

**National Employee Benefit Companies, Inc
d/b/a IDEALSCRIPTS**

SPONSOR AGREEMENT

THIS AGREEMENT, made as of the ___ day of _____, _____, between National Employee Benefit Companies, Inc d/b/a IDEALSCRIPTS, a Rhode Island corporation, with its principal place of business at 16 International Way, Warwick, RI 02886 and Williamson County, Texas ("Sponsor"), a political subdivision of the State of Texas, with its principal place of business at 710 Main Street, Suite 101, Georgetown, Texas 78626. IDEALSCRIPTS and Sponsor are herein referred to each individually as a "Party" and collectively as the "Parties."

WHEREAS, Sponsor has committed to provide a prescription drug benefit plan for eligible Covered Persons (as defined below); and

WHEREAS, IDEALSCRIPTS has established a network of retail and mail service pharmacies to provide services for Sponsor's prescription drug benefit plan; and

WHEREAS, IDEALSCRIPTS has access to a remote electronic claims adjudication and processing system for adjudicating and processing claims made for prescription drugs and other related goods and services; and

WHEREAS, IDEALSCRIPTS has access to a drug utilization review service by which the cost effectiveness, interaction and resulting therapeutic effect of various drugs is reviewed and monitored electronically; and

WHEREAS, IDEALSCRIPTS has a prescription drug benefit management service for designing and managing prescription drug benefit plans; and

WHEREAS, Sponsor desires to engage IDEALSCRIPTS to adjudicate and process claims on its behalf through the electronic claims adjudication and processing system and may request IDEALSCRIPTS to implement drug utilization review and other services now or in the future, and IDEALSCRIPTS desires to furnish such services on the terms set forth in this Agreement.

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

I. DEFINITIONS.

- A. "Benefits" means the prescription drugs and other related goods and services covered by the Plan.
- B. "Claims System" means the electronic system used by IDEALSCRIPTS to adjudicate and process claims made for Benefits.
- C. "Covered Person" means an individual who is eligible to receive Benefits in accordance with and under the terms of the Plan.

- D. "DUR" means the concurrent and/or retrospective drug utilization review programs used by IDEALSCRIPTS.
- E. "Exclusions" means the prescription drugs and other related goods and services not covered by the Plan.
- F. "Member Pharmacy" or "Member Pharmacies" means a retail and/or mail service pharmacy or pharmacies that have executed a Pharmacy Participation Agreement with IDEALSCRIPTS (or its designee) to provide services for the Plan.
- G. "Pharmacy Participation Agreement" means the subcontract between IDEALSCRIPTS (or its designee) and a Member Pharmacy for the Member Pharmacy's provision of pharmacy services to Covered Persons.
- H. "Plan" means Sponsor's prescription drug benefit plan(s).
- I. "IDEALSCRIPTS Program" means the Claims System, DUR and the other services which IDEALSCRIPTS may provide to Sponsor from time to time.

II. OBLIGATIONS AND WARRANTIES OF SPONSOR.

- A. Sponsor shall promptly provide IDEALSCRIPTS, in a form reasonably acceptable to IDEALSCRIPTS, information concerning the Plan, as and when needed and in sufficient detail to allow IDEALSCRIPTS to perform its obligations hereunder, including, but not limited to, the following:
 - 1. the effective date and the expiration date, if any, of the Plan;
 - 2. a summary description of the Plan, which describes, among other things, the Benefits and Exclusions under the Plan;
 - 3. the classes of dependents covered, including any age (or other) limits applicable to dependent children;
 - 4. the estimated number of Covered Persons by geographic location, i.e., county or other mutually agreed upon breakdown;
 - 5. the intended manner of distribution of identification cards to Covered Persons;
 - 6. the parameters for determining (i) whether and to what extent services are covered by or excluded from the Plan, and (ii) the amounts of all payments and the compensation rates to be offered for all Benefits (collectively, the "Parameters");

7. the amount of the Plan deductible or co-payment, if any; and
 8. Sponsor shall provide IDEALSCRIPTS with an initial Eligibility File at least fifteen (15) days prior to the effective date of such Sponsors Prescription Drug Program. Electronic eligibility information, including at least the following:
 - (a) the names and identification numbers of all Covered Persons as of the effective date of the Plan;
 - (b) the relationship between Covered Persons (e.g., qualified dependent), as applicable, and such other information as IDEALSCRIPTS may reasonably require for adjudication of claims via the Claims System;
 - (c) the date of birth of each Covered Person;
 - (d) information, as requested by IDEALSCRIPTS, to prepare profiles of each Covered Person for the provision of DUR services, if such services are requested in writing by Sponsor;
 - (e) each Covered Person's home address;
 - (f) updates to, additions to and deletions from eligibility information and profiles of Covered Persons within five (5) days after such change occurs; and
 - (g) other information as reasonably requested by IDEALSCRIPTS in connection with the services contemplated under this Agreement.
 9. Sponsor shall be solely responsible for ensuring the accuracy of its Eligibility Files, and shall be obligated to pay IDEALSCRIPTS for claims accepted by IDEALSCRIPTS in accordance with the eligibility procedures established in this section. Sponsor bears the risk of fraudulent claims submitted by Members or by unauthorized persons using a member's Identification Card or identification number.
- B. Sponsor shall provide IDEALSCRIPTS with copies of all revisions or changes to the Plan at least thirty (30) days prior to the effective date of any such revision or change.
- C. Upon enrollment, Sponsor shall provide each Covered Person with a description of the Plan and the IDEALSCRIPTS Program, as well as any updates or changes thereto.

- D. Sponsor shall obtain any written consents from Covered Persons, as required by law and/or as reasonably requested by IDEALSCRIPTS to enable IDEALSCRIPTS to perform its services hereunder.
- E. Sponsor shall pay any and all taxes and fees levied, if any, by any Federal, State or local authority in connection with the Plan.
- F. Sponsor warrants that if the Plan provides for the reimbursement to Covered Persons of the cost of prescription drugs purchased at non-Member Pharmacies, then the Plan shall condition such reimbursement upon the submission of a claim to IDEALSCRIPTS by the Covered Person for direct reimbursement in a form approved by Sponsor and IDEALSCRIPTS, together with the Covered Person's proof of payment for such prescription drugs.
- G. Sponsor warrants that the Parameters and the information provided to IDEALSCRIPTS pursuant hereto are consistent with the Plan in all respects.
- H. Sponsor warrants to IDEALSCRIPTS that the Plan is in full compliance with, and shall at all times during the term of this Agreement remain in full compliance with, all Federal, State and local rules, regulations and/or laws applicable to the Plan.

III. OBLIGATIONS OF IDEALSCRIPTS.

- A. IDEALSCRIPTS shall provide the applicable basic per claim services in accordance with the "Basic Per Claim Services Schedule" attached hereto and made a part hereof.
- B. IDEALSCRIPTS shall enter the Plan's Parameters and eligibility information received from Sponsor into the Claims System. The information entered into the Claims System shall be deemed correct to the extent it is consistent with the information provided by Sponsor, unless and until IDEALSCRIPTS is otherwise notified by Sponsor that corrections are required. IDEALSCRIPTS shall promptly correct any errors brought to its attention.

- C. IDEALSCRIPTS shall produce IDEALSCRIPTS identification cards for distribution by Sponsor to all Covered Persons.
- D. IDEALSCRIPTS shall provide Sponsor with access to its network of Member Pharmacies for the benefit of Covered Persons under the Plan.
- E. IDEALSCRIPTS shall use reasonable efforts to engage an adequate number of Member Pharmacies in geographic areas where Covered Persons reside. IDEALSCRIPTS shall furnish to each of its Member Pharmacies a summary description of the Plan, provided that Sponsor has provided same to IDEALSCRIPTS pursuant to Article II.A.2. hereof. Sponsor acknowledges that the Member Pharmacies are chosen solely on their willingness to provide services to Covered Persons based on the terms, conditions and criteria of the Plan, and the terms of the Pharmacy Participation Agreement. Sponsor acknowledges that IDEALSCRIPTS has not conducted any investigation of, or otherwise reviewed or credentialed, any Member Pharmacy or pharmacist providing pharmacy services to Sponsor and/or its Plan.
- F. If requested by Sponsor, the Parties may agree, by a writing signed by both Parties, that IDEALSCRIPTS shall process prescription claims for non-Member Pharmacies for each Plan assigned to IDEALSCRIPTS, on such terms and with such conditions as mutually agreed to by the Parties.
- G. IDEALSCRIPTS (or its designee) shall pay claims received from Member Pharmacies through the Claims System and may also pay paper claims received from Covered Persons for direct reimbursement, provided the requirements set forth in Article II.F. hereof are met. Based on the Plan Parameters, IDEALSCRIPTS (or its designee) shall determine eligibility and conformity with the Plan and shall process payment of eligible claims and provide notification of declined or ineligible claims. IDEALSCRIPTS shall administer and adjudicate claims in accordance with this Article III. hereof if the Plan documents (including, without limitation, the summary description of the Plan) are clear and unambiguous as to the validity of claims and the eligibility of Covered Persons for coverage under the Plan; IDEALSCRIPTS shall have no discretionary authority to interpret the Plan. If adjudication of a claim requires interpretation of ambiguous Parameters, and Sponsor has not previously indicated to IDEALSCRIPTS the proper interpretation of such language, then Sponsor shall be responsible for resolving the ambiguity or any other dispute arising therefrom. In any event, Sponsor's decision as to any claim (whether or not it involves a Parameter ambiguity or other dispute) shall be final, subject only to appeals allowed by applicable laws.
- H. Audits of Participating Pharmacies. IDEALSCRIPTS shall maintain criteria, which it may amend from time to time, to establish when and how a Participating

Pharmacy shall be audited to determine compliance with its agreement with IDEALSCRIPTS. The audit may be conducted by IDEALSCRIPTS internal auditors or its outside auditors, and at the pharmacy or at IDEALSCRIPTS by a review of electronically transmitted claims. To compensate IDEALSCRIPTS for the cost of conducting such audits, IDEALSCRIPTS shall charge an audit fee equal to twenty percent (20%) of any overpayments attributable to the Prescription Drug Program recovered from Participating Pharmacies. IDEALSCRIPTS audit efforts under this Section shall be deemed to be made on Sponsor's behalf. IDEALSCRIPTS shall not be required to institute litigation to collect any overpayments. IDEALSCRIPTS obligations to attempt collection shall be IDEALSCRIPTS sole obligation and liability with respect to remedying such overpayments.

- I IDEALSCRIPTS shall invoice Sponsor for the retail and/or mail service prescription claims amounts and applicable taxes and fees, if any, that have been processed by IDEALSCRIPTS (or its designee) during the applicable period in accordance with Exhibit A (the "Prescription Claims Invoice"). IDEALSCRIPTS shall furnish to Sponsor a Prescription Claims Invoice no less frequently than twice each month.
- J. IDEALSCRIPTS shall invoice Sponsor for the administrative fees specified in Exhibit A (the "Administrative Fees") which have become due during the applicable period (the "Administrative Fees Invoice"). IDEALSCRIPTS shall submit to Sponsor an Administrative Fees Invoice no less frequently than monthly (the Prescription Claims Invoice and the Administrative Fees Invoice, as well as the DUR Invoice [defined below], if applicable, are collectively referred to herein as the "Invoices").

IV. FORMULARY SERVICES.

IDEALSCRIPTS shall, on behalf of Sponsor, and subject to Sponsor's approval and final authorization, develop and implement the Plan's drug formulary, and perform related services in connection therewith (the "Formulary Services").

V. PAYMENT.

- A. Sponsor shall effectuate an Automated Clearing House (ACH) transfer or an electronic wire transfer in the amount reflected in the Prescription Claims Invoice to a bank account designated by IDEALSCRIPTS within twenty-four (24) hours of receipt of a Prescription Claims Invoice.

- B. Sponsor shall remit to IDEALSCRIPTS payment in the amount reflected in the Administrative Fees Invoice within ten (10) business days of receipt of an Administrative Fees Invoice.
- C. If and when DUR services are requested, Sponsor shall remit to IDEALSCRIPTS payment in the amount reflected in a separate DUR invoice within ten (10) business days of receipt of such invoice (the "DUR Invoice").
- D. In the event Sponsor fails to pay IDEALSCRIPTS any amount due and owing hereunder on or before the date due, then (a) IDEALSCRIPTS shall have the right to impose and Sponsor shall pay to IDEALSCRIPTS interest charges on the unpaid balance of the Invoices in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of Sponsor's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday; and (b) IDEALSCRIPTS shall have the right, upon forty-eight (48) hours' prior notice to Sponsor, to: (1) decline to issue or reissue IDEALSCRIPTS identification cards to Covered Persons, (2) suspend processing and payment of claims of Covered Persons immediately until such time as Sponsor's account with IDEALSCRIPTS has been brought current, (3) advise Member Pharmacies immediately, as they access the Claims System, that Covered Persons' IDEALSCRIPTS identification cards are no longer valid, and (4) apply all or any portion of Sponsor's security deposited with IDEALSCRIPTS to Sponsor's delinquent account; and (c) Sponsor shall be responsible for all reasonable costs and expenses of collection of delinquent amounts owed and shall reimburse IDEALSCRIPTS for such costs and expenses (including, without limitation, reasonable attorneys' fees incurred by IDEALSCRIPTS in enforcing the terms of the Agreement); and (d) IDEALSCRIPTS shall be entitled to all other remedies available hereunder or otherwise at law or in equity.
- E. If, at any time, IDEALSCRIPTS shall reasonably determine, based on Sponsor's failure to pay any Invoices, that Sponsor may be unable to meet its financial commitments hereunder, IDEALSCRIPTS shall have the right, upon 24 hours' notice, to require Sponsor to deposit with IDEALSCRIPTS security in the amount of one month's claims volume and Administrative Fees (calculated based on the average of such amounts during the previous three months). Sponsor shall not be entitled to interest on any security in the form of a reserve or deposit. IDEALSCRIPTS shall retain the deposit until the termination of this agreement or the applicable Sponsor agreement.
- F. IDEALSCRIPTS shall guarantee the Administrative Fees set forth in Exhibit A for the first year of this Agreement. After the initial one-year period,

IDEALSCRIPTS may, from time to time, modify the Administrative Fees with at least sixty (60) days' prior notice to Sponsor (the "Fee Modification Notice"). The new Administrative Fees will become effective upon the expiration of this sixty (60) day notice period. Sponsor may object to any modification to the Administrative Fees by giving written notice thereof to IDEALSCRIPTS within thirty (30) days after the date the Fee Modification Notice is sent by IDEALSCRIPTS. In such event, if the Parties cannot agree on appropriate Administrative Fees, this Agreement shall terminate at the end of the aforesaid sixty (60) day period.

- G. Sponsor shall reconcile reimbursements and appeal any disputed claims within a maximum of 90 days after the date the prescription charge is posted to sponsor's statement.
- H. Sponsor Audits. Provided that this Agreement has been duly executed by Sponsor, or Sponsor's third party auditor, as approved by IDEALSCRIPTS ("Auditor") may inspect prescription drug claim data and billing records relating to the Prescription Drug Program not more frequently than once each year. All audits shall be conducted during normal business hours at IDEALSCRIPTS offices upon sixty (60) day's prior notice. IDEALSCRIPTS may designate the specific dates of availability for the audit, none of which may be in December or January. Any and all costs and expenses associated with Sponsor's audit shall be borne by Sponsor including reasonable costs and expenses incurred by IDEALSCRIPTS to the extent the audit goes beyond IDEALSCRIPTS standard audit protocol. The scope of any audit shall not exceed claims incurred during the eighteen (18) months immediately preceding the audit. Audit materials or documentation provided by IDEALSCRIPTS will be confined to Sponsor-specific information.

VI. RECORDS AND DATA.

- A. IDEALSCRIPTS shall maintain for three (3) years, or such additional period as may be required by applicable law or regulation, the claims forms supporting the Invoices and other records sufficient to verify payments made to Member Pharmacies. IDEALSCRIPTS and Sponsor, or their designated representatives, shall allow each other and any authorized State or Federal governmental authority or regulatory agency to audit, review and duplicate such records and any other records in their possession that relate exclusively to the obligations undertaken by either Party under this Agreement. The review and duplication of records shall be allowed upon reasonable written notice during regular business hours at the place of business of the record holder and shall be subject to all applicable State and Federal laws and regulations regarding the confidentiality of such records. Duplication shall be at the cost of the requesting Party.

- B. Sponsor agrees that, throughout the term of this Agreement, IDEALSCRIPTS shall have free and complete access, subject to applicable law or regulation, to all data and information received from Covered Persons, Sponsor and Member Pharmacies for the purpose of preparing compilations, analyses, and reports, conducting disease state management and outcomes management, and such other uses as IDEALSCRIPTS deems appropriate.
- C. IDEALSCRIPTS shall retain ownership rights over all property, technology, software compilations, analyses, reports, and other data utilized or developed by IDEALSCRIPTS. except as otherwise provided herein, ownership rights shall include, but are not limited to, all rights associated with publication, trade secrets, copyrights, trademarks and patents.
- D. IDEALSCRIPTS disclaims all liability arising out of Sponsor's use or dissemination of the data, records, reports, summaries and other information provided by IDEALSCRIPTS to Sponsor under this Agreement and/or arising out of Sponsor's failure to maintain the confidentiality of such information. Sponsor and IDEALSCRIPTS shall treat as confidential any information that individually identifies a Covered Person, Member Pharmacy or physician/prescriber.
- E. IDEALSCRIPTS and Sponsor acknowledge that certain information, reports and data generated under this Agreement are subject to applicable confidentiality of medical record laws, and the Parties agree to comply in all respects with such laws. IDEALSCRIPTS will take all reasonable precautions to prevent disclosure and/or use of information relating to the identity of Covered Persons and their medical information for a purpose unrelated to its administration pursuant to this Agreement. Such information may be disclosed by IDEALSCRIPTS only:
- (a) in response to a court order, subpoena or other legal process, or otherwise required by applicable law;
 - (b) in connection with an examination conducted by any Federal, State and/or local governmental authority or regulatory agency;
 - (c) to or at the request of Sponsor;
 - (d) in connection with a Covered Person's health or safety including, without limitation, notifying the Covered Person's physicians, pharmacists or other healthcare providers of potential health hazards; or
 - (e) with the written consent of the Covered Person or his/her legal representative.

Sponsor represents that it has received or will promptly obtain from each Covered Person his/her consent for IDEALSCRIPTS to obtain, possess and/or disclose (as applicable) prescription and medical information relating to the Covered Person for the purposes herein described.

VII. TERM AND TERMINATION OF AGREEMENT.

- A. This Agreement is binding as of the date of its execution and delivery but will not take effect until [REDACTED] (the "Commencement Date"). The term of this Agreement shall begin upon the Commencement Date and shall continue three years (the "Term"), unless sooner terminated pursuant to the provisions of this Article VIII. The Term may be extended upon the mutual written agreement of the Parties.
- B. This Agreement may be terminated as follows:
1. By either Party, without cause and for any reason, on ninety (90) days' prior written notice to the other; provided, however, that such notice shall not be effective and this Agreement shall not so terminate if the Parties, during said ninety (90) day period, mutually agree in writing to continue this Agreement;
 2. By either Party in accordance with Article VI.F. in the event the Parties are unable to agree on changes in Administrative Fees as provided in Article VI.F. hereof;
 3. Except as otherwise provided in this Article VIII.B., by either Party if the other Party shall materially default in its performance of any of its material obligations under this Agreement. The terminating Party shall provide the other Party thirty (30) days' prior written notice specifying the nature of the default. Such notice shall not be effective and this Agreement shall not terminate if the other Party shall cure such default within the thirty (30) day period (or if not curable within said thirty (30) day period, such Party undertakes and proceeds promptly, effectively, continuously and with due diligence to attempt to cure such default within said thirty (30) day period);
 4. Notwithstanding anything herein to the contrary, by IDEALSCRIPTS, on seventy-two (72) hours' written notice to Sponsor, if Sponsor shall fail at any time to make any payment required pursuant to this Agreement by the due date or fails at any time to provide or maintain the security required by IDEALSCRIPTS under this Agreement; provided, however, that this Agreement shall not so terminate if Sponsor shall cure the payment default not later than the next business day following the date of the notice; or

5. By either Party immediately on notice to the other, if the other Party shall make an assignment for the benefit of creditors, file a petition in bankruptcy, is adjudicated insolvent or bankrupt, or if a receiver or trustee is appointed with respect to a substantial part of the other Party's property, or a proceeding is commenced against it that will substantially impair its ability to perform hereunder.

C. Upon the expiration or termination of this Agreement:

1. IDEALSCRIPTS shall have the right to notify Member Pharmacies that IDEALSCRIPTS identification cards for Covered Persons for the Plan become invalid as of the termination date;
2. The liability of the Parties for obligations incurred under this Agreement through the effective termination date, including all costs of collection and reasonable attorneys' fees, shall survive termination of this Agreement; and
3. Articles VII. (RECORDS AND DATA), X. (LIABILITY; DISCLAIMERS; ACKNOWLEDGEMENTS), XI. (CONFIDENTIAL INFORMATION) and XII. (MISCELLANEOUS) hereunder shall survive termination of this Agreement.
4. If for any reason, said Sponsor terminates this agreement before the ninety (90) days' prior written notice, Article VII Section B.1, IDEALSCRIPTS shall have the right to penalize the Sponsor in the amount of three (3) months' administration fees. These fees will be calculated starting from the month prior to the termination notice and continuing through the previous two (2) months.

VIII. NOTICES.

All notices pertaining to this Agreement shall be delivered in person, sent by certified mail return receipt requested, or transmitted by facsimile and confirmed in writing (sent certified mail return receipt requested or by overnight courier) to a Party at the address or facsimile number below, or such other address or facsimile number as a Party may notify the other Party from time to time. Notices delivered in person, and notices dispatched by facsimile prior to 4:30 p.m., recipients' time, Monday through Friday (National legal holidays excepted), shall be deemed received on the day sent. All other facsimiles and notices delivered in person shall be deemed to have been received on the business day following the date of receipt and notices delivered by mail shall be deemed to have been received on the date of receipt on the return receipt; provided however, if such day falls on a weekend or legal holiday, receipt shall be deemed to occur on the next business day. Notices may also be transmitted electronically between the Parties provided that proper

arrangements are made in advance to facilitate such communications and provide for their security and verification.

Notices to IDEALSCRIPTS shall be addressed to:

National Employee Benefit Companies, Inc
d/b/a IDEALSCRIPTS
16 International Way
Warwick, RI 02886
Attn: Michael Hajdun, Sr. Vice President
Facsimile No.: (203) 793-2919

Notices to Sponsor shall be addressed to:

Bride Roberts, LBSW-CIRS
Assistant Director
Social Services Division
Williamson County & Cities Health District
211 Commerce Blvd.,
Suite 114
Round Rock, Texas 78664
Fax: (512) 248-3286

IX. LIABILITY; DISCLAIMERS; ACKNOWLEDGEMENTS.

- A. The IDEALSCRIPTS Claims System is dependent upon the accurate transmission and processing of data by electronic means. IDEALSCRIPTS, its affiliates, contractors, shareholders, directors, officers, employees, and agents shall not be liable for any damages or claims arising out of any interruption in transmission or processing that is beyond the reasonable control of IDEALSCRIPTS.
- B. Nothing in this Agreement shall be construed or be deemed to create any rights or remedies in any third party including, but not limited to, a Covered Person.
- C. Sponsor acknowledges that this Agreement is not a contract for the sale of goods, and IDEALSCRIPTS, ITS AFFILIATES, CONTRACTORS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS DISCLAIM ALL EXPRESS AND ALL IMPLIED WARRANTIES OF ANY KIND INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY AS TO THE QUALITY, ACCURACY OR SUITABILITY FOR ANY PARTICULAR PURPOSE OF THE INFORMATIONAL DATA GENERATED THROUGH THE CLAIMS

SYSTEM. The database limitations set forth in Exhibit B, Paragraph D are incorporated herein by this reference.

- D. The Parties agree that in no event shall IDEALSCRIPTS, its affiliates, contractors, shareholders, directors, officers, employees, and agents have any liability to Sponsor, or any other party, in connection with the acts or omissions of any Member Pharmacy or pharmacist or employee, agent or officer of a Member Pharmacy who performs any service under a Pharmacy Participation Agreement or otherwise in connection with this Agreement. IDEALSCRIPTS, its affiliates, contractors, shareholders, directors, officers, employees, and agents shall not, under any circumstances, be liable or responsible for injury including, without limitation, death, suffered by any Covered Person from any prescription drug dispensed or not dispensed by any Member Pharmacy or pharmacist (whether or not using the DUR system for any purpose), or for any side-effects or other consequential or incidental damages of any kind or description whatsoever from the use, or refrain from use, of any such prescription drug, it being expressly understood that such liability and responsibility rests entirely upon the Member Pharmacy or pharmacist dispensing the prescription drug.
- E. In no event shall IDEALSCRIPTS, its affiliates, contractors, shareholders, directors, officers, employees and agents be liable for (i) any third party claims against Sponsor, its affiliates, contractors, shareholders, directors, officers, employees or agents for losses or damages, or (ii) any indirect, special, incidental, or consequential (including lost profit or savings) damages regardless of whether IDEALSCRIPTS is informed of their possibility or if otherwise foreseeable.
- F. In no event shall the liability of IDEALSCRIPTS, its affiliates, contractors, shareholders, directors, officers, employees, and agents to Sponsor under or in connection with this Agreement exceed the actual loss or damage to Sponsor.
- G. IDEALSCRIPTS shall not, under any circumstance, be responsible to use its corporate assets to satisfy any claim or expense that is the responsibility of Sponsor, the Plan or any Covered Person.
- H. IDEALSCRIPTS shall be entitled to rely, without investigation or inquiry, upon any written or oral information or communication of Sponsor or its employees or agents. Further, IDEALSCRIPTS shall not be liable for any actions, liabilities, damages, costs and expenses arising out of any action taken by IDEALSCRIPTS at Sponsor's direction.
- I. IDEALSCRIPTS reserves the right to control the use of its name and all symbols and service marks presently existing or hereafter established with respect to IDEALSCRIPTS; provided, however, that IDEALSCRIPTS hereby authorizes Sponsor to use IDEALSCRIPTS name, symbols and service marks to the extent

necessary or prudent to adequately notify Covered Persons as to the effect and operation of the IDEALSCRIPTS Program. Sponsor shall not otherwise use the name, symbols or service marks of IDEALSCRIPTS in advertising or promotional materials or otherwise without the prior written consent of IDEALSCRIPTS. Further, Sponsor shall cease any and all usage of such name, symbols and/or service marks immediately following the termination of this Agreement.

X. CONFIDENTIAL INFORMATION.

Sponsor shall not disclose any information or knowledge concerning IDEALSCRIPTS operations, techniques or procedures, which is hereby deemed confidential information, except as otherwise required by law and, even if required by law, Sponsor shall not disclose such confidential information unless Sponsor provides IDEALSCRIPTS with five (5) business days' advance written notice. Any such information disclosed to or acquired by Sponsor shall be held in confidence and all written confidential information shall be surrendered by Sponsor to IDEALSCRIPTS upon the termination of this Agreement or earlier, upon prior written notice. The provisions of this Article XI. shall survive the termination of this Agreement.

XI. MISCELLANEOUS.

- A. Neither Party shall be liable in any manner for any delay or failure to perform its respective obligations hereunder (except Sponsor's obligations to make payments to IDEALSCRIPTS) which are beyond such Party's reasonable control including, without limitation, any delay or failure due to strikes, major labor disputes, riots, earthquakes, storms, floods, or other extreme weather, fires, explosions, acts of God, embargoes, wars or other outbreak of hostilities, delay of carriers, suppliers or telecommunications providers, or governmental acts or regulations.
- B. The Parties have entered into this Agreement as independent contractors and not as agents of one another. Neither Party shall have any authority to act in any way as the representative of the other, or to bind the other to any third party, except as specifically set forth herein.
- C. Any failure by either Party to enforce or require the performance by the other Party of any of the terms or conditions of this Agreement shall not constitute a waiver of a breach of any such term or condition thereafter occurring.
- D. This Agreement shall not be deemed a contract of insurance under any laws or regulations. IDEALSCRIPTS does not insure, guarantee or underwrite the liability of Sponsor under the Plan. Sponsor, and not IDEALSCRIPTS, shall remain solely liable for the payment of claims and all other expenses incidental to the Plan.

- E. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same agreement. This Agreement shall become binding when one or more counterparts hereof, individual or taken together, shall bear the signatures of all of the Parties reflected hereon as the signatories.
- F. In the event that any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason or in any respect, such invalidity, illegality or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall remain in full force and effect, and enforceable in accordance with its terms.
- G. This Agreement, together with the Exhibits hereto, constitutes the entire understanding between the Parties hereto with respect to the subject matter hereof. No prior oral or written communication with respect to the subject matter hereof, nor any supplement, modification, waiver or amendment of this Agreement unless executed in writing by the Parties hereto, shall be binding.
- H. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas (to the extent such laws are not preempted by applicable Federal law), without regard to that State's conflict of laws principles.
- I. **Dispute Resolution.** The parties to this Agreement will work together in good faith to resolve any controversy, dispute or claim between them which arises out of or relates to this Agreement, whether stated in tort, contract, statute, claim for benefits, bad faith, professional liability or otherwise ("Claim"). If the parties are unable to resolve the Claim within thirty (30) days following the date in which one party sent written notice of the Claim to the other party, and if a party wishes to pursue the Claim, such Claim shall be addressed through non-binding mediation under the Commercial Mediation Rules of the American Arbitration Association ("AAA"). A single mediator engaged in the practice of law, who is knowledgeable about subject matter of this Agreement, will conduct the mediation under the then current rules of the AAA. Any mediation under this Agreement shall be conducted in Williamson County, Texas. All costs involved in the mediation shall be borne equally between the parties, except that each party shall bear its own attorneys fees. Nothing herein is intended to prevent either party from seeking any other remedy available at law including seeking redress in a court of competent jurisdiction. This provision shall survive the termination of this Agreement.

The parties hereby expressly agree that no claims or disputes between the parties arising out of or relating to this Agreement or a breach thereof shall be decided by any arbitration proceeding, including without limitation, any proceeding under the

Federal Arbitration Act (9 USC Section 1-14) or any applicable state arbitration statute.

Despite and during the existence of any dispute, controversy or pendency of claim involving Sponsor and IDEALSCRIPTS, each shall be obligated to continue with their performance as required by this Agreement, unless otherwise provided herein.

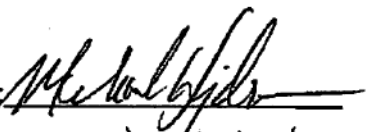
- J. Neither party may assign or otherwise transfer to third parties, its rights, interests, and/or obligations under this Agreement, or any portion thereof without the express written consent of the other party. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
- K. Each party to this Agreement shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement.
- L. Nothing in this Agreement shall be deemed to waive, modify or amend any legal defense available at law or in equity to Sponsor, its past or present officers, employees, or agents, nor to create any legal rights or claim on behalf of any third party. Sponsor does not waive, modify, or alter to any extent whatsoever the availability of the defense of governmental immunity under the laws of the State of Texas and of the United States.
- M. Sponsor believes it has sufficient funds currently available and authorized for expenditure to finance the costs of this Agreement. IDEALSCRIPTS understands and agrees that the Sponsor's payment of amounts under this Agreement is contingent on the Sponsor receiving appropriations or other expenditure authority sufficient to allow the Sponsor, in the exercise of reasonable administrative discretion, to continue to make payments under this Agreement.
- N. To the extent, if any, that any provision in this Agreement is in conflict with Tex. Gov't Code 552.001 et seq., as amended (the "Public Information Act"), the same shall be of no force or effect. Furthermore, it is expressly understood and agreed that Sponsor, its officers and employees may request advice, decisions and opinions of the Attorney General of the State of Texas in regard to the application of the Public Information Act to any items or data furnished to Sponsor as to whether or not the same are available to the public. It is further understood that Sponsor's officers and employees shall have the right to rely on the advice, decisions and opinions of the Attorney General, and that Sponsor, its officers and employees shall have no liability or obligation to any party hereto for the disclosure to the public, or to any person or persons, of any items or data furnished to

employees shall have no liability or obligation to any party hereto for the disclosure to the public, or to any person or persons, of any items or data furnished to Sponsor by a party hereto, in reliance of any advice, decision or opinion of the Attorney General of the State of Texas.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers or representatives duly authorized to do so.

National Employee Benefit Companies, Inc.
Company d/b/a IDEALSCRIPTS

WILLIAMSON COUNTY, TEXAS

By: 

Print: Michael Hayden

Title: Sr. V.P.

Date: June 5, 2009

By: 

Print: Dan A. Gattis

Title: Williamson County Judge

Date: 6-17-09

EXHIBIT A

PRICING AND ADMINISTRATIVE FEES

Sponsor shall pay the following prescription prices and administrative fees. In all cases, prescriptions will be filled at the lower of the amount referenced herein or Member Pharmacy's Usual and Customary Price. "Usual and Customary Price" means Member Pharmacy's cash price less all applicable discounts including, without limitation, senior citizen discounts granted customers during its normal course of business.

A. IDEALSCRIPTS LOCAL PRESCRIPTION PRICING

Brand Name Drugs:	*AWP – 15.5% + \$1.90 dispensing fee
DME and other OTC:	*MAC + \$1.90 dispensing fee
Generic Drugs:	*MAC + \$1.90 dispensing fee *Non MAC AWP -20% + \$1.90 dispensing fee

B. MAIL SERVICE PRESCRIPTION PRICING

Brand Drugs:	*AWP – 23% + \$0.00 dispensing fee
Generic Drugs:	*AWP – 60% + \$0.00 dispensing fee

C. SPECIALTY PHARMACY PRESCRIPTION PRICING

Brand Drugs:	*AWP – 17% + \$2.50 dispensing fee
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*"AWP" or "Average Wholesale Price" means the average wholesale price of the prescription listed in the First DataBank weekly updates or, if information from First DataBank is unavailable, equivalent information. "MAC" or "Maximum Allowable Cost" means the list of generic drugs and the corresponding pricing that IDEALSCRIPTS will pay participating pharmacies, as modified by IDEALSCRIPTS from time to time.

Sponsor acknowledges and agrees as follows: (1) IDEALSCRIPTS is authorized to receive and retain, as reasonable compensation, rebates from certain drug manufacturers as a result of the inclusion of such manufacturers' products on the Plan's formulary; (2) the prescription pricing charged by IDEALSCRIPTS as described in this Exhibit A may, in some cases, be different than the pricing charged by, and paid by IDEALSCRIPTS to, Member Pharmacies for such prescriptions; and (3) Sponsor shall be responsible for notifying Covered Persons of IDEALSCRIPTS receipt and retention of the foregoing.

Sponsor by a party hereto, in reliance of any advice, decision or opinion of the Attorney General of the State of Texas.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their respective officers or representatives duly authorized to do so.

National Employee Benefit Companies, Inc.
Company d/b/a IDEALSCRIPTS

WILLIAMSON COUNTY, TEXAS

By: _____

By: _____

Print: _____

Print: Dan A. Gattis

Title: _____

Title: Williamson County Judge

Date: _____

Date: _____

C. ADMINISTRATIVE FEES - RETAIL ONLY

Electronic Claims	\$1.75
Paper Claims (per submitted claim) *Fee includes retrospective DUR, related reports and clinical intervention.	\$1.50*
Additional/Replacement ID Cards (Two IDEALSCRIPTS identification cards included in base fee)	\$1.50 each

D. REBATES

Sponsor is to receive 100% (one hundred percent) of the collectable rebates received by IdealScripts. All rebates will be issued on a quarterly basis.

EXHIBIT B

IDEALSCRIPTS DUR SERVICES

A. DESCRIPTION OF SERVICES

1. **Concurrent DUR** - IDEALSCRIPTS shall provide the concurrent DUR system, which operates through the Claims System. The Claims System will edit claims for the following:
 - a. Drug-Drug Interactions
 - b. Therapeutic Duplications
 - c. Excessive Daily Doses
 - d. Excessive Utilization
 - e. Insufficient Daily Doses
 - f. Drug Age Conflicts
 - g. Drug-Disease Contraindications
 - h. Drug-Pregnancy Contraindications
 - i. Controlled Substance Abuse
 - j. Refill-Too-Late/Noncompliance
2. **Retrospective DUR** - Retrospective DUR is the process of collecting, tabulating and analyzing prescription data collected from the Claims System and subsequent clinical interventions. IDEALSCRIPTS retrospective DUR analysis includes, but is not limited to, the following:
 - a. Brand/Generic Substitution
 - b. Therapeutic Substitution
 - c. Drug to Drug Interactions
 - d. Formulary Compliance

- e. Step Therapy
- f. Contraindications
- g. Late Refills
- h. Early Refills
- i. Duration of Therapy
- j. Dosage
- k. Acute/Maintenance Therapy
- l. Therapeutic Duplication
- m. Drug Efficacy
- n. Retail to Mail Opportunities

B. PHARMACIST DISCRETION

The information generated in connection with DUR services is intended as an informational guide to, and not a substitute for, the knowledge, expertise, skill and judgment of physicians, pharmacists, or other health care providers. IDEALSCRIPTS, on behalf of Sponsor, shall advise Member Pharmacies that the DUR system should not be relied upon as a substitute for their professional judgment. Sponsor acknowledges and agrees that the DUR system will provide information to Member Pharmacies, but the DUR system cannot control how Member Pharmacies dispense prescriptions or provide other goods and services that may or may not correlate with information they receive through the DUR system. Sponsor acknowledges that Member Pharmacies are individually responsible for acting or not acting upon information generated and transmitted through the DUR system, and for performing services in each jurisdiction consistent with the scope of their licenses.

C. PATIENT INFORMATION LIMITATIONS

The DUR system is highly automated with minimal, if any, individual review in most circumstances. Therefore, the DUR system is necessarily limited by the amount, accuracy and completeness of data concerning Covered Persons inputted into the Claims System or obtained from prescription claims and from information provided by Sponsor. Covered Person information which may not be available to or in the possession of IDEALSCRIPTS includes, but is not limited to, Covered Person diagnoses, utilization of drugs obtained outside of the Claims System, and weight and other physical characteristics of a Covered Person. IDEALSCRIPTS shall have no obligation to acquire information concerning any Covered Person, where the information is

insufficient or unavailable to enable the DUR system to determine whether or not intervention or reporting is indicated.

D. IDEALSCRIPTS DATABASE LIMITATIONS

The DUR database is a collection of databases of clinical drug data and drug dispensing information developed and maintained partly by IDEALSCRIPTS and partly by independent drug database companies. Sponsor acknowledges and agrees that IDEALSCRIPTS has and may consult with outside software and other vendors, as well as consulting health care professionals and any recognized compendia, to provide databases and other information as IDEALSCRIPTS deems necessary or helpful to include in the DUR database. IDEALSCRIPTS shall endeavor to update the DUR database on a reasonable basis to reflect changes in standards for pharmaceutical prescribing; however, Sponsor acknowledges that no database will contain all currently available information on accepted medical practice or prescribing practices. In most cases, vendors and professionals limit, disclaim or fail to provide warranties, regarding the information or services provided to IDEALSCRIPTS. BASED UPON THE FOREGOING, SPONSOR FURTHER ACKNOWLEDGES AND AGREES THAT IDEALSCRIPTS SHALL NOT BE RESPONSIBLE FOR ANY TORTS, COSTS, DAMAGES, EXPENSES, CLAIMS, SUITS OR PROCEEDINGS OF ANY TYPE ARISING IN CONNECTION WITH (i) MEDICAL, SCIENTIFIC OR BUSINESS JUDGMENTS MADE IN CREATING THE DUR DATABASE OR ANY OTHER DATABASES AND REPORTS UPON WHICH THE IDEALSCRIPTS DUR SERVICES ARE BASED, OR (ii) ANY FAILURE TO INCLUDE INFORMATION IN THE DUR DATABASE.

IDEALSCRIPTS BASIC PER CLAIM SERVICES SCHEDULE:

Basic per claim services included in the Administrative Fees:

IDEALSCRIPTS "CLAIMS SYSTEM" - A fully automated, on-line, real-time claims processing system. Claims System provides greater ability to tailor prescription drug plans to maximize benefits and to utilize a range of proven cost management approaches.

NETWORK MANAGEMENT - IDEALSCRIPTS maintains a Help Desk with 800 number service for the Member Pharmacies to facilitate the point-of-service processing available through the Claims System.

COMPREHENSIVE REPORT PACKAGE - A standard package of reports includes relevant cost, utilization control data and savings information related to the specific services selected.

CONCURRENT IDEALSCRIPTS DUR - Claims System has the ability to transmit informational concurrent drug utilization review messages to Member Pharmacies as more fully described in Exhibit B, if DUR services are requested in writing by Sponsor.

RETROSPECTIVE DUR - IDEALSCRIPTS can perform retrospective DUR analysis on all approved prescription transactions as described in Exhibit B, if DUR services are requested in writing by Sponsor.

CUSTOMER SERVICE - IDEALSCRIPTS maintains a Help Desk with 800 number service for Covered Persons to answer inquiries concerning Member Pharmacy locations and prescription benefit questions.

IDEALSCRIPTS IDENTIFICATION CARDS - IDEALSCRIPTS will provide identification cards in accordance with Article III.C.