

**ADDENDUM TO
PHARMACY SERVICES AGREEMENT
BETWEEN
MAXORPLUS, LTD. AND FORT BEND COUNTY**

MaxorPlus, Ltd., ("MaxorPlus") and Fort Bend County (CLIENT) have a Pharmacy Service Agreement ("the Agreement") with an effective date of January 1, 2005, and extended from time to time which Agreement requires an Amendment to Exhibit A as follows and which requires the adoption of the updated attached Exhibit D, Business Associate Addendum; which must be signed by CLIENT to satisfy requirements of law,

1. **Retail Prescriptions.** For each Prescription dispensed by a Participating Pharmacy to an Eligible Member, CLIENT shall reimburse MAXORPLUS an amount equal to the lesser of: the Participating Pharmacy's Usual and Customary Price less co-payment amount as established by the CLIENT; or AWP less 17% for brand-name drugs plus \$1.25 less co-payment amount as established by CLIENT; or for generic drugs Maximum Allowable Cost plus \$1.25 less the Eligible Member's co-payment amount as established by CLIENT.
2. **Mail Order Pharmacy.** For each Prescription dispensed by the MAXORPLUS Mail Order Pharmacy to an Eligible Member, CLIENT shall pay MAXORPLUS AWP less 22% plus \$0.00 for brand-name drugs less co-payment amount as established by CLIENT; or AWP less 60% or MAC plus \$0.00 for generic drugs less co-payment amount as established by CLIENT. If shipping fees increase during the term of this Agreement the foregoing fees shall be increased by the same amount. The minimum charge per Prescription shall be \$9.50. In the event an Eligible Member submits to MAXORPLUS a Co-payment in an insufficient amount, and MAXORPLUS is unable to collect the correct Co-payment amount from the Eligible Member, then MAXORPLUS may invoice CLIENT for the amount of the uncollected Co-payment(s) on a regular basis, and CLIENT shall be liable for payment of such co-payment amount.

The attached document, labeled as Exhibit D Business Associate Addendum, and executed by the parties is adopted and appended to the Agreement.

Therefore, the changes and additions stated above are adopted. In all other respects the Agreement shall remain unchanged.

EXECUTED this 17 day of December, 2013, by the last of the parties to sign, with an intended effective date of January 1, 2014.

MAXORPLUS, LTD.

By: _____

Steve Smith

Title: Executive Vice President

Date: _____

12/18/13

FORT BEND COUNTY

By: _____

Robert E. Hebert

Title: County Judge

Date: _____

12-17-2013

EXHIBIT "D"
BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is made as of the ____ day of _____, 2013 ("Effective Date") by and between Fort Bend County ("Covered Entity") and MaxorPlus, Ltd. ("Business Associate").

BACKGROUND

Covered Entity and Business Associate wish to enter into this Agreement for purposes of complying with the Privacy, Security, Breach Notification, and Enforcement regulations at 45 CFR parts 160 and 164 (collectively the "HIPAA Standards"). The provisions of this Agreement apply with respect to all Protected Health Information ("PHI"), as defined in 45 CFR § 164.501, created, received, maintained or transmitted by Business Associate in its representation of Covered Entity.

TERMS

In consideration of the mutual covenants contained herein, Business Associate and Covered Entity agree as follows:

1. Obligations of Business Associate.

(a) Business Associate will not use or disclose PHI other than as permitted or required by this Agreement or as required by law.

(b) Business Associate will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that it creates, receives, maintains, or transmits on behalf of Covered Entity as required by the HIPAA Standards, and to prevent use or disclosure of PHI other than as provided for by this Agreement. Business Associate will comply with Subpart C of 45 CFR Part 164 with respect to electronic PHI.

(c) Business Associate will mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.

(d) To the extent the Business Associate is to carry out one or more of Covered Entity's obligations under Subpart E of 45 CFR Part 164, Business Associate will comply with the requirements of 45 CFR Part 164, Subpart E that apply to Covered Entity in the performance of such obligations.

(e) Business Associate will report to Covered Entity (i) any use or disclosure of PHI not provided for by this Agreement of which Business Associate becomes aware, and (ii) any security incident (as defined in 45 CFR § 164.304) of which it becomes aware. Business Associate will notify Covered Entity of any breach of unsecured PHI, as defined in 45 CFR § 164.402, without unreasonable delay and in no case later than 10 calendar days after Business Associate discovers the breach.

(f) Business Associate will ensure that any agent, including a subcontractor, that receives PHI from Business Associate, or creates, receives, maintains, or transmits PHI on behalf of Business Associate, agrees to the same restrictions, conditions and requirements that apply to Business Associate with respect to such PHI, and agrees to implement reasonable and appropriate safeguards to

protect the security and privacy of such PHI, by entering into an agreement with Business Associate that meets the applicable requirements of the HIPAA Standards.

(g) Business Associate will make books and records relating to the use and disclosure of PHI available to the Secretary of Health and Human Services ("Secretary") or the Secretary's designee, in a time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Standards.

(h) At Covered Entity's request, Business Associate will make available PHI in Business Associate's possession to enable Covered Entity to respond to a request by an individual for access to PHI in accordance with 45 CFR § 164.524.

(i) At Covered Entity's request, Business Associate will make available PHI in Business Associate's possession for amendment, and will incorporate any amendments to PHI, in accordance with 42 CFR § 164.526.

(j) Business Associate will maintain and will provide to Covered Entity on request such documentation of disclosures of PHI as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528. Upon receipt of a request for an accounting directly from an individual, Business Associate will provide to the individual an accounting of disclosures made by Business Associate containing the information described in 42 CFR § 164.528.

(k) Business Associate will, in its performance of the functions, activities, services, and operations described herein, use, disclose, and request only the minimum amount of PHI reasonably necessary to accomplish the intended purpose of the use, disclosure, or request, except that Business Associate will not be obligated to comply with this minimum necessary limitation if neither Business Associate nor Covered Entity is required to limit its use, disclosure, or request to the minimum necessary under the HIPAA Standards.

2. Uses and Disclosures by Business Associate.

(a) Business Associate may use or disclose PHI to perform services for or on behalf of Covered Entity, provided that such use or disclosure would not violate the HIPAA Standards if made by Covered Entity.

(b) Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.

(c) Business Associate may disclose PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate, if (1) the disclosure is required by law, or (2) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

3. Remedies for Breach. Upon Covered Entity's determination of a material breach of this Agreement by Business Associate, Covered Entity may either (i) provide an opportunity for Business Associate to cure the breach or end the violation, and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity; (ii) immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or (iii) if neither termination nor cure is feasible, report the violation to the Secretary.

MaxorPlus Initials: 
CLIENT Initials: _____

4. Term and Termination.

(a) This Agreement will be effective as of the Effective Date, and will continue in effect until terminated. Either party may terminate this Agreement at any time, with or without cause, by giving 30 days' written notice.

(b) Upon termination of this Agreement, for any reason, Business Associate will return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity, if feasible. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate will extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

5. Miscellaneous.

(a) This Agreement may not be assigned by either party without the prior written consent of the other party. Subject to the foregoing, this Agreement will be binding upon and will inure to the benefit of the parties and their respective successors and assigns.

(b) This Agreement may be amended only by written consent of the parties.

(c) Nothing in this Agreement shall confer upon any person other than the Parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever. There are no third-party beneficiaries of this Agreement.

(d) This Agreement constitutes the entire agreement between the parties concerning its subject matter, and supersedes all prior and contemporaneous agreements and understandings, express or implied, oral or written.

(e) This Agreement will be deemed to have been made in Texas and will be governed by and construed in accordance with Texas law. The section headings in this Agreement are for convenience only and will not affect its interpretation.

(f) Any notice or other communication by either party to the other will be in writing and will be deemed to have been given when hand delivered, sent by nationally-recognized overnight delivery service, or mailed, postage prepaid, registered or certified mail, addressed as follows:

If to Covered Entity: Name: Fort Bend County
Address:

Attn:

If to Business Associate: Name: MaxorPlus
Address: 320 S. Polk Street, Suite 200
Amarillo, TX 79101

Attn: Steve Smith


or to such other address as either party may designate by notice pursuant to this section.

IN WITNESS WHEREOF, Covered Entity and Business Associate have executed this Agreement effective as of the Effective Date.

FORT BEND COUNTY

By: _____
Name: _____
Title: _____

MAXORPLUS, LTD.

By:  _____
Name: STEVE SMITH
Title: VP

MaxorPlus Initials: _____
CLIENT Initials: _____