Purchases Contract Reference
2	Contractor Name Correct Rx Pharmacy Services, Inc.
3	Brief Contract Service Description Provision of pharmacy services

So that we may comply with the Legislature's request, please provide responses to the following questions. To successfully complete the questionnaire be alert for follow-up entries if certain responses are made. Please show your responses in the spaces provided. You may mark any box with using your computer, keyboard & mouse. Highlight the box () with your cursor and type a lowercase "x." If additional entries are needed, type to the right of the mark (>) shown in questions 1 and 3.

1. Will any of the services described in the contract's scope of work be performed outside of the United States of America?

- No. Go to Q.3.
 - Yes. If "Yes," show in what country(ies) below and Continue w/Q.2 and Q3.
- >

2. If you responded "Yes," above, who will perform any of the services described in the contract's scope of work?

- Citizens of the USA living abroad. Foreign nationals.

3. In what US state or foreign country is your firm incorporated?

Maryland

Name of the Person Submitting the Information	Voice Phone Number
Katherine E. Plante	287-4511

Thank you for completing this information. You may send the completed form by email to the Division of Purchases [Jerry.Nault@maine.gov] or return it by telephone facsimile [207/287-6578] in addition to a response by regular post [9 State House Station, Augusta, ME 04333-0009].

Notification of Changes to the Information

A provision of the Resolve requires service providers to notify the Division of Purchases of any changes to this information. That notification may be sent to the address shown above and should reference the Purchases File Number.

¹ Resolve, Chapter 16, First Special Session-2005.

EXHIBIT 1 to MDOC-Correct Rx Pharmacy Services, Inc., Agreement

SECRETARY'S CERTIFICATE

I, Jill R. Molofsky, do hereby certify that I am Secretary of Correct Rx Pharmacy Services, Inc. (the "Corporation"), and that, as such, I am authorized to execute this Certificate on behalf of the Corporation, and further certify that:

1. Exhibit A attached hereto is a true and correct copy of a resolution duly adopted by unanimous written consent by the Board of Directors of the Corporation; such resolution was filed with the minutes of the proceedings of such Board; and with respect to the Corporation, such resolutions are in full force and effect and have not been rescinded or modified in any manner.

IN WITNESS WHEREOF, I have executed this Certificate this 9 day of January, 2007.

[Signature of Secretary]

[Typed name of Secretary]

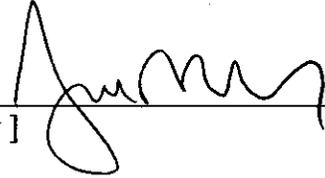


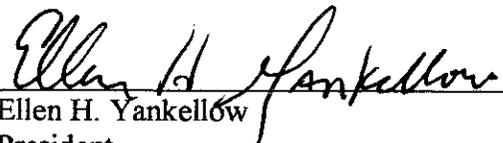
Exhibit A

AUTHORIZATION TO CONTRACT

RESOLVED, that the President, Ellen H. Yankellow, is authorized and empowered to negotiate, enter into and execute, for and in the name of the Corporation, any and all agreements, contracts and other instruments relating to the business of the Corporation with the State of Maine and Maine Department of Corrections..

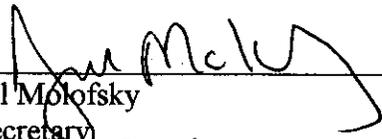
RESOLVED, that each of the above-identified officers of the Corporation is authorized:

- a. to execute and deliver all additional documents that may be appropriate or desirable in connection with the foregoing; and
- b. to execute and deliver and renewal forms, amendments, extensions, transfers, or termination agreements with respect to the foregoing.



Ellen H. Yankellow
President

1/9/07
Date



Jill Molofsky
Secretary

1/9/07
Date



James P. Tristani
Treasurer

1/9/07
Date