

PROFESSIONAL SERVICES AGREEMENT

CONTRACT NO. 1318-13179

**WORKERS' COMPENSATION FOR MANAGED CARE
CLAIMS ADMINISTRATION**

BETWEEN



COOK COUNTY GOVERNMENT

DEPARTMENT OF RISK MANAGEMENT

AND

CORVEL HEALTHCARE CORPORATION

**APPROVED BY BOARD OF
COOK COUNTY COMMISSIONERS**

SEP 10 2014

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- Exhibit 1 Scope of Services
- Exhibit 2 CareMC License Terms
- Exhibit 3 Schedule of Compensation
- Exhibit 4 Evidence of Insurance
- Exhibit 5 Board Authorization

AGREEMENT

This Agreement is made and entered into by and between the County of Cook, a public body corporate of the State of Illinois, on behalf of the Department of Risk Management hereinafter referred to as "County" and CorVel Healthcare Corporation, doing business as a corporation of the State of California hereinafter referred to as "Consultant", pursuant to authorization by the Cook County Board of Commissioners on the 10th day of September, 2014, as evidenced by Board Authorization letter attached hereto as EXHIBIT "5".

BACKGROUND

The County of Cook issued a Request for Proposals "RFP" for Workers' Compensation Managed Care Claims Administration. Proposals were evaluated in accordance with the evaluation criteria published in the RFP. The Consultant was selected based on the proposal submitted and evaluated by the County representatives.

Consultant represents that it has the professional experience and expertise to provide the necessary services and further warrants that it is ready, willing and able to perform in accordance with the terms and conditions as set forth in this Agreement.

NOW, THEREFORE, the County and Consultant agree as follows:

TERMS AND CONDITIONS

ARTICLE 1) INCORPORATION OF BACKGROUND

The Background information set forth above is incorporated by reference as if fully set forth here.

ARTICLE 2) DEFINITIONS

a) Definitions

The following words and phrases have the following meanings for purposes of this Agreement:

"Additional Services" means those services which are within the general scope of Services of this Agreement, but beyond the description of services required under Article 3, and all services reasonably necessary to complete the Additional Services to the standards of performance required by this Agreement. Any Additional Services requested by the Department require the approval of the Chief Procurement Officer in a written modification to this Agreement before Consultant is obligated to perform those Additional Services and before the County becomes obligated to pay for those Additional Services.

"Agreement" means this Professional Services Agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

"Chief Procurement Officer" means the Chief Procurement Officer for the County of Cook and any representative duly authorized in writing to act on his behalf.

"Department" means the Cook County Using Department.

"Services" means, collectively, the services, duties and responsibilities described in Article 3 of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

"Subcontractor" means any person or entity with whom Consultant contracts to provide any part of the Services, including subcontractors and subconsultants of any tier, suppliers and materials providers, whether or not in privity with Consultant.

b) Interpretation

i) The term **"include"** (in all its forms) means "include, without limitation" unless the context clearly states otherwise.

ii) All references in this Agreement to Articles, Sections or Exhibits, unless otherwise expressed or indicated are to the Articles, Sections or Exhibits of this Agreement.

iii) Words importing persons include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

iv) Any headings preceding the text of the Articles and Sections of this Agreement, and any table of contents or marginal notes appended to it, are solely for convenience or reference and do not constitute a part of this Agreement, nor do they affect the meaning, construction or effect of this Agreement.

v) Words importing the singular include the plural and vice versa. Words of the masculine gender include the correlative words of the feminine and neuter genders.

vi) All references to a number of days mean calendar days, unless expressly indicated otherwise.

c) Incorporation of Exhibits

The following attached Exhibits are made a part of this Agreement:

- Exhibit 1 Scope of Services
- Exhibit 2 CareMC License Terms
- Exhibit 3 Schedule of Compensation
- Exhibit 4 Evidence of Insurance
- Exhibit 5 Board Authorization

ARTICLE 3) DUTIES AND RESPONSIBILITIES OF CONSULTANT

a) Scope of Services

This description of Services is intended to be general in nature and is neither a complete description of Consultant's Services nor a limitation on the Services that Consultant is to provide under this Agreement. Consultant must provide the Services in accordance with the standards of performance set forth in Section 3c. The Services that Consultant must provide include, but are not limited to, those described in Exhibit 1, Scope of Services and Exhibit 2, CareMC License Terms, in accordance with Exhibit 3, Schedule of Compensation, which are attached to this Agreement and incorporated by reference as if fully set forth here.

b) Deliverables

In carrying out its Services, Consultant must prepare or provide to the County various Deliverables. "**Deliverables**" include work product, such as written reviews, recommendations, reports and analyses, produced by Consultant for the County.

The County may reject Deliverables that do not include relevant information or data, or do not include all documents or other materials specified in this Agreement or reasonably necessary for the purpose for which the County made this Agreement or for which the County intends to use the Deliverables. If the County determines that Consultant has failed to comply with the foregoing standards, it has 30 days from the discovery to notify Consultant of its failure. If Consultant does not correct the failure, if it is possible to do so, within 30 days after receipt of notice from the County specifying the failure, then the County, by written notice, may treat the failure as a default of this Agreement under Article 9.

Partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose and when consented to in advance by the County. Such Deliverables will not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables in no way relieve Consultant of its commitments under this Agreement.

c) Standard of Performance

Consultant must perform all Services required of it under this Agreement with that degree of

skill, care and diligence normally shown by a consultant performing services of a scope and purpose and magnitude comparable with the nature of the Services to be provided under this Agreement. Consultant acknowledges that it is entrusted with or has access to valuable and confidential information and records of the County and with respect to that information; Consultant agrees to be held to the standard of care of a fiduciary.

Consultant must assure that all Services that require the exercise of professional skills or judgment are accomplished by professionals qualified and competent in the applicable discipline and appropriately licensed, if required by law. Consultant must provide copies of any such licenses. Consultant remains responsible for the professional and technical accuracy of all Services or Deliverables furnished, whether by Consultant or its Subcontractors or others on its behalf. All Deliverables must be prepared in a form and content satisfactory to the Department and delivered in a timely manner consistent with the requirements of this Agreement.

If Consultant fails to comply with the foregoing standards, Consultant must perform again, at its own expense, all Services required to be re-performed as a direct or indirect result of that failure. Any review, approval, acceptance or payment for any of the Services by the County does not relieve Consultant of its responsibility for the professional skill and care and technical accuracy of its Services and Deliverables. This provision in no way limits the County's rights against Consultant either under this Agreement, at law or in equity.

d) Personnel

i) Adequate Staffing

Consultant must, upon receiving a fully executed copy of this Agreement, assign and maintain during the term of this Agreement and any extension of it an adequate staff of competent personnel that is fully equipped, licensed as appropriate, available as needed, qualified and assigned exclusively to perform the Services. Consultant must include among its staff the Key Personnel and positions as identified below. The level of staffing may be revised from time to time by notice in writing from Consultant to the County and with written consent of the County, which consent the County will not withhold unreasonably. If the County fails to object to the revision within 14 days after receiving the notice, then the revision will be considered accepted by the County. In accordance with and as more fully described in Exhibit 3, Schedule of Compensation, Consultant shall provide a dedicated staff member to coordinate administrative services within the managed care program.

ii) Key Personnel

[Intentionally Omitted]

iii) Salaries and Wages

Consultant and Subcontractors must pay all salaries and wages due all employees performing Services under this Agreement unconditionally and at least once a month without deduction or

rebate on any account, except only for those payroll deductions that are mandatory by law or are permitted under applicable law and regulations. If in the performance of this Agreement Consultant underpays any such salaries or wages, the Comptroller for the County may withhold, out of payments due to Consultant, an amount sufficient to pay to employees underpaid the difference between the salaries or wages required to be paid under this Agreement and the salaries or wages actually paid these employees for the total number of hours worked. The amounts withheld may be disbursed by the Comptroller for and on account of Consultant to the respective employees to whom they are due. The parties acknowledge that this Section 3.4(c) is solely for the benefit of the County and that it does not grant any third party beneficiary rights.

e) Minority and Women's Business Enterprises Commitment

In the performance of this Agreement, including the procurement and lease of materials or equipment, Consultant must abide by the minority and women's business enterprise commitment requirements of the Cook County Ordinance, (Article IV, Section 34-267 through 272) except to the extent waived by the Compliance Director. Consultant's completed MBE/WBE Utilization Plan evidencing its compliance with this requirement are a part of this Agreement, in Section 1 of the Economic Disclosure Statement, upon acceptance by the Compliance Director. Consultant must utilize minority and women's business enterprises at the greater of the amounts committed to by the Consultant for this Agreement in accordance with Section 1 of the Economic Disclosure Statement.

f) Insurance

i. Insurance Requirements of the Vendor

Prior to the effective date of this Contract, the Vendor, at its cost, shall maintain at all times, unless specified otherwise, until completion of the term of this Contract the insurance specified below.

Nothing contained in these insurance requirements is to be construed as limiting the extent of the Vendor's responsibility for payment of damages resulting from its operations under this Contract. All policies required herein are to be on a primary and non-contributory basis with respect to any insurance or self-insurance programs carried or administered by the County.

The Vendor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

The Cook County Department of Risk Management maintains the right to modify, delete, alter or change these requirements.

Vendor shall require all Subcontractors to provide the insurance required in this Agreement, or Vendor may provide the coverages for Subcontractors. All Subcontractors are subject to the same insurance requirements as Vendor.

ii. Insurance To Be Provided

a. **Workers Compensation Insurance**

Workers' Compensation shall be in accordance with the laws of the State of Illinois or any other applicable jurisdiction.

The Workers Compensation policy shall also include the following provisions:

- (1) Employers' Liability coverage with a limit of
\$500,000 each Accident
\$500,000 each Employee
\$500,000 Policy Limit for Disease

b. **Commercial General Liability Insurance**

The Commercial General Liability shall be on an occurrence form basis (ISO Form CG 0001 or equivalent) to cover bodily injury, personal injury and property damage.

Each Occurrence	\$ 1,000,000
General Aggregate	\$ 2,000,000
Completed Operations Aggregate	\$ 2,000,000

The General Liability policy shall include the following coverages:

- (a) All premises and operations;
- (b) Contractual Liability;
- (c) Products/Completed Operations;
- (d) Severability of interest/separation of insureds clause

c. **Commercial Automobile Liability Insurance**

When any vehicles are used in the performance of this contract, Consultant shall secure Automobile Liability Insurance for bodily injury and property damage arising from the Ownership, maintenance or use of owned, hired and non-owned vehicles with a limit no less than \$1,000,000 per accident.

d. **Excess Liability**

Such policy shall be excess over Commercial General Liability, Automobile Liability, and Employer's Liability with limits not less than the following amounts:

Each Occurrence:	\$3,000,000
General Aggregate	\$3,000,000

e. **Professional Errors & Omissions Liability**

Consultant shall secure Professional Liability insurance covering any and all claims arising out of the performance or nonperformance of professional services for the County under this Agreement. This professional liability insurance shall remain in force for the life of the Consultant's obligations under this Agreement, and shall have a limit of liability of not less than \$3,000,000 with a deductible of not more than \$100,000. If any such policy is written on a claims made form, the retroactive date shall be prior to or coincident with the effective date of this contract. Claims made form coverage, or extended reporting following the expiration or termination of this contract, shall be maintained by the Consultant for a minimum of three years following the expiration or early termination of this contract and the Consultant shall annually provide the County with proof of renewal. Subcontractors performing services for the Consultant must maintain limits of not less than \$1,000,000 with the same terms in this section.

f. **Cyber and Privacy & Securities Liability (Primary and Excess)**

Coverage for, but not limited to, Privacy and Security breaches, Service Interruption with minimum policy limits of \$3,000,000 in the aggregate. Subcontractors performing services for the Consultant must maintain limits of not less than \$1,000,000 with the same terms in this section.

- (a) Any retroactive date or prior acts exclusion must be predated both the date of this agreement and any earlier commencement of any services.
- (b) Coverage must be maintained for a minimum of two (2) years after final completion of the services or work provided by the vendor

iii. **Additional requirements**

a. **Additional Insured**

The required insurance policies, with the exception of the Workers Compensation and Professional Liability, must name Cook County, its officials, employees and agents as additional insureds with respect to operations performed. Consultant's insurance shall be primary and non-contributory with any insurance maintained by Cook County.

b. **Qualification of Insurers**

All insurance companies providing coverage shall be licensed or approved by the Department of Insurance, State of Illinois, and shall have a financial rating no lower than (A-) VII as listed in A.M. Best's Key Rating Guide, current edition or interim report. Companies with ratings lower than (A-) VII will be acceptable

only upon consent of the Cook County Department of Risk Management. The insurance limits required herein may be satisfied by a combination of primary, umbrella and/or excess liability insurance policies.

c. **Insurance Notices**

Consultant shall provide the Office of the Chief Procurement Officer with thirty (30) days advance written notice in the event any required insurance will be cancelled, materially reduced or non-renewed. Consultant shall secure replacement coverage to comply with the stated insurance requirements and provide new certificates of insurance to the Office of the Chief Procurement Officer.

Prior to the date on which Consultant commences performance of its part of the work, Consultant shall furnish to the Office of the Chief Procurement Officer certificates of insurance maintained by Consultant. The receipt of any certificate of insurance does not constitute agreement by the County that the insurance requirements have been fully met or that the insurance policies indicated on the certificate of insurance are in compliance with insurance required above.

d. **Waiver of Subrogation Endorsements**

All insurance policies must contain a Waiver of Subrogation Endorsement in favor of Cook County.

g) Indemnification

The Consultant covenants and agrees to indemnify and save harmless the County and its commissioners, officials, employees, and their respective heirs, successors and assigns, from and against any and all costs, expenses, attorney's fees, losses, damages and liabilities incurred or suffered directly or indirectly from or attributable to any third party claims arising out of or incident to the performance or nonperformance of the Contract by the Consultant as a result and to the extent of the negligent acts, errors, omissions, willful misconduct or fraud of the officers, agents, employees, contractors, subcontractors, licensees or invitees of the Consultant. The Consultant expressly understands and agrees that any Performance Bond or insurance protection required of the Consultant, or otherwise provided by the Consultant, shall in no way limit the responsibility to indemnify the County as hereinabove provided. Notwithstanding that, Consultant shall not be responsible or liable for third party claims which arise to as a result and to the extent the County's willful misconduct or fraud.

The Consultant's indemnification obligations under this section are contingent upon: (i) the indemnified party giving prompt written notice to the Consultant of any claim under this Section (provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent, and only to the extent, that the Consultant shall have been actually prejudiced as a result of such failure), (ii) the Consultant having the right, but not the obligation, to assume sole control of the defense or settlement of the claim, and (iii) at the Consultant's request and expense, the indemnified party cooperating in the investigation and defense of such claim(s). If the Consultant assumes the defense of any claim hereunder, the indemnified party shall be entitled to participate in (but not control) such defense and to retain its own counsel, at its own expense. The Consultant shall not settle or consent to an adverse judgment in any such claim that adversely affects the rights or interests of the indemnified party or imposes additional obligations on the indemnified party, without the prior express written consent of the indemnified party.

h) Confidentiality and Ownership of Documents

Consultant acknowledges and agrees that information regarding this Contract is confidential and shall not be disclosed, directly, indirectly or by implication, or be used by Consultant in any way, whether during the term of this Contract or at any time thereafter, except solely as required in the course of Consultant's performance hereunder. Consultant shall comply with the applicable privacy laws and regulations affecting County and will not disclose any of County's records, materials, or other data to any third party. Consultant shall not have the right to compile and distribute statistical analyses and reports utilizing data derived from information or data obtained from County without the prior written approval of County. In the event such approval is given, any such reports published and distributed by Consultant shall be furnished to County without charge.

All documents, data, studies, reports, work product or product created as a result of the

performance of the Contract (the "Documents") shall be included in the Deliverables and shall be the property of the County of Cook. It shall be a breach of this Contract for the Consultant to reproduce or use any documents, data, studies, reports, work product or product obtained from the County of Cook or any Documents created hereby, whether such reproduction or use is for Consultant's own purposes or for those of any third party. During the performance of the Contract Consultant shall be responsible of any loss or damage to the Documents while they are in Consultant's possession, and any such loss or damage shall be restored at the expense of the Consultant. The County and its designees shall be afforded full access to the Documents and the work at all times.

i) Patents, Copyrights and Licenses

If applicable, Consultant shall furnish the Chief Procurement Officer with all licenses required for the County to utilize any software, including firmware or middleware, provided by Consultant as part of the Deliverables. Such licenses shall be clearly marked with a reference to the number of this County Contract. Consultant shall also furnish a copy of such licenses to the Chief Procurement Officer. Unless otherwise stated in these Contract documents, such licenses shall be perpetual and shall not limit the number of persons who may utilize the software on behalf of the County.

Consultant agrees to hold harmless and indemnify the County, its officers, agents, employees and affiliates from and defend, at its own expense (including reasonable attorneys', accountants' and consultants' fees), any suit or proceeding brought against County based upon a claim that the ownership and/or use of equipment, hardware and software or any part thereof provided to the County or utilized in performing Consultant's services constitutes an infringement of any patent, copyright or license or any other property right.

In the event the use of any equipment, hardware or software or any part thereof is enjoined, Consultant with all reasonable speed and due diligence shall provide or otherwise secure for County, at the Consultant's election, one of the following: the right to continue use of the equipment, hardware or software; an equivalent system having the Specifications as provided in this Contract; or Consultant shall modify the system or its component parts so that they become non-infringing while performing in a substantially similar manner to the original system, meeting the requirements of this Contract.

j) Examination of Records and Audits

The Consultant agrees that the Cook County Auditor or any of its duly authorized representatives shall, until expiration of three (3) years after the final payment under the Contract, have access and the right to examine any books, documents, papers, canceled checks, bank statements, purveyor's and other invoices, and records of the Consultant related to the Contract, or to Consultant's compliance with any term, condition or provision thereof. The Consultant shall be responsible for establishing and maintaining records sufficient to document the costs associated with performance under the terms of this Contract.

The Consultant further agrees that it shall include in all of its subcontracts hereunder a provision to the effect that the subcontractor agrees that the Cook County Auditor or any of its duly authorized representatives shall, until expiration of three (3) years after final payment under the subcontract, have access and the right to examine any books, documents, papers, canceled checks, bank statements, purveyor's and other invoices and records of such subcontractor involving transactions relating to the subcontract, or to such subcontractor's compliance with any term, condition or provision thereunder or under the Contract.

In the event the Consultant receives payment under the Contract, reimbursement for which is later disallowed by the County, the Consultant shall promptly refund the disallowed amount to the County on request, or at the County's option, the County may credit the amount disallowed from the next payment due or to become due to the Consultant under any contract with the County.

To the extent this Contract pertains to Deliverables which may be reimbursable under the Medicaid or Medicare Programs, Consultant shall retain and make available upon request, for a period of four (4) years after furnishing services pursuant to this Agreement, the contract, books, documents and records which are necessary to certify the nature and extent of the costs of such services if requested by the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives. If Consultant carries out any of its duties under the Agreement through a subcontract with a related organization involving a value of cost of \$10,000.00 or more over a 12 month period, Consultant will cause such subcontract to contain a clause to the effect that, until the expiration of four years after the furnishing of any service pursuant to said subcontract, the related organization will make available upon request of the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives, copies of said subcontract and any books, documents, records and other data of said related organization that are necessary to certify the nature and extent of such costs. This paragraph relating to the retention and production of documents is included because of possible application of Section 1861(v) (1) (I) of the Social Security Act to this Agreement; if this Section should be found to be inapplicable, then this paragraph shall be deemed inoperative and without force and effect.

k) Subcontract Subcontracting or Assignment of Contract or Contract Funds

Once awarded, this Contract shall not be subcontracted or assigned, in whole or in part, without the advance written approval of the Chief Procurement Officer, which approval shall be granted or withheld at the sole discretion of the Chief Procurement Officer. In no case, however, shall such approval relieve the Consultant from its obligations or change the terms of the Contract. The Consultant shall not transfer or assign any Contract funds or any interest therein due or to become due without the advance written approval of the Chief Procurement Officer. The unauthorized subcontracting or assignment of the Contract, in whole or in part, or the unauthorized transfer or assignment of any Contract funds, either in whole or in part, or any interest therein, which shall be due or are to become due the Consultant shall have no effect on the County and are null and void.

Prior to the commencement of the Contract, the Consultant shall identify in writing to the Chief Procurement Officer the names of any and all subcontractors it intends to use in the performance of the Contract. The Chief Procurement Officer shall have the right to disapprove any subcontractor. Identification of subcontractors to the Chief Procurement Officer shall be in addition to any communications with County offices other than the Chief Procurement Officer. All subcontractors shall be subject to the terms of this Contract. Consultant shall incorporate into all subcontracts all of the provisions of the Contract which affect such subcontract. Copies of subcontracts shall be provided to the Chief Procurement Officer upon request.

The Consultant must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity that the Consultant has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Consultant is not required to disclose employees who are paid or estimated to be paid. The Consultant is not required to disclose employees who are paid solely through the Consultant's regular payroll. "Lobbyist" means any person or entity who undertakes to influence any legislation or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2), himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action. If the Consultant is uncertain whether a disclosure is required under this Section, the Consultant must either ask the County, whether disclosure is required or make the disclosure.

The County reserves the right to prohibit any person from entering any County facility for any reason. All contractors and subcontractors of the Consultant shall be accountable to the Chief Procurement Officer or his designee while on any County property and shall abide by all rules and regulations imposed by the County.

ARTICLE 4) TERM OF PERFORMANCE

a) Term of Performance

This Agreement takes effect when approved by the Cook County Board and its term shall begin on October 1, 2014 ("Effective Date") and continue until September 30, 2017 or until this Agreement is terminated in accordance with its terms, whichever occurs first.

b) Timeliness of Performance

i) Consultant must provide the Services and Deliverables within the term and within the time limits required under this Agreement, pursuant to the provisions of Section 4.a and Exhibits 1 & 2. Further, Consultant acknowledges that TIME IS OF THE ESSENCE and that the failure of Consultant to comply with the time limits described in this Section 4.2 may result in economic or other losses to the County.

ii) Neither Consultant nor Consultant's agents, employees or Subcontractors are entitled to any damages from the County, nor is any party entitled to be reimbursed by the County, for damages, charges or other losses or expenses incurred by Consultant by reason of delays or hindrances in the performance of the Services, whether or not caused by the County.

c) Agreement Extension Option

The Chief Procurement Officer may at any time before this Agreement expires elect to extend this Agreement for up to two (2) additional one-year periods under the same terms and conditions as this original Agreement, except as provided otherwise in this Agreement, by notice in writing to Consultant. After notification by the Chief Procurement Officer, this Agreement must be modified to reflect the time extension in accordance with the provisions of Section 10.c.

ARTICLE 5) COMPENSATION

a) Basis of Payment

The County will pay Consultant according to the Schedule of Compensation in the attached Exhibit 3 for the successful completion of services. Notwithstanding the forgoing, the maximum dollar amount due Consultant under this Agreement shall not exceed \$6,000,000.00 without a written amendment in accordance with Section 10.c.

b) Method of Payment

All invoices submitted by the Consultant shall be in accordance with the cost provisions according to the Schedule of Compensation in the attached Exhibit 3. The invoices shall contain a detailed description of the Deliverables for which payment is requested. All invoices shall reflect the amounts invoiced by and the amounts paid to the Consultant as of the date of the invoice, and shall be submitted together with a properly completed County Voucher form (29A).

Invoices for new charges shall not include "past due" amounts, if any, which amounts must be set forth on a separate invoice. No payments shall be made with respect to invoices which do not include the County Voucher form or which otherwise fail to comply with the requirements of this paragraph. Consultant shall not be entitled to invoice the County for any late fees or other penalties.

c) Funding

The source of funds for payments under this Agreement is identified in Exhibit 3, Schedule of Compensation. Payments under this Agreement must not exceed the dollar amount shown in Exhibit 3 without a written amendment in accordance with Section 10.c.

d) Non-Appropriation

If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the County for payments to be made under this Agreement, then the County will notify Consultant in writing of that occurrence, and this Agreement will terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. Payments for Services completed to the date of notification will be made to Consultant. No payments will be made or due to Consultant and under this Agreement beyond those amounts appropriated and budgeted by the County to fund payments under this Agreement.

e) Taxes

Federal Excise Tax does not apply to materials purchased by the County by virtue of Exemption Certificate No. 36-75-0038K. Illinois Retailers' Occupation Tax, Use Tax and Municipal Retailers' Occupation Tax do not apply to deliverables, materials or services purchased by the County by virtue of statute. The price or prices quoted herein shall include any and all other federal and/or state, direct and/or indirect taxes which apply to this Contract. The County's State of Illinois Sales Tax Exemption Identification No. is E-9998-2013-05.

f) Price Reduction

If at any time after the contract award, Consultant makes a general price reduction in the price of any of the Deliverables, the equivalent price reduction based on similar quantities and/or considerations shall apply to this Contract for the duration of the Contract period. For purposes of this Section 5.f., Price Reduction, a general price reduction shall include reductions in the effective price charged by Consultant by reason of rebates, financial incentives, discounts, value points or other benefits with respect to the purchase of the Deliverables. Such price reductions shall be effective at the same time and in the same manner as the reduction Consultant makes in the price of the Deliverables to its prospective customers generally.

g) Consultant Credits

To the extent the Consultant gives credits toward future purchases of goods or services, financial incentives, discounts, value points or other benefits based on the purchase of the materials or services provided for under this Contract, such credits belong to the County and not any specific using department. Consultant shall reflect any such credits on its invoices and in the amounts it invoices the County.

ARTICLE 6) DISPUTES

Any dispute arising under the Contract between the County and Consultant shall be decided by the Chief Procurement Officer. The complaining party shall submit a written statement detailing the dispute and specifying the specific relevant Contract provision(s) to the Chief Procurement Officer. Upon request of the Chief Procurement Officer, the party complained against shall respond to the

complaint in writing within five days of such request. The Chief Procurement Officer will reduce her decision to writing and mail or otherwise furnish a copy thereof to the Consultant. The decision of the Chief Procurement Officer will be final and binding. Dispute resolution as provided herein shall be a condition precedent to any other action at law or in equity. However, unless a notice is issued by the Chief Procurement Officer indicating that additional time is required to review a dispute, the parties may exercise their contractual remedies, if any, if no decision is made within sixty (60) days following notification to the Chief Procurement Officer of a dispute. No inference shall be drawn from the absence of a decision by the Chief Procurement Officer. Notwithstanding a dispute, Consultant shall continue to discharge all its obligations, duties and responsibilities set forth in the Contract during any dispute resolution proceeding unless otherwise agreed to by the County in writing.

ARTICLE 7) COMPLIANCE WITH ALL LAWS

The Consultant shall observe and comply with the laws, ordinances, regulations and codes of the Federal, State, County and other local government agencies which may in any manner affect the performance of the Contract including, but not limited to, those County Ordinances set forth in the Certifications attached hereto and incorporated herein. Assurance of compliance with this requirement by the Consultant's employees, agents or subcontractors shall be the responsibility of the Consultant.

The Consultant shall secure and pay for all federal, state and local licenses, permits and fees required hereunder.

ARTICLE 8) SPECIAL CONDITIONS

a) Warranties and Representations

In connection with signing and carrying out this Agreement, Consultant:

- i) warrants that Consultant is appropriately licensed under Illinois law to perform the Services required under this Agreement and will perform no Services for which a professional license is required by law and for which Consultant is not appropriately licensed;
- ii) warrants it is financially solvent; it and each of its employees, agents and Subcontractors of any tier are competent to perform the Services required under this Agreement; and Consultant is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated in this Agreement;
- iii) warrants that it will not knowingly use the services of any ineligible consultant or Subcontractor for any purpose in the performance of its Services under this Agreement;
- iv) warrants that Consultant and its Subcontractors are not in default at the time this Agreement is signed, and have not been considered by the Chief Procurement Officer to have,

within 5 years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the County ;

v) represents that it has carefully examined and analyzed the provisions and requirements of this Agreement; it understands the nature of the Services required; from its own analysis it has satisfied itself as to the nature of all things needed for the performance of this Agreement; this Agreement is feasible of performance in accordance with all of its provisions and requirements, and Consultant warrants it can and will perform, or cause to be performed, the Services in strict accordance with the provisions and requirements of this Agreement;

vi) represents that Consultant and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of the Illinois Criminal Code, 720 ILCS 5/33E as amended, and the Illinois Municipal Code, 65 ILCS 5/11-42.1-1; and

vii) acknowledges that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination under Sections 9.1 and 9.3.

b) Ethics

i) In addition to the foregoing warranties and representations, Consultant warrants:

(1) no officer, agent or employee of the County is employed by Consultant or has a financial interest directly or indirectly in this Agreement or the compensation to be paid under this Agreement except as may be permitted in writing by the Board of Ethics.

(2) No payment, gratuity or offer of employment will be made in connection with this Agreement by or on behalf of any Subcontractors to the prime Consultant or higher tier Subcontractors or anyone associated with them, as an inducement for the award of a subcontract or order.

c) Joint and Several Liability

If Consultant, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then under this Agreement, each and without limitation every obligation or undertaking in this Agreement to be fulfilled or performed by Consultant is the joint and several obligation or undertaking of each such individual or other legal entity.

d) Business Documents

At the request of the County, Consultant must provide a corporate resolution showing authority to execute this Agreement.

e) Conflicts of Interest

i) No member of the governing body of the County or other unit of government and no other officer, employee or agent of the County or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement pertains is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no Commissioner of the Cook County Board or County employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

ii) Consultant covenants that it, and to the best of its knowledge, its Subcontractors if any (collectively, "**Consulting Parties**"), presently have no direct or indirect interest and will not acquire any interest, direct or indirect, in any project or contract that would conflict in any manner or degree with the performance of its Services under this Agreement.

iii) Upon the request of the County, Consultant must disclose to the County its past client list and the names of any clients with whom it has an ongoing relationship. Consultant is not permitted to perform any Services for the County on applications or other documents submitted to the County by any of Consultant's past or present clients. If Consultant becomes aware of a conflict, it must immediately stop work on the assignment causing the conflict and notify the County.

iv) Without limiting the foregoing, if the Consulting Parties assist the County in determining the advisability or feasibility of a project or in recommending, researching, preparing, drafting or issuing a request for proposals or bid specifications for a project, the Consulting Parties must not participate, directly or indirectly, as a prime, subcontractor or joint venturer in that project or in the preparation of a proposal or bid for that project during the term of this Agreement or afterwards. The Consulting Parties may, however, assist the County in reviewing the proposals or bids for the project if none of the Consulting Parties have a relationship with the persons or entities that submitted the proposals or bids for that project.

v) The Consultant further covenants that, in the performance of this Agreement, no person having any conflicting interest will be assigned to perform any Services or have access to any confidential information, as defined in Section 3.11 of this Agreement. If the County, by the Chief Procurement Officer in his reasonable judgment, determines that any of Consultant's Services for others conflict with the Services Consultant is to render for the County under this Agreement, Consultant must terminate such other services immediately upon request of the County.

vi) Furthermore, if any federal funds are to be used to compensate or reimburse Consultant under this Agreement, Consultant represents that it is and will remain in compliance with federal restrictions on lobbying set forth in Section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal year 1990, 31 U.S.C. § 1352, and related rules and regulations set forth at 54 Fed. Reg. 52,309 ff. (1989), as amended. If federal funds are to be used, Consultant must execute a Certification Regarding Lobbying, which will be attached as an exhibit and incorporated by reference as if fully set forth here.

f) Non-Liability of Public Officials

Consultant and any assignee or Subcontractor of Consultant must not charge any official, employee or agent of the County personally with any liability or expenses of defense or hold any official, employee or agent of the County personally liable to them under any term or provision of this Agreement or because of the County's execution, attempted execution or any breach of this Agreement.

ARTICLE 9) EVENTS OF DEFAULT, REMEDIES, TERMINATION, SUSPENSION AND RIGHT TO OFFSET

a) Events of Default Defined

The following constitute events of default:

- i) Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Consultant to the County.
- ii) Consultant's material failure to perform any of its obligations under this Agreement including the following:
 - (a) Failure due to a reason or circumstances within Consultant's reasonable control to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the performance of the Services;
 - (b) Failure to perform the Services in a manner reasonably satisfactory to the Chief Procurement Officer or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;
 - (c) Failure to promptly re-perform within a reasonable time Services that were rejected as erroneous or unsatisfactory;
 - (d) Discontinuance of the Services for reasons within Consultant's reasonable control; and
 - (e) Failure to comply with any other material term of this Agreement, including the provisions concerning insurance and nondiscrimination.
- iii) Any change in ownership or control of Consultant without the prior written approval of the Chief Procurement Officer, which approval the Chief Procurement Officer will not unreasonably withhold.
- iv) Consultant's default under any other agreement it may presently have or may enter into with the County during the life of this Agreement. Consultant acknowledges and agrees that in the event of a default under this Agreement the County may also declare a default under any

such other Agreements.

- (v) Failure to comply with Section 7a. in the performance of the Agreement.
- (vi) Consultant's repeated or continued violations of County ordinances unrelated to performance under the Agreement that in the opinion of the Chief Procurement Officer indicate a willful or reckless disregard for County laws and regulations.
- (vii) Any willful failure of the County's obligation for payment of undisputed invoices for services performed by Consultant or Consultant's subcontractors.

b) Remedies

The occurrence of any event of default permits either party, at the non-breaching party's sole option, to declare the breaching party in default. The Chief Procurement Officer may in his sole discretion give Consultant an opportunity to cure the default within a certain period of time, which period of time must not exceed 30 days, unless extended by the Chief Procurement Officer. Whether to declare Consultant in default is within the sole discretion of the Chief Procurement Officer and neither that decision nor the factual basis for it is subject to review or challenge under the Disputes provision of this Agreement. Prior to any declaration of default by the Consultant, Consultant shall provide a prior written notice to the Director of Risk Management for the County (with a copy to the Chief Procurement Officer for the County) and allow the County thirty (30) days to cure the default. In the event the County does not cure such default within this thirty (30) day period, Consultant may terminate this Agreement for cause.

The Chief Procurement Officer will give Consultant written notice of the default, either in the form of a cure notice ("**Cure Notice**"), or, if no opportunity to cure will be granted, a default notice ("**Default Notice**"). If the Chief Procurement Officer gives a Default Notice, he will also indicate any present intent he may have to terminate this Agreement, and the decision to terminate (but not the decision not to terminate) is final and effective upon giving the notice.

The Chief Procurement Officer may give a Default Notice if Consultant fails to effect a cure within the cure period given in a Cure Notice. When a Default Notice with intent to terminate is given as provided in this Section 9.b and Article 11, Consultant must discontinue any Services, unless otherwise directed in the notice, and deliver all materials accumulated in the performance of this Agreement, whether completed or in the process, to the County. After giving a Default Notice, the County may invoke any or all of the following remedies:

- i) The right to take over and complete the Services, or any part of them, at Consultant's expense and as agent for Consultant, either directly or through others, and bill Consultant for the cost of the Services, and Consultant must pay the difference between the total amount of this bill and the amount the County would have paid Consultant under the terms and conditions of this Agreement for the Services that were assumed by the County as agent for the Consultant under this Section 9.2;

- ii) The right to terminate this Agreement as to any or all of the Services yet to be performed effective at a time specified by the County;
- iii) The right of specific performance, an injunction or any other appropriate equitable remedy;
- iv) The right to money damages;
- v) The right to withhold all or any part of Consultant's compensation under this Agreement;
- vi) The right to consider Consultant non-responsible in future contracts to be awarded by the County.

If the Chief Procurement Officer considers it to be in the County's best interests, he may elect not to declare default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the County and that if the County permits Consultant to continue to provide the Services despite one or more events of default, Consultant is in no way relieved of any of its responsibilities, duties or obligations under this Agreement, nor does the County waive or relinquish any of its rights.

The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy is cumulative and is in addition to any other remedies, existing now or later, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any event of default impairs any such right or power, nor is it a waiver of any event of default nor acquiescence in it, and every such right and power may be exercised from time to time and as often as the County considers expedient.

c) Early Termination

In addition to termination under Sections 9.1 and 9.2 of this Agreement, the County may terminate this Agreement, or all or any portion of the Services to be performed under it, at any time by a notice in writing from the County to Consultant. The County will give notice to Consultant in accordance with the provisions of Article 11. The effective date of termination will be the date the notice is received by Consultant or the date stated in the notice, whichever is later. If the County elects to terminate this Agreement in full, all Services to be provided under it must cease and all materials that may have been accumulated in performing this Agreement, whether completed or in the process, must be delivered to the County effective 10 days after the date the notice is considered received as provided under Article 11 of this Agreement (if no date is given) or upon the effective date stated in the notice.

After the notice is received, Consultant must restrict its activities, and those of its Subcontractors, to winding down any reports, analyses, or other activities previously begun. No costs incurred after the effective date of the termination are allowed. Payment for any Services

actually and satisfactorily performed before the effective date of the termination is on the same basis as set forth in Article 5, but if any compensation is described or provided for on the basis of a period longer than 10 days, then the compensation must be prorated accordingly. No amount of compensation, however, is permitted for anticipated profits on unperformed Services. The County and Consultant must attempt to agree on the amount of compensation to be paid to Consultant, but if not agreed on, the dispute must be settled in accordance with Article 6 of this Agreement. The payment so made to Consultant is in full settlement for all Services satisfactorily performed under this Agreement.

Consultant must include in its contracts with Subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the County arising from termination of subcontracts after the early termination. Consultant will not be entitled to make any early termination claims against the County resulting from any Subcontractor's claims against Consultant or the County to the extent inconsistent with this provision.

If the County's election to terminate this Agreement for default under Sections 9.1 and 9.2 is determined in a court of competent jurisdiction to have been wrongful, then in that case the termination is to be considered to be an early termination under this Section 9.3.

d) Suspension

The County may at any time request that Consultant suspend its Services, or any part of them, by giving 15 days prior written notice to Consultant or upon informal oral, or even no notice, in the event of emergency. No costs incurred after the effective date of such suspension are allowed.

Consultant must promptly resume its performance of the Services under the same terms and conditions as stated in this Agreement upon written notice by the Chief Procurement Officer and such equitable extension of time as may be mutually agreed upon by the Chief Procurement Officer and Consultant when necessary for continuation or completion of Services. Any additional costs or expenses actually incurred by Consultant as a result of recommencing the Services must be treated in accordance with the compensation provisions under Article 5 of this Agreement.

No suspension of this Agreement is permitted in the aggregate to exceed a period of 45 days within any one year of this Agreement. If the total number of days of suspension exceeds 45 days, Consultant by written notice may treat the suspension as an early termination of this Agreement under Section 9.3.

e) Right to Reimbursement

i) In connection with performance under this Agreement: The County may request reimbursement for any excess costs incurred:

- (i) if the County terminates this Agreement for default or any other reason resulting from Consultant's performance or non-performance;
- (ii) if the County exercises any of its remedies under Section 9.2 of this Agreement; or
- (iii) if the County has any credits due or has made any overpayments under this Agreement.

The County may offset these excess costs by use of any payment due for Services completed before the County terminated this Agreement or before the County exercised any remedies. If the amount offset is insufficient to cover those excess costs, Consultant is liable for and must promptly remit to the County the balance upon written demand for it. This right to offset is in addition to and not a limitation of any other remedies available to the County.

f.) Delays

Consultant agrees that no charges or claims for damages shall be made by Consultant for any delays or hindrances from any cause whatsoever during the progress of any portion of this Contract.

g.) Prepaid Fees

In the event this Contract is terminated by either party, for cause or otherwise, and the County has prepaid for any Deliverables, Consultant shall refund to the County, on a prorated basis to the effective date of termination, all amounts prepaid for Deliverables not actually provided as of the effective date of the termination. The refund shall be made within fourteen (14) days of the effective date of termination.

ARTICLE 10) GENERAL CONDITIONS

a) Entire Agreement

i) General

This Agreement, and the exhibits attached to it and incorporated in it, constitute the entire agreement between the parties and no other warranties, inducements, considerations, promises or interpretations are implied or impressed upon this Agreement that are not expressly addressed in this Agreement.

ii) No Collateral Agreements

Consultant acknowledges that, except only for those representations, statements or promises

expressly contained in this Agreement and any exhibits attached to it and incorporated by reference in it, no representation, statement or promise, oral or in writing, of any kind whatsoever, by the County, its officials, agents or employees, has induced Consultant to enter into this Agreement or has been relied upon by Consultant, including any with reference to: (i) the meaning, correctness, suitability or completeness of any provisions or requirements of this Agreement; (ii) the nature of the Services to be performed; (iii) the nature, quantity, quality or volume of any materials, equipment, labor and other facilities needed for the performance of this Agreement; (iv) the general conditions which may in any way affect this Agreement or its performance; (v) the compensation provisions of this Agreement; or (vi) any other matters, whether similar to or different from those referred to in (i) through (vi) immediately above, affecting or having any connection with this Agreement, its negotiation, any discussions of its performance or those employed or connected or concerned with it.

iii) No Omissions

Consultant acknowledges that Consultant was given an opportunity to review all documents forming this Agreement before signing this Agreement in order that it might request inclusion in this Agreement of any statement, representation, promise or provision that it desired or on that it wished to place reliance. Consultant did so review those documents, and either every such statement, representation, promise or provision has been included in this Agreement or else, if omitted, Consultant relinquishes the benefit of any such omitted statement, representation, promise or provision and is willing to perform this Agreement in its entirety without claiming reliance on it or making any other claim on account of its omission.

iv) Counterparts

This Agreement is comprised of several identical counterparts, each to be fully signed by the parties and each to be considered an original having identical legal effect.

b) Modifications and Amendments

In the case of Contracts approved by the Chief Procurement Officer, the Chief Procurement Officer may amend a contract provided that any such amendment(s) does not extend the Contract by more than one (1) year, and further provided that the total cost of all such amendments does not increase the total amount of the Contract beyond \$150,000. In the case of contracts approved by the Board, the CPO shall have the authority to execute Contract amendments on Contracts approved by the Board; provided, however, that the total of such amendments does not extend the Contract by more than one (1) year and does not increase the original Contract by more than \$150,000.00 during the term of the Contract. The "amount" of a Contract shall mean the maximum amount payable under such Contract.

No person has the power or authority to approve, authorize or execute an amendment to the Contract in the amount of \$150,000.00 or more without approval of the County Board.

No County department or employee thereof has authority to make any modifications or amendments to this Contract. Any modifications or amendments to this Contract made without the express written approval of the Chief Procurement Officer is void and unenforceable.

c) Governing Law and Jurisdiction

This Contract shall be governed by and construed under the laws of the State of Illinois. The Consultant irrevocably agrees that, subject to the County's sole and absolute election to the contrary, any action or proceeding in any way, manner or respect arising out of the Contract, or arising from any dispute or controversy arising in connection with or related to the Contract, shall be litigated only in courts within the Circuit Court of Cook County, State of Illinois, and the Consultant consents and submits to the jurisdiction thereof. In accordance with these provisions, Consultant waives any right it may have to transfer or change the venue of any litigation brought against it by the County pursuant to this Contract.

d) Severability

If any provision of this Agreement is held or considered to be or is in fact invalid, illegal, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions of this Agreement or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question invalid, illegal, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions in this Agreement invalid, illegal, inoperative or unenforceable to any extent whatsoever. The invalidity, illegality, inoperativeness or unenforceability of any one or more phrases, sentences, clauses or sections in this Agreement does not affect the remaining portions of this Agreement or any part of it.

e) Assigns

All of the terms and conditions of this Agreement are binding upon and inure to the benefit of the parties and their respective legal representatives, successors and assigns.

f) Cooperation

Consultant must at all times cooperate fully with the County and act in the County's best interests. If this Agreement is terminated for any reason, or if it is to expire on its own terms, Consultant must make every effort to assure an orderly transition to another provider of the Services, if any, orderly demobilization of its own operations in connection with the Services, uninterrupted provision of Services during any transition period and must otherwise comply with the reasonable requests and requirements of the Department in connection with the termination or expiration.

g) Waiver

Nothing in this Agreement authorizes the waiver of a requirement or condition contrary to law or ordinance or that would result in or promote the violation of any federal, state or local law or ordinance.

Whenever under this Agreement the County by a proper authority waives Consultant's performance in any respect or waives a requirement or condition to either the County's or Consultant's performance, the waiver so granted, whether express or implied, only applies to the particular instance and is not a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver is a modification of this Agreement regardless of the number of times the County may have waived the performance, requirement or condition. Such waivers must be provided to Consultant in writing.

i) Independent Consultant

This Agreement is not intended to and will not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, corporation or other formal business association or organization of any kind between Consultant and the County. The rights and the obligations of the parties are only those expressly set forth in this Agreement. Consultant must perform under this Agreement as an independent Consultant and not as a representative, employee, agent, or partner of the County.

This Agreement is between the County and an independent contractor and, if Consultant is an individual, nothing provided for under this Agreement constitutes or implies an employer-employee relationship such that:

i) The County will not be liable under or by reason of this Agreement for the payment of any compensation award or damages in connection with the Consultant performing the Services required under this Agreement.

ii) Consultant is not entitled to membership in the County Pension Fund, Group Medical Insurance Program, Group Dental Program, Group Vision Care, Group Life Insurance Program, Deferred Income Program, vacation, sick leave, extended sick leave, or any other benefits ordinarily provided to individuals employed and paid through the regular payrolls of the County.

iii) The County is not required to deduct or withhold any taxes, FICA or other deductions from any compensation provided to the Consultant.

j) Governmental Joint Purchasing Agreement

[Intentionally Omitted].

ARTICLE 11) NOTICES

All notices required pursuant to this Contract shall be in writing and addressed to the parties at

their respective addresses set forth below. All such notices shall be deemed duly given if hand delivered or if deposited in the United States mail, postage prepaid, registered or certified, return receipt requested. Notice as provided herein does not waive service of summons or process.

If to the County: Department of Risk Management
118 North Clark Street, Room 1072
Chicago, Illinois 60602
Attention: Department Director

and

Office of the Chief Procurement Officer
118 North Clark Street, Room 1018
Chicago, Illinois 60602
(Include County Contract Number on all notices)

If to Consultant: CorVel Corporation
2010 Main Street, Suite 600
Irvine, CA 92614
Attention: Sharon O'Connor, Director of Legal Services

Changes in these addresses must be in writing and delivered in accordance with the provisions of this Article 11. Notices delivered by mail are considered received three days after mailing in accordance with this Article 11. Notices delivered personally are considered effective upon receipt. Refusal to accept delivery has the same effect as receipt.

ARTICLE 12) AUTHORITY

Execution of this Agreement by Consultant is authorized by a resolution of its Board of Directors, if a corporation, or similar governing document, and the signature(s) of each person signing on behalf of Consultant have been made with complete and full authority to commit Consultant to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained in it, including the representations, certifications and warranties collectively incorporated by reference in it.

**ECONOMIC DISCLOSURE STATEMENT
AND EXECUTION DOCUMENT
INDEX**

Section	Description	Pages
Instructions	Instructions for Completion of EDS	EDS i - ii
1	MBE/WBE Utilization Plan	EDS 1
2	Letter of Intent	EDS 2
3	Petition for Reduction/Waiver of MBE/WBE Participation Goals	EDS 3
4	Certifications	EDS 4, 5
5	Economic and Other Disclosures, Affidavit of Child Support Obligations and Disclosure of Ownership Interest	EDS 6 – 12
6	Sole Proprietor Signature Page	EDS 13a/b/c
7	Partnership Signature Page	EDS 14/a/b/c
8	Limited Liability Corporation Signature Page	EDS 15a/b/c
9	Corporation Signature Page	EDS 16a/b/c
10	Cook County Signature Page	EDS 17

INSTRUCTIONS FOR COMPLETION OF ECONOMIC DISCLOSURE STATEMENT AND EXECUTION DOCUMENT

This Economic Disclosure Statement and Execution Document ("EDS") is to be completed and executed by every Bidder on a County contract, every party responding to a Request for Proposals or Request for Qualifications ("Proposer"), and others as required by the Chief Procurement Officer. If the Undersigned is awarded a contract pursuant to the procurement process for which this EDS was submitted (the "Contract"), this Economic Disclosure Statement and Execution Document shall stand as the Undersigned's execution of the Contract.

Definitions. Capitalized terms used in this EDS and not otherwise defined herein shall have the meanings given to such terms in the Instructions to Bidders, General Conditions, Request for Proposals, Request for Qualifications, or other documents, as applicable.

"Affiliated Entity" means a person or entity that, directly or indirectly: controls the Bidder, is controlled by the Bidder, or is, with the Bidder, under common control of another person or entity. Indicia of control include, without limitation, interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; and organization of a business entity following the ineligibility of a business entity to do business with the County under the standards set forth in the Certifications included in this EDS, using substantially the same management, ownership or principals as the ineligible entity.

"Bidder," "Proposer," "Undersigned," or "Applicant," is the person or entity executing this EDS. Upon award and execution of a Contract by the County, the Bidder, Proposer, Undersigned or Applicant, as the case may be, shall become the Contractor or Contracting Party.

"Proposal," for purposes of this EDS, is the Undersigned's complete response to an RFP/RFQ, or if no RFQ/RFP was issued by the County, the "Proposal" is such other proposal, quote or offer submitted by the Undersigned, and in any event a "Proposal" includes this EDS.

"Code" means the Code of Ordinances, Cook County, Illinois available through the Cook County Clerk's Office website (<http://www.cookctyclerk.com/sub/ordinances.asp>). This page can also be accessed by going to www.cookctyclerk.com, clicking on the tab labeled "County Board Proceedings," and then clicking on the link to "Cook County Ordinances."

"Contractor" or "Contracting Party" means the Bidder, Proposer or Applicant with whom the County has entered into a Contract.

"EDS" means this complete Economic Disclosure Statement and Execution Document, including all sections listed in the Index and any attachments.

"Lobby" or "lobbying" means to, for compensation, attempt to influence a County official or County employee with respect to any County matter.

"Lobbyist" means any person or entity who lobbies.

"Prohibited Acts" means any of the actions or occurrences which form the basis for disqualification under the Code, or under the Certifications hereinafter set forth.

Sections 1 through 3: MBE/WBE Documentation. Sections 1 and 2 must be completed in order to satisfy the requirements of the County's MBE/WBE Ordinance, as set forth in the Contract Documents, if applicable. If the Undersigned believes a waiver is appropriate and necessary, Section 3, the Petition for Waiver of MBE/WBE Participation must be completed.

Section 4: Certifications. Section 4 sets forth certifications that are required for contracting parties under the Code. Execution of this EDS constitutes a warranty that all the statements and certifications contained, and all the facts stated, in the Certifications are true, correct and complete as of the date of execution.

Section 5: Economic and Other Disclosures Statement. Section 5 is the County's required Economic and Other Disclosures Statement form. Execution of this EDS constitutes a warranty that all the information provided in the EDS is true, correct and complete as of the date of execution, and binds the Undersigned to the warranties, representations, agreements and acknowledgements contained therein.

**INSTRUCTIONS FOR COMPLETION OF
ECONOMIC DISCLOSURE STATEMENT AND EXECUTION DOCUMENT**

Sections 6, 7, 8, 9: Execution Forms. The Bidder executes this EDS, and the Contract, by completing and signing three copies of the appropriate Signature Page. Section 6 is the form for a sole proprietor; Section 7 is the form for a partnership or joint venture; Section 8 is the form for a Limited Liability Corporation, and Section 9 is the form for a corporation. Proper execution requires **THREE ORIGINALS**; therefore, the appropriate Signature Page must be filled in, three copies made, and all three copies must be properly signed, notarized and submitted. The forms may be printed and completed by typing or hand writing the information required.

Required Updates. The information provided in this EDS will be kept current. In the event of any change in any information provided, including but not limited to any change which would render inaccurate or incomplete any certification or statement made in this EDS, the Undersigned will supplement this EDS up to the time the County takes action, by filing an amended EDS or such other documentation as is requested.

Additional Information. The County's Governmental Ethics and Campaign Financing Ordinances, impose certain duties and obligations on persons or entities seeking County contracts, work, business, or transactions. For further information please contact the Director of Ethics at (312) 603-4304 (69 W. Washington St. Suite 3040, Chicago, IL 60602) or visit our web-site at www.cookcountygov.com and go to the Ethics Department link. The Bidder must comply fully with the applicable ordinances.

MBE/WBE UTILIZATION PLAN (SECTION 1)

BIDDER/PROPOSER HEREBY STATES that all MBE/WBE firms included in this Plan are certified MBEs/WBEs by at least one of the entities listed in the General Conditions.

I. BIDDER/PROPOSER MBE/WBE STATUS: (check the appropriate line)

- Bidder/Proposer is a certified MBE or WBE firm. (If so, attach copy of appropriate Letter of Certification)
- Bidder/Proposer is a Joint Venture and one or more Joint Venture partners are certified MBEs or WBEs. (If so, attach copies of Letter(s) of Certification, a copy of Joint Venture Agreement clearly describing the role of the MBE/WBE firm(s) and its ownership interest in the Joint Venture and a completed Joint Venture Affidavit – available from the Office of Contract Compliance)
- Bidder/Proposer is not a certified MBE or WBE firm, nor a Joint Venture with MBE/WBE partners, but will utilize MBE and WBE firms either directly or indirectly in the performance of the Contract. (If so, complete Sections II and III).

II. Direct Participation of MBE/WBE Firms Indirect Participation of MBE/WBE Firms

Where goals have not been achieved through direct participation, Bidder/Proposer shall include documentation outlining efforts to achieve Direct Participation at the time of Bid/Proposal submission. Indirect Participation will only be considered after all efforts to achieve Direct Participation have been exhausted. Only after written documentation of Good Faith Efforts is received will Indirect Participation be considered.

MBEs/WBEs that will perform as subcontractors/suppliers/consultants include the following:
MBE/WBE Firm: The Owens Group, Inc.
Address: 19 S. La Salle St., Ste 500, Chicago, IL 60603
E-mail: theowensgroupinc@toginsrisk.com

Contact Person: Christina Davis Phone: (312) 780-1439

Dollar Amount Participation: \$ Not to exceed 35%. Paid on monthly basis

Percent Amount of Participation: Not to exceed 35% %

*Letter of Intent attached? Yes X No _____
*Letter of Certification attached? Yes X No _____

MBE/WBE Firm: _____

Address: _____

E-mail: _____

Contact Person: _____ Phone: _____

Dollar Amount Participation: \$ Not to exceed 35%. Paid on monthly basis

Percent Amount of Participation: Not to exceed 35% %

*Letter of Intent attached? Yes _____ No _____
*Letter of Certification attached? Yes _____ No _____

Attach additional sheets as needed.

***Additionally, all Letters of Intent, Letters of Certification and documentation of Good Faith Efforts omitted from this bid/proposal must be submitted to the Office of Contract Compliance so as to assure receipt by the Contract Compliance Administrator not later than three (3) business days after the Bid Opening date.**

COOK COUNTY GOVERNMENT LETTER OF INTENT (SECTION 2)

M/WBE Firm: The Owens Group, Inc.

Certifying Agency: Cook County

Address: 19 S. LaSalle St., Ste 500

Certification Expiration Date: 01/22/2017

City/State: Chicago, IL Zip: 60603

FEIN #: 363664670

Phone: (312) 368-5110 Fax: (312) 368-5113

Contact Person: Christina Davis

Email: theowensgroupinc@toginsrisk.com

Contract #: (312) 780-1439

Participation: Direct Indirect

Will the M/WBE firm be subcontracting any of the performance of this contract to another firm?

No Yes - Please attach explanation. Proposed Subcontractor: _____

The undersigned M/WBE is prepared to provide the following Commodities/Services for the above named Project/ Contract:

Administrative and or other required staffing needs.

Indicate the Dollar Amount, or Percentage, and the Terms of Payment for the above-described Commodities/ Services:

35% of awarded amount

(If more space is needed to fully describe M/WBE Firm's proposed scope of work and/or payment schedule, attach additional sheets)

THE UNDERSIGNED PARTIES AGREE that this Letter of Intent will become a binding Subcontract Agreement conditioned upon the Bidder/Proposer's receipt of a signed contract from the County of Cook. The Undersigned Parties do also certify that they did not affix their signatures to this document until all areas under Description of Service/ Supply and Fee/Cost were completed.

William H. Owens, III

Signature (M/WBE)

Richard Scheweppe

Signature (Prime Bidder/Proposer)

William H. Owens, III

Print Name

Richard Scheweppe

Print Name

The Owens Group, Inc.

Firm Name

CorVel Healthcare Corporation

Firm Name

8/29/14

Date

8/26/14

Date

Subscribed and sworn before me

this 29 day of August, 20 14.

Notary Public *Christina Davis*

Subscribed and sworn before me

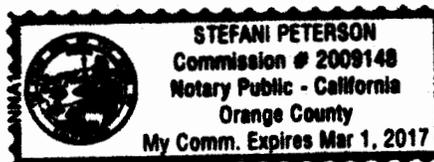
this 26 day of August, 20 14.

Notary Public *Stefani Peterson*

SEAL



SEAL



PETITION FOR WAIVER OF MBE/WBE PARTICIPATION (SECTION 3)

A. BIDDER/PROPOSER HEREBY REQUESTS:

- FULL MBE WAIVER FULL WBE WAIVER
- REDUCTION (PARTIAL MBE and/or WBE PARTICIPATION)

_____ % of Reduction for MBE Participation
_____ % of Reduction for WBE Participation

B. REASON FOR FULL/REDUCTION WAIVER REQUEST

Bidder/Proposer shall check each item applicable to its reason for a waiver request. Additionally, supporting documentation shall be submitted with this request. If such supporting documentation cannot be submitted with bid/proposal/quotation, such documentation shall be submitted directly to the Office of Contract Compliance no later than three (3) days from the date of submission date.

- (1) Lack of sufficient qualified MBEs and/or WBEs capable of providing the goods or services required by the contract. **(Please explain)**
- (2) The specifications and necessary requirements for performing the contract make it impossible or economically infeasible to divide the contract to enable the contractor to utilize MBEs and/or WBEs in accordance with the applicable participation. **(Please explain)**
- (3) Price(s) quoted by potential MBEs and/or WBEs are above competitive levels and increase cost of doing business and would make acceptance of such MBE and/or WBE bid economically impracticable, taking into consideration the percentage of total contract price represented by such MBE and/or WBE bid. **(Please explain)**
- (4) There are other relevant factors making it impossible or economically infeasible to utilize MBE and/or WBE firms. **(Please explain)**

C. GOOD FAITH EFFORTS TO OBTAIN MBE/WBE PARTICIPATION

- (1) Made timely written solicitation to identified MBEs and WBEs for utilization of goods and/or services; and provided MBEs and WBEs with a timely opportunity to review and obtain relevant specifications, terms and conditions of the proposal to enable MBEs and WBEs to prepare an informed response to solicitation. **(Please attach)**
- (2) Followed up initial solicitation of MBEs and WBEs to determine if firms are interested in doing business. **(Please attach)**
- (3) Advertised in a timely manner in one or more daily newspapers and/or trade publication for MBEs and WBEs for supply of goods and services. **(Please attach)**
- (4) Used the services and assistance of the Office of Contract Compliance staff. **(Please explain)**
- (5) Engaged MBEs & WBEs for indirect participation. **(Please explain)**

D. OTHER RELEVANT INFORMATION

Attach any other documentation relative to Good Faith Efforts in complying with MBE/WBE participation.

CERTIFICATIONS (SECTION 4)

THE FOLLOWING CERTIFICATIONS ARE MADE PURSUANT TO STATE LAW AND THE CODE. THE UNDERSIGNED IS CAUTIONED TO CAREFULLY READ THESE CERTIFICATIONS PRIOR TO SIGNING THE SIGNATURE PAGE. SIGNING THE SIGNATURE PAGE SHALL CONSTITUTE A WARRANTY BY THE UNDERSIGNED THAT ALL THE STATEMENTS, CERTIFICATIONS AND INFORMATION SET FORTH WITHIN THESE CERTIFICATIONS ARE TRUE, COMPLETE AND CORRECT AS OF THE DATE THE SIGNATURE PAGE IS SIGNED. THE UNDERSIGNED IS NOTIFIED THAT IF THE COUNTY LEARNS THAT ANY OF THE FOLLOWING CERTIFICATIONS WERE FALSELY MADE, THAT ANY CONTRACT ENTERED INTO WITH THE UNDERSIGNED SHALL BE SUBJECT TO TERMINATION.

A. PERSONS AND ENTITIES SUBJECT TO DISQUALIFICATION

No person or business entity shall be awarded a contract or sub-contract, for a period of five (5) years from the date of conviction or entry of a plea or admission of guilt, civil or criminal, if that person or business entity:

- 1) Has been convicted of an act committed, within the State of Illinois, of bribery or attempting to bribe an officer or employee of a unit of state, federal or local government or school district in the State of Illinois in that officer's or employee's official capacity;
- 2) Has been convicted by federal, state or local government of an act of bid-rigging or attempting to rig bids as defined in the Sherman Anti-Trust Act and Clayton Act. Act. 15 U.S.C. Section 1 *et seq.*;
- 3) Has been convicted of bid-rigging or attempting to rig bids under the laws of federal, state or local government;
- 4) Has been convicted of an act committed, within the State, of price-fixing or attempting to fix prices as defined by the Sherman Anti-Trust Act and the Clayton Act. 15 U.S.C. Section 1, *et seq.*;
- 5) Has been convicted of price-fixing or attempting to fix prices under the laws the State;
- 6) Has been convicted of defrauding or attempting to defraud any unit of state or local government or school district within the State of Illinois;
- 7) Has made an admission of guilt of such conduct as set forth in subsections (1) through (6) above which admission is a matter of record, whether or not such person or business entity was subject to prosecution for the offense or offenses admitted to; or
- 8) Has entered a plea of *nolo contendere* to charge of bribery, price-fixing, bid-rigging, or fraud, as set forth in sub-paragraphs (1) through (6) above.

In the case of bribery or attempting to bribe, a business entity may not be awarded a contract if an official, agent or employee of such business entity committed the Prohibited Act on behalf of the business entity and pursuant to the direction or authorization of an officer, director or other responsible official of the business entity, and such Prohibited Act occurred within three years prior to the award of the contract. In addition, a business entity shall be disqualified if an owner, partner or shareholder controlling, directly or indirectly, 20 % or more of the business entity, or an officer of the business entity has performed any Prohibited Act within five years prior to the award of the Contract.

THE UNDERSIGNED HEREBY CERTIFIES THAT: The Undersigned has read the provisions of Section A, Persons and Entities Subject to Disqualification, that the Undersigned has not committed any Prohibited Act set forth in Section A, and that award of the Contract to the Undersigned would not violate the provisions of such Section or of the Code.

B. BID-RIGGING OR BID ROTATING

THE UNDERSIGNED HEREBY CERTIFIES THAT: *In accordance with 720 ILCS 5/33 E-11, neither the Undersigned nor any Affiliated Entity is barred from award of this Contract as a result of a conviction for the violation of State laws prohibiting bid-rigging or bid rotating.*

C. DRUG FREE WORKPLACE ACT

THE UNDERSIGNED HEREBY CERTIFIES THAT: The Undersigned will provide a drug free workplace, as required by Public Act 86-1459 (30 ILCS 580/2-11).

D. DELINQUENCY IN PAYMENT OF TAXES

THE UNDERSIGNED HEREBY CERTIFIES THAT: The Undersigned is not an owner or a party responsible for the payment of any tax or fee administered by Cook County, by a local municipality, or by the Illinois Department of Revenue, which such tax or fee is delinquent, such as bar award of a contract or subcontract pursuant to the Code, Chapter 34, Section 34-129.

E. HUMAN RIGHTS ORDINANCE

No person who is a party to a contract with Cook County ("County") shall engage in unlawful discrimination or sexual harassment against any individual in the terms or conditions of employment, credit, public accommodations, housing, or provision of County facilities, services or programs (Code Chapter 42, Section 42-30 *et seq.*).

F. ILLINOIS HUMAN RIGHTS ACT

THE UNDERSIGNED HEREBY CERTIFIES THAT: It is in compliance with the the Illinois Human Rights Act (775 ILCS 5/2-105), and agrees to abide by the requirements of the Act as part of its contractual obligations.

G. MACBRIDE PRINCIPLES, CODE CHAPTER 34, SECTION 34-132

If the primary contractor currently conducts business operations in Northern Ireland, or will conduct business during the projected duration of a County contract, the primary contractor shall make all reasonable and good faith efforts to conduct any such business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390.

H. LIVING WAGE ORDINANCE PREFERENCE (COOK COUNTY CODE, CHAPTER 34, SECTION 34-127;

The Code requires that a living wage must be paid to individuals employed by a Contractor which has a County Contract and by all subcontractors of such Contractor under a County Contract, throughout the duration of such County Contract. The amount of such living wage is determined from time to time by, and is available from, the Chief Financial Officer of the County.

For purposes of this EDS Section 4, H, "Contract" means any written agreement whereby the County is committed to or does expend funds in connection with the agreement or subcontract thereof. The term "Contract" as used in this EDS, Section 4, I, specifically excludes contracts with the following:

- 1) Not-For Profit Organizations (defined as a corporation having tax exempt status under Section 501(C)(3) of the United State Internal Revenue Code and recognized under the Illinois State not-for -profit law);
- 2) Community Development Block Grants;
- 3) Cook County Works Department;
- 4) Sheriff's Work Alternative Program; and
- 5) Department of Correction inmates.

4. REAL ESTATE OWNERSHIP DISCLOSURES.

The Undersigned must indicate by checking the appropriate provision below and providing all required information that either:

- a) The following is a complete list of all real estate owned by the Undersigned in Cook County:

PERMANENT INDEX NUMBER(S): _____

(ATTACH SHEET IF NECESSARY TO LIST ADDITIONAL INDEX NUMBERS)

OR:

- b) The Undersigned owns no real estate in Cook County.

5. EXCEPTIONS TO CERTIFICATIONS OR DISCLOSURES.

If the Undersigned is unable to certify to any of the Certifications or any other statements contained in this EDS and not explained elsewhere in this EDS, the Undersigned must explain below:

If the letters, "NA", the word "None" or "No Response" appears above, or if the space is left blank, it will be conclusively presumed that the Undersigned certified to all Certifications and other statements contained in this EDS.

COOK COUNTY DISCLOSURE OF OWNERSHIP INTEREST STATEMENT

The Cook County Code of Ordinances (§2-610 *et seq.*) requires that any Applicant for any County Action must disclose information concerning ownership interests in the Applicant. This Disclosure of Ownership Interest Statement must be completed with all information current as of the date this Statement is signed. Furthermore, this Statement must be kept current, by filing an amended Statement, until such time as the County Board or County Agency shall take action on the application. The information contained in this Statement will be maintained in a database and made available for public viewing.

If you are asked to list names, but there are no applicable names to list, you must state NONE. An incomplete Statement will be returned and any action regarding this contract will be delayed. A failure to fully comply with the ordinance may result in the action taken by the County Board or County Agency being voided.

"Applicant" means any Entity or person making an application to the County for any County Action.

"County Action" means any action by a County Agency, a County Department, or the County Board regarding an ordinance or ordinance amendment, a County Board approval, or other County agency approval, with respect to contracts, leases, or sale or purchase of real estate.

"Entity" or "Legal Entity" means a sole proprietorship, corporation, partnership, association, business trust, estate, two or more persons having a joint or common interest, trustee of a land trust, other commercial or legal entity or any beneficiary or beneficiaries thereof.

This Disclosure of Ownership Interest Statement must be submitted by :

1. An Applicant for County Action and
2. An individual or Legal Entity that holds stock or a beneficial interest in the Applicant and is listed on the Applicant's Statement (a "Holder") must file a Statement and complete #1 only under **Ownership Interest Declaration**.

Please print or type responses clearly and legibly. Add additional pages if needed, being careful to identify each portion of the form to which each additional page refers.

This Statement is being made by the Applicant or Stock/Beneficial Interest Holder

This Statement is an: Original Statement or Amended Statement

Identifying Information:

Name CorVel Healthcare Corporation D/B/A: _____ EIN NO.: 95-3382819

Street Address: 3010 Highland Parkway, Suite 600

City: Downers Grove State: Illinois Zip Code: 60515-5545

Phone No.: (630) 874-7300

Form of Legal Entity:

Sole Proprietor Partnership Corporation Trustee of Land Trust

Business Trust Estate Association Joint Venture

Other (describe) _____

Ownership Interest Declaration:

1. List the name(s), address, and percent ownership of each individual and each Entity having a legal or beneficial interest (including ownership) of more than five percent (5%) in the Applicant/Holder.

Name	Address	Percentage Interest in Applicant/Holder
<u>CorVel Corporation</u>	<u>2010 Main Street, Suite 600, Irvine, CA 92614</u>	<u>100%</u>

2. If the interest of any individual or any Entity listed in (1) above is held as an agent or agents, or a nominee or nominees, list the name and address of the principal on whose behalf the interest is held.

Name of Agent/Nominee	Name of Principal	Principal's Address
<u>None</u>		

3. Is the Applicant constructively controlled by another person or Legal Entity? Yes No
 If yes, state the name, address and percentage of beneficial interest of such person or legal entity, and the relationship under which such control is being or may be exercised.

Name	Address	Percentage of Beneficial Interest	Relationship
<u>CorVel Corporation</u>	<u>2010 Main Street, Suite 600</u> <u>Irvine, CA 92614</u>	<u>100%</u>	<u>Parent Company</u>

Declaration (check the applicable box):

- I state under oath that the Applicant has withheld no disclosure as to ownership interest in the Applicant nor reserved any information, data or plan as to the intended use or purpose for which the Applicant seeks County Board or other County Agency action.
- I state under oath that the Holder has withheld no disclosure as to ownership interest nor reserved any information required to be disclosed.

Richard Schweppe
 Name of Authorized Applicant/Holder Representative (please print or type)
Richard Schweppe
 Signature
richard_schweppe@corvel.com
 E-mail address

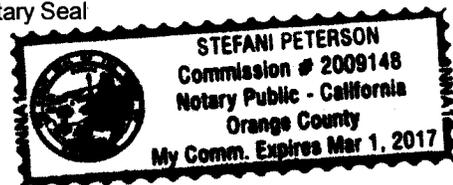
Chief Financial Officer
 Title
8/26/14
 Date
(949) 851-1473
 Phone Number

Subscribed to and sworn before me this 26 day of Aug., 2014.

My commission expires:
March 1, 2017

X *[Signature]*

Notary Public Signature
 Notary Seal





COOK COUNTY BOARD OF ETHICS

69 W. WASHINGTON STREET, SUITE 3040

CHICAGO, ILLINOIS 60602

312/603-4304

312/603-9988 FAX 312/603-1011 TT/TDD

FAMILIAL RELATIONSHIP DISCLOSURE PROVISION:

Section 2-582 of the Cook County Ethics Ordinance requires any person or persons doing business with Cook County, upon execution of a contract with Cook County, to disclose to the Cook County Board of Ethics the existence of familial relationships they may have with all persons holding elective office in the State of Illinois, the County of Cook, or in any municipality within the County of Cook.

The disclosure required by this section shall be filed by January 1 of each calendar year or within thirty (30) days of the execution of any contract or lease. Any person filing a late disclosure statement after January 31 shall be assessed a late filing fee of \$100.00 per day that the disclosure is late. Any person found guilty of violating any provision of this section or knowingly filing a false, misleading, or incomplete disclosure to the Cook County Board of Ethics shall be prohibited, for a period of three (3) years, from engaging, directly or indirectly, in any business with Cook County. *Note:* Please see Chapter 2 Administration, Article VII Ethics, Section 2-582 of the Cook County Code to view the full provisions of this section.

If you have questions concerning this disclosure requirement, please call the Cook County Board of Ethics at (312) 603-4304.

Note: A current list of contractors doing business with Cook County is available via the Cook County Board of Ethics' website at: http://www.cookcountygov.com/taxonomy/ethics/Listings/cc_ethics_VendorList_.pdf

DEFINITIONS:

"Calendar year" means January 1 to December 31 of each year.

"Doing business" for this Ordinance provision means any one or any combination of leases, contracts, or purchases to or with Cook County or any Cook County agency in excess of \$25,000 in any calendar year.

"Familial relationship" means a person who is related to an official or employee as spouse or any of the following, whether by blood, marriage or adoption:

- | | | |
|-----------|-------------------|----------------|
| ▪ Parent | ▪ Grandparent | ▪ Stepfather |
| ▪ Child | ▪ Grandchild | ▪ Stepmother |
| ▪ Brother | ▪ Father-in-law | ▪ Stepson |
| ▪ Sister | ▪ Mother-in-law | ▪ Stepdaughter |
| ▪ Aunt | ▪ Son-in-law | ▪ Stepbrother |
| ▪ Uncle | ▪ Daughter-in-law | ▪ Stepsister |
| ▪ Niece | ▪ Brother-in-law | ▪ Half-brother |
| ▪ Nephew | ▪ Sister-in-law | ▪ Half-sister |

"Person" means any individual, entity, corporation, partnership, firm, association, union, trust, estate, as well as any parent or subsidiary of any of the foregoing, and whether or not operated for profit.

SWORN FAMILIAL RELATIONSHIP DISCLOSURE FORM

Pursuant to Section 2-582 of the Cook County Ethics Ordinance, any *person* doing business** with Cook County must disclose, to the Cook County Board of Ethics, the existence of *familial relationships** to any person holding elective office in the State of Illinois, Cook County, or in any municipality within Cook County. Please print your responses.

Name of Owner/Employee: Richard Schweppe Title: Chief Financial Officer

Business Entity Name: CorVel Healthcare Corporation Phone: (949) 851-1473

Business Entity Address: 2010 Main Street, Suite 600, Irvine, CA 92614

 The following familial relationship exists between the owner or any employee of the business entity contracted to do business with Cook County *and* any person holding elective office in the State of Illinois, Cook County, or in any municipality within Cook County.

Owner/Employee Name:	Related to:	Relationship:
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
5. _____	_____	_____

If more space is needed, attach an additional sheet following the above format.

There is *no* familial relationship that exists between the owner or any employee of the business entity contracted to do business with Cook County and any person holding elective office in the State of Illinois, Cook County, or in any municipality within Cook County.

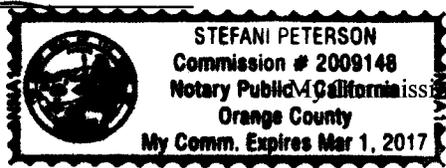
To the best of my knowledge and belief, the information provided above is true and complete.

Richard Schweppe 8/26/14
Owner/Employee's Signature Date

Subscribe and sworn before me this 26 Day of August, 2014

a Notary Public in and for Orange County

[Signature]
(Signature)



NOTARY PUBLIC SEAL

My Comm. Expires MARCH 1, 2017

Completed forms must be filed within 30 days of the execution of any contract or lease with Cook County and should be mailed to:

Cook County Board of Ethics
69 West Washington Street,
Suite 3040
Chicago, Illinois 60602

SIGNATURE BY A CORPORATION
(SECTION 9)

The Undersigned hereby certifies and warrants: that all of the statements, certifications, and representations set forth in this EDS are true, complete and correct; that the Undersigned is in full compliance and will continue to be in compliance throughout the term of the Contract or County Privilege issued to the Undersigned with all the policies and requirements set forth in this EDS; and that all of the facts and information provided by the Undersigned in this EDS are true, complete and correct. The Undersigned agrees to inform the Chief Procurement Officer in writing if any of such statements, certifications, representations, facts or information becomes or is found to be untrue, incomplete or incorrect during the term of the Contract or County Privilege.

BUSINESS NAME: CorVel Healthcare Corporation

BUSINESS ADDRESS: 3010 Highland Parkway, Suite 600
Downers Grove, IL 60515-5545

BUSINESS TELEPHONE: (630) 874-7418 FAX NUMBER: (866) 450-5673

CONTACT PERSON: Cathy Estock, Account Executive

FEIN: 95-3382819 *IL CORPORATE FILE NUMBER: 6609-258-5

LIST THE FOLLOWING CORPORATE OFFICERS:

PRESIDENT: Gordon Clemons, Sr. VICE PRESIDENT: Richard J. Schweppe

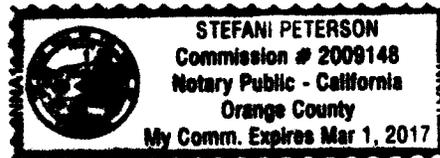
SECRETARY: Richard J. Schweppe TREASURER: Richard J. Schweppe

**SIGNATURE OF CHIEF FINANCIAL OFFICER: *Richard Schweppe*
Richard J. Schweppe

ATTEST: See Corporate Resolution (CORPORATE SECRETARY)

Subscribed and sworn to before me this
26 day of August, 2014.

X *[Signature]*
Notary Public Signature



My commission expires:
MARCH 1, 2017

Notary Seal

* If the corporation is not registered in the State of Illinois, a copy of the Certificate of Good Standing from the state of incorporation must be submitted with this Signature Page.

** In the event that this Signature Page is signed by any persons than the President and Secretary, attach either a certified copy of the corporate by-laws, resolution or other authorization by the corporation, authorizing such persons to sign the Signature Page on behalf of the corporation.

**SIGNATURE BY A CORPORATION
(SECTION 9)**

The Undersigned hereby certifies and warrants: that all of the statements, certifications, and representations set forth in this EDS are true, complete and correct; that the Undersigned is in full compliance and will continue to be in compliance throughout the term of the Contract or County Privilege issued to the Undersigned with all the policies and requirements set forth in this EDS; and that all of the facts and information provided by the Undersigned in this EDS are true, complete and correct. The Undersigned agrees to inform the Chief Procurement Officer in writing if any of such statements, certifications, representations, facts or information becomes or is found to be untrue, incomplete or incorrect during the term of the Contract or County Privilege.

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BUSINESS ADDRESS: 3010 Highland Parkway, Suite 600
Downers Grove, IL 60515-5545

BUSINESS TELEPHONE: (630) 874-7418 FAX NUMBER: (866) 450-5673

CONTACT PERSON: Cathy Estock, Account Executive

FEIN: 42-1704550 *IL CORPORATE FILE NUMBER: 6609-258-5

LIST THE FOLLOWING CORPORATE OFFICERS:

PRESIDENT: Gordon Clemons, Sr. VICE PRESIDENT: _____

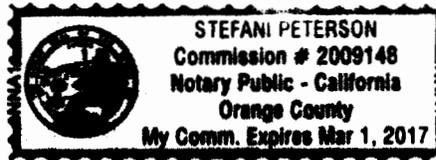
SECRETARY: Richard J. Schweppe TREASURER: Richard J. Schweppe

**SIGNATURE OF CHIEF FINANCIAL OFFICER: *Richard Schweppe*
Richard J. Schweppe

ATTEST: See Corporate Resolution (CORPORATE SECRETARY)

Subscribed and sworn to before me this
26 day of August, 2014

X *[Signature]*
Notary Public Signature



My commission expires:
March 1, 2017

Notary Seal

* If the corporation is not registered in the State of Illinois, a copy of the Certificate of Good Standing from the state of incorporation must be submitted with this Signature Page.

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SIGNATURE BY A CORPORATION
(SECTION 9)

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BUSINESS TELEPHONE: (630) 874-7418 FAX NUMBER: (866) 450-5673

CONTACT PERSON: Cathy Estock, Account Executive

FEIN: 42-1704550 *IL CORPORATE FILE NUMBER: 6609-258-5

LIST THE FOLLOWING CORPORATE OFFICERS:

PRESIDENT: Gordon Clemons, Sr. VICE PRESIDENT: _____

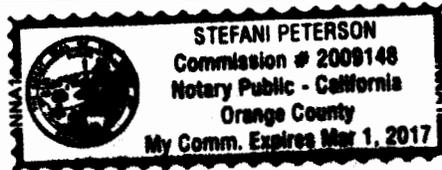
SECRETARY: Richard J. Schweppe TREASURER: Richard J. Schweppe

**SIGNATURE OF Chief Financial Officer: *Richard J. Schweppe*
Richard J. Schweppe

ATTEST: See Corporate Resolution (CORPORATE SECRETARY)

Subscribed and sworn to before me this
26 day of August, 2014.

X *[Signature]*
Notary Public Signature



My commission expires:
March 1, 2017
Notary Seal

* If the corporation is not registered in the State of Illinois, a copy of the Certificate of Good Standing from the state of incorporation must be submitted with this Signature Page.

** In the event that this Signature Page is signed by any persons than the President and Secretary, attach either a certified copy of the corporate by-laws, resolution or other authorization by the corporation, authorizing such persons to sign the Signature Page on behalf of the corporation.

CERTIFICATE OF CORPORATE RESOLUTION

I, Richard J. Schweppe, certify the following:

That I am the duly elected and authorized Chief Financial Officer of CorVel Healthcare Corporation (hereinafter referred to as the "corporation"), a corporation organized and incorporated to do business under the laws of the State of California;

That said corporation has, through lawful resolution of the Board of Directors of the corporation, duly authorized and directed Richard J. Schweppe, in his official capacity as Chief Financial Officer of the corporation, to enter into and execute the following described agreement with Cook County:

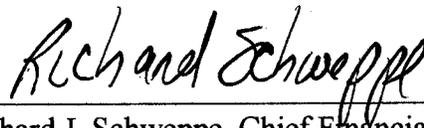
Whereby CorVel Healthcare Corporation shall provide its Managed Care Services to Cook County;

That the foregoing Resolution of the Board of Directors has not been rescinded, modified

Amended or otherwise changed in any way since the adoption thereof, and in its full force and effect on the date hereof.

IN WITNESS WHEREOF, I have set my hand and corporate seal;

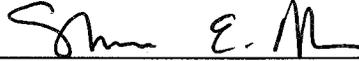
This the 26th day of August, 2014



Richard J. Schweppe, Chief Financial Officer
CorVel Healthcare Corporation

COOK COUNTY SIGNATURE PAGE
(SECTION 10)

ON BEHALF OF THE COUNTY OF COOK, A BODY POLITIC AND CORPORATE OF THE STATE OF ILLINOIS, THIS CONTRACT IS HEREBY EXECUTED BY:



COOK COUNTY CHIEF PROCUREMENT OFFICER

DATED AT CHICAGO, ILLINOIS THIS 17 DAY OF September, 2014

IN THE CASE OF A BID PROPOSAL, THE COUNTY HEREBY ACCEPTS:

THE FOREGOING BID/PROPOSAL AS IDENTIFIED IN THE CONTRACT DOCUMENTS FOR CONTRACT NUMBER

1318-13179

OR

ITEM(S), SECTION(S), PART(S): N/A

TOTAL AMOUNT OF CONTRACT: \$ 6,000,000.00
(DOLLARS AND CENTS)

FUND CHARGEABLE: _____

APPROVED BY BOARD OF
COOK COUNTY COMMISSIONERS

SEP 10 2014

COM _____

APPROVED AS TO FORM

ASSISTANT STATE'S ATTORNEY
(Required on contracts over \$1,000,000.00)

EXHIBIT 1

Scope of Services

EXHIBIT 1

**CorVel Healthcare Corporation – Cook County
Scope of Services**

1. **MANAGED CARE SERVICES.** Customer has chosen the Managed Care Services indicated below. The specific terms and conditions that apply to CorVel’s provision and Customer’s receipt of such Managed Care Services are set forth in the indicated Schedules, which are hereby incorporated by reference into this Agreement.

<u>Service</u>	<u>Selected by Customer</u> (check box if yes)	<u>Applicable Terms & Conditions</u>
Managed Care Services:		
First Report of Loss and Early Intervention Services	<input type="checkbox"/>	Schedule 1
Case Management Services	X	Schedule 2
Network Solutions:		
Bill Review Services	X	Schedule 3
w/ On-Site Bill Review Services	<input type="checkbox"/>	Schedule 3-A
w/ Check Writing Services	<input type="checkbox"/>	Schedule 3-B
Enhanced Bill Review (CERiS)	X	Schedule 3-C
Preferred Provider Network Access Services (PPO)	X	Schedule 4
Preferred Provider Program Access Service (PPP)	X	Schedule 4A
Care ^{IQ} Services:	X	Schedule 5
Independent Medical Exams (IME)		
Durable Medical Equipment (DME)		
Medical Imaging Services		
Transportation and Translation Services		
Physical and Occupational Therapy		
Pharmacy Benefit Program	X	Schedule 6

Scope of Services continued

Peer Review/Medical Records Review	X	Schedule 7
Medicare Reports/Medicare Set Asides	X	Schedule 8
Clearinghouse Payer Agent Services Program	<input type="checkbox"/>	Schedule 9
Clearinghouse Services	<input type="checkbox"/>	Schedule 9A
NCCI Medical Data Call Services	<input type="checkbox"/>	Schedule 10
Advocacy 24/7 Nurse Triage Services	X	Schedule 11
Connected Care Services	X	Schedule 12

2. **ADMINISTRATION SERVICES.** As part of its administration fee, CorVel will provide a dedicated staff member to include, but not limited to, computer, internet access and scanning capabilities. This person will work with Cook County to coordinate administrative services within the managed care program. CorVel will agree to interview, but is not committed to hiring, current on-site vendor staff for this position.

SCHEDULE 2

Case Management Services Terms and Conditions

1. DESCRIPTION OF SERVICES

- (a) Case management services are provided to manage a claimant's case in order to identify the most appropriate rehabilitative treatment and/or most cost-effective health care alternatives ("Case Management Services"). Case managers may confer with the adjuster, attending physician, other medical providers, employer(s), attorney(s), the patient and the patient's family.
- (b) In certain states if requested by Customer, Case Management Services may include vocational rehabilitation services.

2. DELIVERY OF SERVICES

- (a) CorVel shall provide Case Management Services to Customer upon receipt by CorVel of specific requests from Customer:
- (b) Telephonic Case Management: Telephonic case management ("TCM") includes a four-point contact with claimant, employer, claims professional and provider. CorVel case managers ("CMs") do the following: (i) facilitate communication among all appropriate parties regarding the diagnosis, prognosis and treatment plan provided by claimant's treating physician, (ii) channel or direct claimant to a PPO Network provider as appropriate, (iii) monitor and facilitate treatment planning, (iv) coordinate early return to work, and (v) subsequently provide periodic assessments of treatment and return to work plans. CMs may recommend additional services or coordinate claim closure, as appropriate.
- (c) Medical/Field Case Management: CorVel's medical/field case management ("MCM") personnel perform field based case management services as directed by the employer and/or Authorized TPA which may include on-site contact with claimant, employer, and provider, as well as telephonic communication with the claims professional. MCM's provide the CM services set forth in Section A above.
- (d) Vocational Case Management: Vocational case management services may include the following: (i) coordinating return to work, (ii) providing job analysis, (iii) assisting with job placement, (iv) providing expert testimony, (v) assisting with job development, (vi) providing job analysis of essential and non-essential duties for employers under the American's With Disabilities Act, (vii) providing vocational testimony, (viii) providing advice regarding job seeking skills, and (ix) providing transferable skills analysis.
- (e) Utilization Review:
 - (i) CorVel's utilization management program reviews proposed inpatient hospital admissions and ambulatory care to determine the appropriateness, frequency, length of stay, and setting for such proposed treatment. In addition, CorVel can monitor and assess the appropriate utilization of treatment for all orthopedic and soft tissue injuries requiring ambulatory diagnostics and treatment.
 - (ii) CorVel nurses make recommendations to the claims adjuster based on nationally accepted medical guidelines, including Optimed Managed Care System, a clinical protocol software; the American College of Occupational and Environmental Medicine (ACOEM) Occupational Medicine Practice Guidelines: Evaluation and Management of Common Health Problems and Functional Recovery in Workers; other nationally accepted treatment practice guidelines, as well as any state mandated treatment guidelines.

- (iii) Any nurse recommendations for limitation or denial of care based on lack of medical necessity are reviewed by a CorVel Physician Advisor. The Physician Advisor makes a final recommendation to the claims adjuster to approve or deny. If a final recommendation is made to deny treatment, the treating physician is notified in writing of the decision and the appeals process.

SCHEDULE 3

Bill Audit, Review and Payment Services Terms and Conditions

1. DESCRIPTION OF SERVICES

- (a) CorVel's proprietary computerized bill review software program enables automated auditing and review of hospital bills ("Hospital Bills") and medical provider bills ("Provider Bills" and, together with Hospital Bills, "Bills").

2. DELIVERY OF SERVICES

(a) Customer's Obligations

- (i) During the term of this Agreement, unless agreed to otherwise by the parties in writing, Customer shall utilize CorVel exclusively (even as to Customer) for audit, review and repricing services for Bills related to workers' compensation claims. A breach of the foregoing obligation shall constitute a material breach under this Agreement. Without limiting any other remedies available under law, a breach of the foregoing obligation with respect to PPO (as defined in Schedule 7) Provider Bills will result in immediate termination of all PPO discounts provided by CorVel.
- (ii) To facilitate timely processing by CorVel, Customer agrees to deliver to CorVel (A) each Provider Bill no later than ten (10) days after Customer's receipt thereof, and (B) to direct Providers to utilize dedicated P.O. Box.
- (iii) Customer shall process PPO Provider reimbursements within 10 business days from approval by the Cook County Board of Commissioners following receipt of the corresponding Bill Review Audit analysis from CorVel but not to exceed statutory requirements.

(b) CorVel's Obligations

- (i) CorVel shall provide Bill Review Services described herein to Customer upon receipt of specific requests from Customer. In the absence of instructions from Customer to the contrary, which CorVel must approve, Bill Review Services shall be performed as described herein.
- (ii) Bill Review Services shall be completed within five (5) business days of CorVel's receipt from receipt by CorVel of all necessary billing information from Customer ("Complete Billing Information").
- (iii) CorVel will be responsible for monitoring, "flagging" and returning to Customer duplicate copies of a Bill ("Duplicates").
- (iv) Any conflicts or complaints from medical providers ("Complaints") concerning Bill Review Services completed by CorVel initially will be handled directly by CorVel. CorVel will provide an initial response to a Complaint within one (1) business day following the date on which CorVel received the Complaint. CorVel will send a written response to the complainant within five (5) working days that summarizes the nature of the Complaint and the steps CorVel has taken to resolve it. A copy of this response will be sent to the attention of the designated Customer representative. Different or more specific parameters of CorVel's authority to respond to and resolve Complaints hereunder may be agreed to the parties. Further, Customer shall have the right, but not the obligation, at any time, to interject itself into a Complaint between CorVel and a medical provider and to resolve the Complaint in a

manner acceptable to Customer at its sole discretion. Notwithstanding the foregoing, Customer shall retain full responsibility for payment of all benefits and any other expenses or services required to be paid or provided under applicable policies or state and federal workers' compensation laws.

- (v) CorVel agrees to supply Customer, at no additional cost, in the format in which it is then customarily stored by CorVel, a transmission or tape reflecting the results of the Bill Review Services provided hereunder. Such data shall be provided as to further allow for the application of Bill Review fees to the individual claim file, the preparation of insured specific savings reports and the payment of Bill Review fees.

(c) Scanning Services

- (i) CorVel shall provide Optical Character Recognition ("OCR") Services set forth herein to Customer on request of Customer. Upon receipt of such request CorVel shall scan all bills and attached medical notes delivered to CorVel necessary for providing Bill Review services within seventy-two (72) business hours of CorVel's receipt of such information. Customer shall mark and date/time stamp the claims as instructed by CorVel.
 - (ii) Subject to applicable law and obtaining any required authorizations, CorVel also shall provide OCR Services for such additional claim-related documentation as Customer reasonably requests, for example, case notes, peer review information and independent medical examinations.
 - (iii) All material scanned by CorVel hereunder shall be accessible to Customer on the Internet pursuant to CorVel's CareMC Agreement with Customer.
- (d) Loan of Scanner. The following provisions shall apply if CorVel provides to Customer a scanner (the "Loaned Scanner") for use at Customer's facility in connection with the Managed Care Services provided by CorVel to Customer pursuant to this Agreement:
- (i) Customer shall use the Loaned Scanner only at its facility and only in connection with the Managed Care Services provided by CorVel, and for no other purpose. Customer shall be responsible for the reasonable care of the Loaned Scanner while in its possession.
 - (ii) The Loaned Scanner shall at all times remain the sole property of CorVel. Customer may not allow any security interest, lien, tax lien or other encumbrance (collectively, "Encumbrances") to be placed on the Loaned Scanner. Customer shall give CorVel immediate written notice should any third party attempt to place or place any Encumbrance on the Loaned Scanner.
 - (iii) In the event Customer desires to have a backup scanner to protect against unavailability of the Loaned Scanner, Customer may acquire a scanner at its expense, provided such scanner shall comply in all respects to CorVel's requirements therefor.
 - (iv) Immediately upon termination or expiration of the Original Agreement, as amended, Customer shall return the Loaned Scanner to CorVel, at CorVel's expense. Customer shall be fully liable for any damage to the Loaned Scanner that occurs while in Customer's possession, reasonable wear and tear excepted.

SCHEDULE 3-C

**Enhanced Bill Review Services (CERiS)
(Professional Review Services; Hospital Bill Line Item
Bill Review Services; Negotiation Services)
Terms and Conditions**

1. DESCRIPTION OF SERVICES

- (a) Professional Review Services. CorVel may provide professional review services for all Hospital Bills (inpatient and outpatient) including:
 - (i) review and analysis of charges for multiple billing, bundling, data errors, and upcoding of procedures with no Fee Schedule values;
 - (ii) review of bills, records, and documentation by a nurse and/or coder;
 - (iii) separation of charges not related to the injury;
 - (iv) diagnostic related group validation (i.e., verification that the diagnostic related group billed is appropriate for the services rendered); and
 - (v) cost shifting of revenue and CPT codes.
- (b) Hospital Line Item Bill Review Services. CorVel's Enhanced Bill Review services are performed on Hospital Bills (inpatient and outpatient) in excess of two thousand five-hundred dollars (\$2,500) and consist of (i) a line-by-line comparison of the itemization description charges actually billed by a particular hospital to average itemization description charges utilized by other hospitals within a pre-designated geographic area, and (ii) a review of charges that fall outside of any pre-contracted discounts or fee schedules, and generates payment recommendations in accordance with the Customer's "Payors Allowable" language.
- (c) Negotiation Services. CorVel's Enhanced Bill Review Services will provide negotiation services with respect to all Hospital Bills (inpatient and outpatient) in excess of two thousand five-hundred dollars (\$2,500). CorVel will contact the provider for agreement of the negotiated rate. A signed agreement regarding such rates will be maintained by CorVel. CorVel will use its commercially reasonable efforts to enter into an agreement regarding negotiated rates in accordance with a mutually agreed upon schedule.
- (d) Implant Cost Review Service. CorVel's Enhanced Bill Review Services include Implant Cost Review services with respect to the applicability of the Customer's "Payors Allowable" plan or policy language that specifically addresses implant payments. CorVel will identify and provide the manufacturers implant cost through its proprietary repository of national implant invoice data. CorVel then determines the recommended payment in accordance with the Customer's "Payors Allowable". In the event there is insufficient implant invoice data for the requested implant, CorVel will notify the Customer and CorVel shall not be responsible for any costs, fees, damages or penalties for any such inability of CorVel to produce a cost savings per Customer's request.

2. DELIVERY OF SERVICES

- (a) Unless CorVel otherwise notifies Customer, CorVel shall complete Enhanced Bill Review Services and return the audited Hospital Bills to Customer, together with a written summary of any adjustments to identified overcharges, within ten (10) business days from receipt of Bills.

- (b) Savings for the Enhanced Bill Review Services shall be:
 - (i) for states having a state mandated Fee Schedule: (A) the bill amount in the Fee Schedule; less (B) the bill amount resulting from the Enhanced Bill Review Services.
 - (ii) for states not having a state mandated Fee Schedule: (A) the medical provider's original bill amount; less (B) the bill amount resulting from the Enhanced Bill Review Services.
- (c) Customer Responsibilities
 - (i) Customer shall pay bills reviewed by CorVel in a timely manner in accordance with all state guidelines and its Board approval processes, and agrees to waive any bill audit and/or other retrospective reviews regarding all bills for which CorVel has secured a reduction from the original billed charges.
 - (ii) Customer will identify all bills that are not eligible for Enhanced Bill Review Services due to: (A) compensability; (B) a pre-negotiated rate with Customer or other previously established discount; (C) services that are "review only" due to litigation or other non-payment issues;
- (d) If a medical provider questions the adjustment and/or balance bills the patient, and the claim payor notifies CorVel of such communication, CorVel will provide documentation of its findings. If the hospital provides corrective or qualifying information sufficient to alter our original adjustments, CorVel will revise its report, advise the claim payor of the new, corrected adjustment. Only in the event of a successful appeal of the reduction of the bill by the medical provider shall Customer be entitled to receive a credit for the portion of the fee previously charged for the amount of the adjustment successfully appealed.

SCHEDULE 4

Preferred Provider Network Access Services (PPO) Terms and Conditions

I. DESCRIPTION OF SERVICES

- (a) CorVel's preferred provider organization is a network of hospitals, physicians and other health care providers ("Participating Providers") that offer services at pre-negotiated rates ("PPO Network").

II. DELIVERY OF SERVICES

- (a) CorVel shall provide Customer with access to its PPO Network provided it is the exclusive preferred provider organization utilized by Customer for workers' compensation claimants. CorVel may at any time and in its sole discretion add and/or terminate any provider to or from the PPO Network.
- (b) CorVel shall provide, upon Customer request, a listing of PPO Network providers and/or PPO Network providers may be found by visiting the CorVel website, www.corvel.com. As CorVel continues to expand its PPO through the development of proprietary networks, Customer will be notified of their availability in the PPO listing described above and shall be provided access to them, replacing or supplementing the then-current PPO, if applicable,
- (c) Except for Customer's own shared Network of Participating Providers, Customer agrees that, during the Term of this Agreement, Customer will not contract directly or indirectly with CorVel' Participating Providers, who have been made known to Customer under this Agreement to negotiate pricing or obtain the same scope of worker's compensation services provided hereunder. sam
- (d) Customer will make reasonable effort to channel all Covered Persons to the Participating Providers as are allowed under the laws of that service area or state.
- (e) Savings for the PPO Network shall be:
- (i) for non fee schedule negotiated contracts: (A) the medical provider's original bill amount; less (B) the bill amount resulting from the contract rate.
 - (ii) for fee schedule negotiated contracts; (A) the fee schedule amount less (B) the bill amount resulting from the contract rate.

SCHEDULE 4A

Preferred Provider Network Access Services (PPP) Terms and Conditions

I. DESCRIPTION OF SERVICES

- (a) CorVel's preferred provider program network of hospitals, physicians and other health care providers ("Participating Providers") in compliance with the State of Illinois Workers' Compensation Preferred Provider Program Requirements and offer services at pre-negotiated rates. CorVel is certified as a Workers' Compensation Preferred Provider Program ("PPP") through the Illinois Department of Insurance, and CorVel is subject to the requirements of the Illinois Workers' Compensation Act and the regulations (as defined below) and any provision thereof required to be in this Agreement shall bind CorVel whether or not provided in this Agreement.

II. DELIVERY OF SERVICES

- (b) CorVel shall provide Customer with access to its PPP Network provided it is the exclusive preferred provider organization utilized by Customer for workers' compensation claimants. CorVel may at any time and in its sole discretion add and/or terminate any provider to or from the PPP Network.
- (c) CorVel shall provide, upon Customer request, a listing of PPP Network providers and/or PPP Network providers may be found by visiting the CorVel website, www.corvel.com. As CorVel continues to expand its PPP through the development of proprietary networks, Customer will be notified of their availability in the PPP listing described above and shall be provided access to them, replacing or supplementing the then-current PPP, if applicable,

1. DEFINITIONS

- 1.1 "Employee" means a person who is eligible to receive Workers' Compensation Health Care Services from pursuant to this Addendum and the Agreement between Customer and CorVel.
- 1.2 "Preferred Provider(s)" is a Health Care Provider that has contracted with CorVel either directly or indirectly through an affiliate network to provide Workers' Compensation Health Care Services to Employees.

2. PREFERRED PROVIDER PROGRAM

2.1 Incentives.

Employees shall have the following incentives to utilize services of a Preferred Provider: By utilizing the PPP, Employees will have access to prompt and appropriate medical care, treatment and services for occupational injuries and illnesses, including access to occupational health services and specialists. Should the need arise for an additional choice of physician, Employees will have the ability to choose providers close to their home or workplace, and can will have 24/7 web access to provider listings at: www.corvel.com.

2.2 Referral to Non-Preferred Provider.

- a) Whenever CorVel or a Preferred Provider finds it medically necessary to refer an Employee to a non-preferred provider because the PPP does not contain a provider who can provide the approved treatment, and if the Employee has complied with any reasonable pre-authorization requirements, Customer shall ensure that the Employee so referred shall incur no greater liability than had the beneficiary received services from a preferred provider, except as provided under Section 8.1a(c)(2) of the Workers' Compensation Act.

b) Whenever CorVel or a Preferred Provider finds it medically necessary to refer an Employee to a non-preferred provider because the PPP does not contain a provider who can provide the approved treatment, and if the Employee has complied with any reasonable pre-authorization requirements, CorVel shall ensure that the Employee will be provided the services at no greater cost to the Customer than if the service had been provided by a Preferred Provider. In these instance, CorVel will be responsible for the payment of any additional amounts otherwise due to the non-preferred provider; however, those amounts will be no greater than those established by the Workers' Compensation Fee Schedule (see 50 Ill. Admin. Code 7110.90 and iwcc.ingenix.com/iwcc.asp).

c) Notwithstanding Sections 2.3(a) and (b) above, CorVel will not be responsible for the payment of any amounts due to the non-preferred provider if either of the following situations apply: 1) If, without CorVel's knowledge, Customer approves treatment from a non-preferred provider when that treatment is available from a preferred provider; or 2) If Customer elects to set up their own network of providers instead of utilizing CorVel's full PPP. In either of these situations, Customer will be solely responsible for any amounts due to non-preferred providers.

2.3 Employee Notification. CorVel will provide policies and procedures regarding Employee Notification to the Customer to ensure that Customer is providing proper notification to the Employee in accordance with the form promulgated by the Workers' Compensation Commission. After receiving these policies and procedures, Customer, not CorVel, has the sole responsibility to provide Employees with proper notification. Customer shall indemnify, defend, and hold harmless CorVel (including its affiliates, subsidiaries, officers, directors, agents, and employees) from any and all claims arising from Customer's obligation to provide Employees with proper notification.

2.4 Customer's Establishment of Network or Sub-PPP. In the event Customer elects to establish its own network of providers, Preferred Provider Program, or sub-network of CorVel's PPP, Customer shall indemnify, defend, and hold harmless CorVel (including its affiliates, subsidiaries, officers, directors, agents, and employees) from any and all claims arising from that election.

SCHEDULE 5

Care^{IQ} Services Terms and Conditions

I. PAYMENT FOR CAREIQ SERVICES

- (a) Customer will pay CorVel for services provided hereunder at the rates set forth in Schedule 1 attached hereto. Rates reflect the amount payable to the CorVel network provider for providing Covered Services and the amount payable to CorVel for its services provided hereunder and represent a discounted total. Customer shall pay CorVel the full contract rate amount.
- (b) Customer shall pay CorVel for services rendered within ten (10) business days of approval by the Cook County Board of Commissioners following the receipt by Customer of an invoice from CorVel.
- (c) CorVel reserves the right to amend the rates set forth herein by notifying Customer of such amendment in writing, and Customer shall, if such amendment is unacceptable, have thirty (30) days from the date said notice is received to reject such amendment by delivery of written notice of rejection to CorVel. If CorVel does not receive such notice of termination within such thirty (30) day period, the amendment to the rates shall be deemed accepted by Customer and this Agreement shall continue in full force and effect, as so amended.

II. INDEPENDENT MEDICAL EXAMINATION SERVICES (IME)

(a) DESCRIPTION OF SERVICES.

- (i) CorVel shall provide access, and deliver the services described in this Schedule 5 in connection with such access, to a panel of medical professionals who have been credentialed by CorVel as "Credentialed Providers" and who will perform Independent Medical Examinations (IMEs).

(b) DELIVERY OF SERVICES.

- (i) CorVel shall arrange for IMEs at the request of Customer.
- (ii) CorVel shall work only with Credentialed Providers under this Agreement. "Credentialed Providers" are medical professionals with respect to whom CorVel has performed, its standard credentialing process. CorVel shall also verify that the medical professionals who are Credentialed Providers meet all applicable statutory and/or legal requirements regarding who can conduct an IME.
- (iii) CorVel shall require medical professionals who are providing IMEs to comply with CorVel's reporting and communications requirements.
- (iv) CorVel shall ensure that IMEs are assigned to providers and performed by such providers in accordance with applicable law. CorVel will schedule the IME with the type of medical expert requested. For example, if an orthopedic surgeon is requested, an orthopedic surgeon must be scheduled, not a general practitioner who deals with soft tissue type injuries. If CorVel does not have an IME medical professional in the requested geographic area or in the requested specialty, CorVel will contact the Customer file handler for advice on how to proceed.
- (v) CorVel shall ensure that the IME appointment is scheduled within 2 business days of receipt of request or in accordance with applicable State law. CorVel will send

appropriate communication to the Customer file handler, claimant, and claimant's legal counsel (when necessary) regarding such scheduling. CorVel will place a reminder call to the claimant 1 – 2 business days prior to the IME appointment. CorVel will verify whether claimant attended the scheduled IME appointment. CorVel will re-schedule any IME appointment no-shows by the claimant and notify the Customer file handler within 2 business days. If a second IME appointment no-show should occur, CorVel shall contact Customer file handler unless CorVel is aware that no additional IME exam appointments should be scheduled.

- (vi) CorVel shall deliver to Customer completed IME reports within 7 business days from the date of the exam. Prior to such delivery to Customer, CorVel shall complete its quality review of such report. All reports shall comply with applicable state law.
- (vii) CorVel shall provide Customer quarterly activity reports within thirty (30) business days following the applicable quarter.

III. DURABLE MEDICAL EQUIPMENT (DME)

(a) DESCRIPTION OF SERVICES

- (i) CorVel agrees to make durable medical equipment services ("DME Services") available through CareMC to Customer's customers. The services will be available in every area where CorVel has a fully established network. CorVel will provide Customer with updated PPO Network directories through CareMC.
- (ii) CorVel will provide training materials to Customer claims adjusters and case managers to inform those with referral responsibilities of the appropriate process for accessing CorVel reduced rates, at no cost to Customer.
- (iii) CorVel will handle DME Services according to the following Customer Services Procedures:
 - (1) Referral Processing (faxed or called in, or received via CareMC)
 - A. Obtain all relevant information to process referral from party placing order (i.e. case manager, adjuster, physicians office).
 - B. Input data in CorVel Medical Manager System.
 - (2) Orders are fulfilled using local, preferred equipment distributors, and billing and reimbursement for each transaction is automatically processed.

(b) DELIVERY OF SERVICES

- (i) CorVel will coordinate delivery of all services from the time of referral to delivery to patient through the CorVel Call Center. The CorVel Call Center coordinates services from 7:00AM to 9:00PM EST Monday through Friday except for public holidays.
- (ii) Customer Responsibilities. Customer shall pay fees for DME Services within twenty (20) days of receipt of CorVel's invoice therefor.

IV. MEDICAL IMAGING SERVICES

(a) DESCRIPTION OF SERVICES – Preferred Provider Organization (PPO) Network

- (i) CorVel agrees to make Medical Imaging Services and scheduling services available through its Medical Imaging PPO Networks to Customer's customers for injured workers. The services will be available in every area where CorVel has a fully established network.

- (ii) CorVel will customize the PPO Network to meet the needs of Customer's customers. CorVel will request opinions and preferences from Customer claims adjusters and case managers and will use every effort to recruit requested providers into the PPO Network at CorVel's preferred rates.
- (iii) CorVel will provide Customer with updated PPO Network directories on at least a quarterly basis to those Customer offices that request PPO directories, at no cost to Customer.
- (iv) CorVel will provide training materials to Customer claims adjusters and case managers to inform those with referral responsibilities of the appropriate process for accessing CorVel reduced rates, at no cost to Customer.
- (v) CorVel will handle Medical Imaging Services referrals according to the following Customer Services Procedures:
 - (1) Referral Processing (faxed or called in)
 - A. Obtain all relevant information to process referral from party placing order (i.e. case manager, adjuster, physicians office).
 - B. Input data in CorVel Medical Manager System.
 - (2) Assign appropriate center to the referral based on locality, procedure, client/physician preference and patient conditions.
 - (3) Perform pre-screening of patients as deemed appropriate.
 - (4) Schedule at facility appropriate to patient conditions/client requirements.
 - (5) Contact patient to advise of scheduled appointment date, time and location.
 - (6) Fax appointment confirmation to case manager, adjuster, and referring physician indicating date and time of procedure, type of procedure, and center name, address and phone number.
 - (7) Within 24 to 48 hours after completion of procedure, fax medical reports to appropriate parties.

(b) DESCRIPTION OF SERVICES – Second Opinion Program

- (i) CorVel will provide a second reading of any questioned MRI, CT or Bone Scan by a second board certified radiologist through its second opinion program. This second reading is available for diagnoses resulting from medical imaging examinations that were scheduled by CorVel at a CorVel Network Provider. This second opinion reading will be provided free of charge.
- (ii) In the event a Customer adjuster believes a second opinion is required for an MRI, CT or Bone Scan, the adjuster will call CorVel at 1-800-414-4MRI (4674) to request the second opinion. CorVel will ask the adjuster for the patient's name, the name and phone number of the center who conducted the examination, and the adjuster's name and phone number.
- (iii) CorVel will contact the center that performed the medical imaging examination and request that the films be sent to a CorVel board certified radiologist for review.
- (iv) In some cases, a release of responsibility may be requested by the MRI center that conducted the study. If so, CorVel will contact the Customer claims adjuster to arrange for a release to be sent via fax to the MRI center. Once release is obtained, CorVel will instruct the MRI center to send the films by two-day carrier.

- (v) CorVel's computerized scheduling program will diary each referral for second opinion and monitor the status of each request. CorVel will enter the data obtained into the CDL system and run quality assurance reports twice daily to monitor the status of each second opinion requested and assure that it is being handled in an expedient manner.
- (vi) CorVel will then inform the board certified radiologists that a review is requested. CorVel will request that the second opinion be completed within two business days from receipt of the films.
- (vii) CorVel will continue to monitor the status of the second opinion and will place calls to the radiologists to confirm that the films were received and that the second opinion will be completed on time.
- (viii) The second opinion report will be faxed to CorVel's attention, which in turn will fax the report to the Customer claims adjuster. This will allow CorVel to confirm that the second opinion was completed and is legible.
- (ix) CorVel will select and provide for Customer a panel of board certified radiologists who have met CorVel credentialing criteria and who will handle all volume of second opinions requested by Customer.

(c) REPORTS

- (i) CorVel will prepare region specific and aggregate management reports for Customer that show savings per claims adjuster, per case manager, and per branch office location. The reports will summarize the activity of all case managers and claims adjusters as they relate to referring claimants to CorVel, the amount that would be paid under workers' compensation, the amount paid under the CorVel program, and the percentage of savings realized. CorVel will furnish these reports to Customer quarterly, and annually.

(d) RELEVANT DEFINITIONS FOR MEDICAL IMAGING SERVICES

- (i) "Claimants" are those persons entitled to coverage pursuant to a workers' compensation insurance policy or program administered by a Customer.
- (ii) "Health Care Provider" means a duly licensed physician, imaging technician, hospital, clinic or other facility, or any other person or entity who furnishes Medical Imaging Services to a Claimant.
- (iii) "Medical Imaging Services" are those medical imaging services provided pursuant to a workers' compensation insurance policy or program administered by Customer.
- (iv) "Network Provider" means a Medical Imaging Service Provider who is part of a PPO Network of selected Medical Imaging Service Providers who contractually agree with CorVel to provide Medical Imaging Services to Claimants at negotiated discount rates.

V. TRANSPORTATION AND TRANSLATION SERVICES

(a) DESCRIPTION OF SERVICES

- (i) CorVel agrees to make Transportation and Translation Services and scheduling services available through its Care^{IQ} Networks to Customer's customers for injured workers. The services will be available in every area where CorVel has a fully established network.

- (ii) CorVel will customize the Care^{IQ} Network to meet the needs of Customer's customers.
- (iii) CorVel will provide training materials to Customer claims adjusters and case managers to inform those with referral responsibilities of the appropriate process for accessing CorVel reduced rates, at no cost to Customer.
- (iv) CorVel will handle Transportation and Translation Services referrals according to the following Customer Services Procedures:
 - (1) Referral Processing (faxed or called in)
 - A. Obtain all relevant information to process referral from party placing order (i.e. case manager, adjuster, physicians office).
 - B. Input data in Medical Manager, CorVel CareMC or CorVel Web portals.
 - (2) Assign appropriate Transportation and /or translation provider to the referral based on locality.
 - (3) Schedule to patient conditions/client requirements.
 - (4) Contact patient to advise of scheduled appointment date, time and location.

(b) DELIVERY OF SERVICES

- (i) Transportation and Translation can usually be scheduled same day (dependant on location) of an appointment.
- (ii) Cancellation of Transportation and Translation must be called into CorVel a minimum of four (4 ½) hours prior to the appointment time or a cancellation fee will be charged.
- (iii) Transportation can be scheduled via a car, wheelchair lift vehicle, ambulance, airplane, bus or train. Airport pickups can be scheduled. Hospital pickups can be scheduled.
- (iv) Hotel accommodations can be made for overnight orders.
- (v) Transportation and Translation can be scheduled in all fifty (50) states including Alaska and Hawaii
- (vi) Wheelchairs and other medical equipment needed along with transportation are available at additional fees
- (vii) Price quotes available
- (viii) Pre-arranged weekend (Saturday, Sunday & Holidays) services available.
- (ix) Our translation companies can schedule on-site and telephonic interpretation for over 200 languages
- (x) Translation and transcription of documents is available; (5 business days required)
- (xi) Telephonic interpretation is available
- (xii) Desktop publishing is available
- (xiii) Sign language interpreters are available with a 3 day notice

- (xiv) Payment Terms: CorVel will be paid for Covered Services, which CorVel provides to Covered Persons, the reimbursement rates are: one hundred percent (100%)
- (c) Customer shall pay CorVel for services rendered within ten (10) business days of approval by the Cook County Board of Commissioners following the receipt by Customer of an invoice from CorVel

VI. PHYSICAL AND OCCUPATIONAL THERAPY

(A) DESCRIPTION OF SERVICE

The CorVel Physical Therapy program focuses on rehabilitation while controlling utilization and managing medically necessary treatments. Through a comprehensive program of scheduling, reporting, clinical oversight by CorVel therapy clinical reviewers (licensed PT/OT professionals), and network management, CorVel provides an effective and efficient program for therapy treatment. CorVel Therapy Program offers one national toll free number for referrals and case inquiries from the customer file handler or the claimant. In addition, CorVel offers online referrals and claims management opportunities, such as reviewing therapy activity notes, reviewing milestones as they are met, therapy documentation, and submitting online referrals through CareMC and CorVel websites. The CorVel therapy provider network consists of credentialed physical and occupational therapy providers who are managed based on performance in regards to clinical outcome measures including: patient satisfaction, functional restoration, pain improvement, impact on utilization, savings and return to work. Our network providers perform skilled PT/OT therapy, including hand therapy, aquatic therapy, Functional Capacity Evaluations, and Work Hardening and Conditioning programs. Additionally, CorVel Therapy program schedules the patient in the facility within 3 business days of receipt of authorization, as a means to facilitate healing and return to work.

(B) DELIVERY OF SERVICE

- (i) CorVel shall arrange for PT/OT services at the request of Customer.
- (ii) CorVel shall work only with Credentialed Providers under this Agreement. "Credentialed Providers" are therapy professionals with respect to whom CorVel has performed, its standard credentialing process.
- (iii) CorVel shall require medical professionals who are providing standard therapy services, such as hand therapy, aquatic therapy, Functional Capacity Evaluations, and Work Hardening and Conditioning programs to comply with CorVel's reporting and communications requirements.
- (iv) CorVel will schedule the therapy service with the type of therapy professional requested. If CorVel does not have a therapy professional in the requested geographic area or in the requested specialty, CorVel will contact the Customer file handler for advice on how to proceed.
- (v) CorVel shall ensure that the therapy appointment is scheduled within 3 business days of receipt of authorization of request. CorVel will send appropriate communication to the Customer file handler, claimant, and claimant's legal counsel (when necessary) regarding such scheduling and when CorVel claimant attended the scheduled therapy initial evaluation. CorVel will re-schedule any initial evaluation appointment no-shows by the claimant and notify the Customer file handler within 2 business days.
- (vi) CorVel shall provide Customer quarterly activity reports within fifteen (15) business days following the applicable quarter.

- (vii) CorVel will invoice customer directly for therapy services.
- (viii) Customer Responsibilities. Customer shall pay fees for therapy Services within ten (10) business days of approval by the Cook County Board of Commissioners and following receipt of CorVel's invoice therefor.

SCHEDULE 6

Pharmacy Benefit Program Terms and Conditions

I. DESCRIPTION OF SERVICES.

- (a) CorVel shall be the exclusive provider of a pharmacy preferred provider network representing pharmacy providers who offer a contracted rate upon identification of a participant within the Pharmacy program, and who agree to comply with CorVel's pharmacy utilization review program. In addition, CorVel provides pharmacy audit and review and payment services, including check writing services.

II. DELIVERY OF SERVICES.

- (a) CorVel shall provide its Pharmacy Program for the benefit of Customer. CorVel, at its sole expense, agrees to produce Pharmacy ID cards for Eligible Claimants. CorVel (Option: Customer) will be responsible for distributing the Pharmacy ID cards to Eligible Claimants. Pharmacy ID cards will contain information allowing a participating pharmacy to electronically transmit claim data to CorVel. The electronic transmission that occurs at the point of sale is required for concurrent drug utilization review and contractual pricing.
- (b) Within three business days of CorVel's receipt of all necessary Eligible Claimant information from Customer, CorVel will send an introduction letter to the Eligible Claimant along with the Pharmacy ID card.
- (c) A claimant may be issued a temporary Pharmacy ID (first fill) card or processing data may be shared with the dispensing pharmacy for an initial, one (1) time purchase of a pharmaceutical product with a recommended course of no longer than fourteen (14) days.
- (d) CorVel will implement a Concurrent Drug Utilization Review ("DUR") program on behalf of Customer, with permitted program edits as directed by Customer. Concurrent DUR is a review of drug therapy at the time the prescription is being dispensed. Absent Customer's directions, DUR shall be performed in accordance with CorVel's standard service model.
- (e) CorVel agrees to provide access for Eligible Claimants to the Pharmacy mail order program. CorVel will work with Customer to establish the parameters of the mail order program and the process which will be utilized to encourage Eligible Claimant use of the mail order program.
- (f) CorVel will invoice Customer daily for all bills electronically submitted by participating pharmacies that pass Customer requested DUR edits. As applicable, CorVel will invoice fees associated with Bill Review Services separately.
- (g) Subject to applicable law, Customer agrees to recommend Pharmacy Program and Network Providers to Eligible Claimants as appropriate, and reinforce use of Program and ID cards as appropriate.
- (h) To ensure that pharmacy services are not inappropriately provided by Pharmacy Program, Customer will be required to notify CorVel of all Eligible Claimant case closures. Customer shall be financially responsible for all drug costs incurred by claimants with respect to which CorVel was not notified as outlined above.
- (i) Customer represents that it has obtained or shall obtain such authorizations, if any, as are required for CorVel to perform the services described in this Agreement, including but not limited to receiving patient-specific data and disclosing it as contemplated hereunder.

- (j) Customer agrees to promptly provide CorVel all information needed to produce and distribute Pharmacy ID cards to Eligible Claimants. Required ID card information and timing will be discussed with the Customer during account implementation. Customer shall require Eligible Claimants to use the Pharmacy ID cards in order to facilitate the Pharmacy Program. Distribution of Pharmacy ID cards does not guarantee that Pharmacy ID cards will be appropriately utilized by Eligible Claimants; therefore, Customer understands that claims submitted by a pharmacy to a third party biller or paper bills submitted by the pharmacy are out of the control of the Pharmacy Program.
- (k) Customer agrees to notify CorVel of Eligible Claimant information, including, but not limited to, claimant name, address, social security number, cell phone number, email address and the applicable claim adjuster (including his or her contact information). Customer shall directly maintain or cause to be maintained during normal business hours a procedure for prompt verification of a claimant's eligibility to receive services which are made available pursuant to this Agreement.
- (l) CorVel shall invoice Customer on a daily basis, which invoices shall include a summary of the services provided during the week together with reasonable detail to the extent necessary to support CorVel's fees.
- (m) Customer shall pay all invoices within ten business (10) days of approval by the Cook County Board of Commissioners following the date of receipt by Customer. All payments by Customer shall be made as an electronic fund transfer or Automated Clearing House debit or transfer or in such other medium as the parties shall agree. Upon the failure to pay CorVel in a timely manner, CorVel may by written notice to Customer immediately terminate the Customer's participation in the Pharmacy Benefit Program.
- (n) Upon receipt of invoice from CorVel if Customer determines that specific medications should not have been dispensed, even though they fall within formulary, Customer is responsible for payment and CorVel assumes no liability. To mitigate, CorVel's best practice is for Customer to inform CorVel as soon as possible of such prescriptions so CorVel can request a reversal from the participating Provider and include the specific prohibition going forward in the claimant level formulary.
- (o) Within seven (7) days of Customer's receipt of an invoice, Customer may dispute an invoice by notifying CorVel for any of the following reasons:
 - i. CorVel's and/or the Participating Pharmacy's violation of the Utilization Review Parameters set forth in the Customer's DUR program; or
 - ii. duplicate or inadvertent entries or other clerical mistakes on an invoice from CorVel
- (p) Bills not disputed by Customer by notification to CorVel within seven (7) days of Customer's receipt of the underlying invoice shall be deemed approved, and Customer shall make payment to CorVel as provided above.

III. Billing and Payments for Pharmacy Program:

- (a) CorVel will invoice Customer daily for all fees related to the Pharmacy Program. Payment shall be due within ten (10) business days following the approval by the Cook County Board of Commissioners following the date of CorVel's invoice. Invoices will reasonably detail the computation of the fees owed.
- (b) CorVel uses the Medi-Span AWP at pre-settlement levels. To maintain pricing neutrality CorVel applies the established multiplier to impacted prescriptions.

- (c) Relative to state fee schedules, CorVel will apply the lesser of the Customer's contracted pharmacy rate or the applicable state fee schedule. The following exceptions apply:
 - (i) All California pharmacy prescriptions will be priced at the California fee schedule.
 - (ii) To the extent that the fee schedules rate in any state other than California is less CorVel's acquisition costs, CorVel will apply the lesser of Customer's contracted rate or CorVel's acquisition cost.
- (d) Both parties understand that pricing indices historically used (including under this Agreement) for determining the financial components of pharmacy billing rates are outside the control of CorVel and Customer. The parties also understand there are extra-market industry, legal, governmental and regulatory activities which may lead to changes relating to, or elimination of, these pricing indices that could alter the financial positions and expectations of both parties as intended under this Agreement. Both parties agree that, upon entering into this Agreement and thereafter, their mutual intent has been and is to maintain pricing neutrality as intended and not to benefit one party to the detriment of the other. Accordingly, to preserve this mutual intent, if CorVel undertakes any or all of the following:
 - (i) Changes the AWP source across its book of business (e.g., from Medi-Span to First Databank); or
 - (ii) Maintains AWP as the pricing index with an appropriate adjustment in the event the AWP methodology and/or its calculation is changed, whether by the existing or alternative sources; or
 - (iii) Transitions the pricing index from AWP to another index or benchmark (e.g., to Wholesale Acquisition Cost).
- (e) Pharmacy rates will be modified as reasonably and equitably necessary to maintain the pricing intent under this Agreement. CorVel shall provide Customer with at least ninety (90) days prior written notice of the change (or if such notice is not practicable, as much notice as is reasonable under the circumstances), and written illustration of the financial impact of the pricing source or index change (e.g., specific drug examples). If Customer disputes the illustration of the financial impact of the pricing source, both parties agree to cooperate in good faith to resolve such disputes.

SCHEDULE 7

Peer Review/Medical Records Review Program Terms and Conditions

I. DESCRIPTION OF SERVICES.

- (a) CorVel shall provide access, and deliver the services described in this Schedule 7 in connection with such access, to a panel of medical professionals who have been credentialed by CorVel as "Credentialed Providers" and who will perform Peer Review ("Peer Reviews") and Medical Record Reviews ("MRRs").
- (b) Peer Review/Medical Records Review is defined as the process of reviewing and commenting on the work, decisions and/or recommendations by one's equal (peer) to ensure that it meets specific criteria such as federal and state regulations, and nationally accepted standards of care in rendering medical services.

II. DELIVERY OF SERVICES.

- (a) CorVel shall work only with Credentialed Providers under this Agreement. "Credentialed Providers" are medical professionals with respect to whom CorVel has performed its standard credentialing process. CorVel shall also verify that the medical professionals who are Credentialed Providers meet all applicable statutory and/or legal requirements regarding who can conduct a Peer Review or MRR.
- (b) Customer shall have the right to nominate medical professionals as candidates for addition to the panel of Credentialed Providers provided by CorVel for access by Customer ("Credentialed Panel"), subject to such medical professionals being credentialed by CorVel as Credentialed Providers.
- (c) Customer shall have the right, with written notice to CorVel, to request that CorVel cease using a specific medical professional from the Credentialed Panel for Customer's claimants. Upon receipt of such notice from Customer, Supplier shall promptly cease using the specified medical professional as requested by Customer in such notice.
- (d) Customer may submit a request for a Peer Review or a MRR via phone, fax, or electronically via CorVel's CareMC website, if applicable.
- (e) CorVel shall ensure that the MRR is assigned to a provider within 2 business days of receipt of request or in accordance with applicable State law.
- (f) CorVel will copy required medical records for the Peer Review or MRR as provided by the Customer's file handler or legal office. CorVel will obtain additional medical records as requested.
- (g) CorVel shall deliver to Customer completed Peer Review and MRR reports within 7 business days of assignment to the Credentialed Provider. Prior to such delivery to Customer, CorVel shall complete its quality review of such report.
- (h) CorVel shall provide Customer quarterly activity reports within thirty _____ (30_) business days following the applicable quarter.

SCHEDULE 8-A

Medicare Set-Aside Services

Terms and Conditions

I. DESCRIPTION OF OTHER SERVICES

a. Medicare Set-Asides: CorVel provides an extensive review of medical records and medical bills, producing a comprehensive report and cost projection outlining future Medicare eligible costs in anticipation of settling out future medical care on a Customer's employee or insured individual. Costs are determined through CorVel's proprietary Bill Review system as well as utilization of the online Red Book™ access for medication costs. Red Book™ is the accepted authority by CMS for pricing on all medications.

b. Life Care Plans/Future Cost Projections: Life Care Plans/Future Cost Projections are a plan for optimal utilization of health care dollars that document objective view of the future health needs, services and related costs. It provides for comprehensive reports summarizing medical treatment and care and outlining life time needs for a Customer's employee or injured individual when they are catastrophically injured. Life Care Plans/Future Cost Projections are also used both for litigious settlements as well as projecting reserves setting.

II. DELIVERY OF SERVICES OF MEDICARE SET ASIDES

a. Customer/Carrier shall provide the CorVel Medicare Set-Aside Hub office with a copy of the first report of injury, most recent two years of medical records and medical bills including indemnity payout, all operative reports, IMEs/AMEs as well as orders rendered by the workers' compensation judicial system. Appropriate releases for completion of request for service will be forwarded either to the Customer or, at the Customer's request, directly to counsel representing the injured worker to obtain the injured worker's signature.

b. Customer may submit a request for a Medicare Set-Aside via email, phone, fax, or electronically via CorVel's CareMC website, if applicable.

c. A certified Medicare Consultant ("Consultant") will review the medical records and bill summary, prepare a detailed summary of the records and a projection for future medical expense which are Medicare eligible. If requested, the Consultant will also provide a projection of those costs which are not Medicare eligible in order to provide the customer with their total medical exposure.

d. The Consultant will return the completed Medicare Set-Aside report to the Customer within fifteen (15) business days of receiving all relevant medical records and related information. If a rated age is warranted, the Consultant will acquire same. If the Medicare status of injured party is unknown or unclear, a request for Medicare status will be submitted to the Social Security Administration. Once the Medicare status is known, the Coordination of Benefits Contractor will be notified and conditional payments requested.

e. Upon Customer's request, CorVel Medicare Set-Aside Hub office will submit through the web-portal all required documents to enable CMS to review and approve the proposal. Items

submitted include the Medicare Set-Aside report, the tentative settlement amount, along with other required documentation, to the Centers for Medicare & Medicaid Services (CMS). Upon receipt, CorVel Medicare Set-Aside Hub office will forward the CMS Determination letter to the Customer. Final executed settlement documents (reflecting CMS recommended Medicare Set-Aside amount) will be provided to CorVel Medicare Set-Aside Hub by the Customer/counsel and then forwarded by CorVel to CMS through the web-portal.

f. Upon request from Customer, CorVel shall provide Customer quarterly activity report within twenty (20) business days following the applicable quarter.

III. DELIVERY OF SERVICES OF LIFE CARE PLANS/FUTURE COST PROJECTIONS

- a. Customer shall provide all available medical records and billing to CorVel Medicare Set-Aside Hub office as well as any other pertinent records for initial review.
- b. For a Life Care Plan, a visit to the residence of the Customer's employee or injured individual with interview of claimant and family will be conducted after permission is acquired by the Customer. The interview will include evaluation of the home setting, extensive information gathering, and pictures of the various equipment and housing structures.
- c. Letters will be sent to all treating physicians to obtain their opinions on future medical treatments including medications and therapies for the claimant. The physician's opinions will be included as recommendations within the Life Care Plan summaries.
- d. Future cost projections are utilized to immediately set reserves for future medical needs regarding catastrophic or major injuries. Home visits are not conducted for a future cost projection.
- e. Customer may submit a request for a life care plan or future cost projection via email, phone, fax, or electronically via CorVel's CareMC website, if applicable.

Schedule 11

Advocacy 24/7 Nurse Triage Services

Terms and Conditions

CorVel may provide to Customer the following Services related to Nursing Coordination of Care Services:

- Answer calls received 24 hours a day / 7 days per week on CorVel maintained Customer triage telephone line.
- Instruct the caller / injured employee on first aid and or initial injury treatment.
- Facilitate assessment at a designated outpatient clinic or emergency room as needed.
- Follow up with the injured employee within 24 hours of initial report to evaluate current condition.
- Document all calls and communicate to appropriate parties.

Pricing shall be \$ 95 per "incident". An incident shall encompass

- The nurse receipt of the initial call,
- The gathering of necessary information and distribution of said information to the appropriate parties, and
- One clinical follow-up to the injured employee in the first 24 hours following the initial call.

Schedule 12

Connected Care Services

Terms and Conditions

I. DESCRIPTION OF SERVICES.

- (a) CorVel acknowledges there is a subset of patients in the system that do not improve despite extensive diagnostic testing and numerous treatments. CorVel knows these relatively fewer cases drive a disproportionate amount of costs. Interestingly, these “creeping catastrophic” claims often present as a simple strain or sprain injury or diffuse spinal pain. There is ample data to suggest that bio-psychosocial factors can amplify, sustain or mitigate a patient’s perception of disability in these cases. CorVel shall use clinical modeling to identify those patients at risk for delayed recovery and apply an interdisciplinary bio-psychosocial approach to their care.
- (b) CorVel offers a variety of interventions that are recommended depending on the severity and chronicity of the claim. They can be utilized separately or integrated in a more comprehensive management plan again depending on claim severity and patient characteristics.

II. DELIVERY OF SERVICES.

Medication Review:

- CorVel’s contracted physician will evaluate the medical necessity of each currently used or prescribed medication.
- CorVel’s contracted physician will recommend elimination of duplicative medications.
- CorVel’s contracted physician will determine and recommend medications that may replace and be equally or more effective than one or a group of currently used/prescribed medications.
- CorVel’s contracted physician will recommend medications that are pharmacologically similar to currently used or prescribed medications when available at a lower cost (same or similar class, less cost, generic when available).
- CorVel’s contracted physician will attempt Peer to Peer contact by calling the PTP.
- CorVel’s contracted physician will provide the customer a written agreement from the prescribing physician (if agreement is reached) for alternate treatment plan.
- On cases where agreement is not met between CorVel and the PTP a written report will be generated and sent to the customer that includes a written summary of all activity that will include recommendations, rationales and potential savings identification made by CorVel’s contracted physician.
- Allowances will be made for the attending physician to bill for their time spent on the teleconference at the applicable fee schedule.

Wellness Program:

Cases can be initially referred to a network of cognitive behavioral therapists who function to help the patient/claimant improve their pain coping skills, change their perception of disability and decrease fear-avoidance behaviors that are often a significant barrier for RTW. We call this program the “Wellness” to avoid the label of “psychotherapy.” It is a very short-term, inexpensive intervention that has been proven

effective. This can be an isolated intervention, although it is typically utilized in combination with CareIQ or as one facet of the Physician Case Management program.

Physician Case Management:

This program includes Medication Management and is the most comprehensive as it often includes Wellness and CareIQ. Our Physician Case Management Reviewers were all selected individually. They all share a common interest in the promotion of evidence-based medication and the prevention of medically unnecessary disability. Our physicians will review the patient records, generate opinions on factors contributing to the delay in recovery and come up with recommendations for care. The initial recommendations are discussed at a team conference (Wellness, CareIQ, case coordinators, claims examiners, etc.). Each team member, particularly specialty providers are expected to contribute during this round table discussion. The scope of the Physician Case Management Program is somewhat broader and focuses on the big picture of functional recovery. The goal is improved overall medical/ disability management via appropriate bio-psychosocial care using an interdisciplinary model.

EXHIBIT 2

CareMC License Terms

EXHIBIT 2

CORVEL HEALTHCARE CORPORATION CAREMC LICENSE AGREEMENT

This CareMC License Agreement (this "License Agreement") is entered into upon execution of Cook County Contract 1318-13179 4, (the "Effective Date") by and between CorVel Healthcare Corporation a wholly-owned subsidiary of CorVel Corporation ("CorVel"), 2010 Main Street, Suite 600, Irvine, CA 92614 ("CorVel") and County of Cook a public body corporate of the State of Illinois, hereinafter referred to as "County".

RECITALS

WHEREAS, CorVel has developed a proprietary software solution (the "CareMC Application") which is accessible via the CorVel web site located at URL www.caremc.com (the "CareMC Site"), through which CorVel provides its customers with the option of utilizing certain Managed Care Services, including certain Bill Review Services, online (such automated and online components of CorVel's Managed Care Services, "Online Services"); and

WHEREAS, CorVel provides its customers with the option of accessing certain Managed Care Services by means of CorVel's proprietary software solution (the "CareMC Application") via the CorVel web site located at the URL "www.caremc.com" (the "CareMC Site"); and

WHEREAS, CorVel and County entered into the Professional Services Agreement (the "Master Agreement") with an Effective Date of October 1, 2014; and

WHEREAS, Customer desires to be provided with access to and use of the CareMC Application by means of an Internet browser under the terms and conditions set forth in this License Agreement.

NOW, THEREFORE, in consideration of the premises set forth above, the promises made herein, and other good and valuable consideration the receipt which is hereby acknowledged, the parties agree as follows:

1. ACCESS TO THE CAREMC APPLICATION

A. Terms of Use. The parties acknowledge and agree that the terms and conditions under which particular Managed Care Services are provided by CorVel and the terms and conditions under which Customer may access and use the CareMC Application in order to utilize the online and automated components of such Managed Care Service (the "Online Services") shall be governed by the terms and conditions of this License Agreement.

B. Registration Information. Prior to accessing the CareMC Application, Customer shall provide CorVel with certain registration information requested therein ("Registration Information"). Customer represents that (i) the Registration Information Customer provides is true, accurate, current and complete, and (ii) the Registration Information will be updated as necessary to keep such data true, accurate, current and complete.

C. Passwords and Levels of Access. As soon as practicable after the execution of this License Agreement, CorVel shall provide a master password to Customer that allows Customer initial access to the Online Services (the "Master Password"). Customer shall then designate two groups of Authorized Users. The first group of Authorized Users ("Restricted Users") shall have access to all data available on the CareMC Site except data that constitutes or contains "protected health information" ("PHI Data") as such term is defined in 45 CFR Section 164.501 of the regulations promulgated by the U.S. Department of Health and Human Services under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"). Each Restricted User shall initially access the Online Services by means of the Master Password, then shall be required to choose his/her own unique password (each, a "Restricted Password") for all future access. The second group of Authorized Users ("Non-Restricted Users") shall have access to all data available through the CareMC Application, including PHI Data, but shall only have access to PHI Data to the extent necessary for Customer to render payment on a claim, and then only to those portions or amounts of PHI Data that are determined by CorVel, in its sole discretion, to be the minimum necessary for Customer to render payment on such claim. Each Non-Restricted User will be required to choose a second unique password (each, a "Non-Restricted Password") which will enable his/her to access PHI Data on the foregoing terms.

D. Non-Restricted Users. Customer represents to CorVel that each Non-Restricted User who accesses PHI Data will do so solely to the extent necessary to comply with workers' compensation laws.

E. Security of Passwords. Customer acknowledges and agrees that it shall be solely responsible for (i) selecting Authorized Users, (ii) assigning the various levels of authority and access each Authorized User may have to the CareMC Application, Online Services and Customer Data, including by determining which Authorized Users shall be Non-Restricted Users, (iii) taking reasonable steps to ensure that only Authorized Users have access to the Master Password, only Restricted Users have access to the Restricted Passwords and only Non-Restricted Users have access to Non-Restricted Passwords, (iv) implementing a system to control, track and account for all Restricted Passwords and Non-Restricted Passwords, (v) taking reasonable steps to maintain the confidentiality and integrity of the Master Password, Restricted Passwords and Non-Restricted Passwords and levels of authority among Authorized Users, and (iv) taking reasonable steps to ensure that Authorized Users shall at all times comply with the terms and conditions of this License Agreement. Customer further agrees that it shall notify CorVel immediately in writing if the security or integrity of a password has been compromised.

F. Customer Data. Responsibility for ensuring that the content and data input into the CareMC Application by Customer or Authorized Users ("Customer Data") is accurate, reflects Customer's requirements and is entered correctly lies solely with

Customer. All data generated by and through Customer's use of the CareMC Application and Online Services shall reside on CorVel's server. CorVel reserves the right to temporarily suspend access to any Customer Data that it determines, in its sole discretion, violates the terms and conditions of this License Agreement or any applicable laws. If CorVel determines that it must suspend access to Customer, CorVel shall notify Customer of suspension and work with Customer to a resolution within one (1) business day not to exceed three (3) business days of such notification. CorVel shall use reasonable efforts to immediately notify Customer in writing of its suspension in services, the reasons for such suspension, including the facts and circumstances it believes constitute Customer's unauthorized conduct and shall agree to a reasonable time to conduct the review of the suspension in access.

G. Changes to the CareMC Application. CorVel reserves the right, at any time in its sole discretion and without liability to Customer, to delete or change features of the CareMC Application, CareMC Site or Online Services provided such changes do not materially alter the functionality, efficiency or performance of the CareMC Application. Notwithstanding the foregoing, if any changes would materially alter the use and access by Customer, CorVel shall give prior written notice to Customer.

2. LICENSE AND RESTRICTIONS

A. Limited License. Subject to the terms and conditions of this License Agreement, CorVel grants to Customer during the License Term (as defined in Section 8A below) a limited, non-exclusive, non-transferable, non-sublicensable license to access and use, and allow Authorized Users to access and use, the CareMC Application via the CareMC Site solely for Customer's own internal business use and operations. Customer shall access and use the CareMC Application in accordance with the user's guides and online instruction provided to Customer by CorVel ("Documentation") and all applicable laws, statutes, rules and regulations. Such Documentation shall be provided to Customer prior during implementation and prior to access of the CareMC Application by Customer.

B. Restrictions. Customer shall not, and shall not allow Authorized Users or any third party to (i) rent, lease, re-license or otherwise provide access to the CareMC Application or Online Services to any third party, (ii) alter, modify or create derivative works of the CareMC Application, (iii) use any reverse compilation, decompilation or disassembly techniques or similar methods to determine any design structure, concepts and construction method of the CareMC Application or replicate the functionality of the CareMC Application for any purpose, or (iv) copy the CareMC Application or any content, materials, information and other data provided by CorVel on the CareMC Site or used in providing the Online Services ("CorVel Content") and/or Documentation without CorVel's prior written consent.

C. Third Parties. Customer shall not allow any third party vendor to have access to the CareMC Application or Online Services without prior written consent of CorVel and ensuring that such third party vendor enters into a stand-alone CareMC License Agreement with CorVel. Notwithstanding the aforementioned restriction, the Cook County State's Attorney's Office or Customer's interns shall not be considered a third party vendor. Customer may also allow all third party contractors acting on the premises of the Customer and for the benefit of Customer to access CareMC Application or Online Services. Customer shall be responsible and liable for the access of such on-site third party contractors.

D. Ownership. CorVel owns and shall retain all right, title and interest in and to the CareMC Application, Documentation, CareMC Site, Online Services, CorVel Content and any intellectual property rights inherent therein or arising therefrom. In addition to CorVel's rights in the individual elements of the CorVel Content, CorVel owns a copyright in the selection, coordination, arrangement and enhancement of the CorVel Content that is not Customer Data. Neither Customer nor any Authorized User shall obtain any ownership rights, express or implied, or any other rights other than those expressly set forth herein in the CareMC Application, Documentation or CorVel Content. Notwithstanding the aforementioned, Customer retains owns and shall retain all right, title and interest in Customer Data.

E. Compliance Monitoring and Audits. CorVel may monitor and, at its expense, perform an audit of Customer's use of the CareMC Application and CareMC Site to verify that Customer and Authorized Users are using the CareMC Application in compliance with the terms of this License Agreement. CorVel reserves the right to temporarily suspend Customer's or any Authorized User's access to the CareMC Application in the event Customer or such Authorized User engages in, or CorVel in good faith suspects is engaged in, any unauthorized conduct. If CorVel determines that it must suspend access to Customer, CorVel shall notify Customer of suspension and work with Customer to a resolution within one (1) business day not to exceed three (3) business days of such notification. CorVel shall use reasonable efforts to immediately notify Customer in writing of its suspension in services, the reasons for such suspension, including the facts and circumstances it believes constitute Customer's unauthorized conduct and shall agree to a reasonable time to conduct the review of the suspension in access

3. INFRASTRUCTURE, MAINTENANCE AND SUPPORT

A. CorVel Infrastructure Obligations. Subject to Customer's compliance with the terms and conditions of this License Agreement, CorVel shall be responsible for providing and maintaining the hardware, software and other equipment required to host the CareMC Application for Customer ("CareMC Infrastructure"). The CareMC Infrastructure is subject to minor and material modification by CorVel from time to time for purposes such as adding new functionality, maximizing operating efficiency and upgrading hardware, provided such modifications shall not in the aggregate degrade the performance of the Online Services utilized by Customer. Customer understands and acknowledges that such material modifications may require changes to Customer's Internet access and/or telecommunications infrastructure to maintain Customer's desired level of performance. CorVel shall give Customer reasonable prior written notice of any such Modifications.

B. Customer Infrastructure Obligations. Except for the CareMC Infrastructure, which will be provided by CorVel, Customer shall be responsible for obtaining and maintaining all hardware, software, equipment, Internet access and/or telecommunications services and other items or services furnished by third party vendors or providers ("Third Party Providers") required to enable Customer to access and use the CareMC Application and CareMC Site as contemplated hereunder.

C. Support. CorVel will provide general support regarding questions on the CareMC Application and CareMC Site via email and by telephone from Monday through Friday between the hours of 5:00 a.m. and 6:00 p.m. Pacific Standard Time, excluding holidays.

D. Scheduled Maintenance. CorVel will use reasonable efforts to (i) perform any scheduled downtime outside of Customer's normal business hours, (ii) notify Customer of all scheduled downtimes at least seventy-two (72) hours in advance, and (iii) perform software updates to the CareMC Application with minimal disruption to Customer's use of the Online Services.

E. System Monitoring. CorVel will use reasonable efforts to continuously monitor its web servers and database servers to ensure that they are functioning properly.

F. Security. CorVel will implement and use reasonable efforts to maintain secure systems through the use of firewalls, virtual private networks (VPN), and other security technologies. CorVel will use reasonable efforts to immediately report to Customer any security violations that affect the data of Customer.

G. Disaster Recovery and Backup. CorVel will use reasonable efforts to perform nightly backups of essential data on its web servers and database servers. CorVel has implemented third party backup and restoration technology to enable high speed recovery of data. CorVel utilizes redundant load balanced Win 2000 servers for 24x7, 365 day access, except for regularly scheduled system maintenance and upgrade processes. SQL Server databases are hosted on clustered servers offering fail-over capability, redundant communication links, and load balanced application servers. Backup tapes are restored into a test environment not less than quarterly to confirm validity of backups. The CareMC Site has redundant inbound Internet and Intranet connectivity.

H. Professional Managed Care Services. If Customer requires any additional professional services relating to the CareMC Application or Online Services from CorVel including but not limited to integration with Customer's electronic data interfaces (EDIs) or other Customer systems, Customer shall submit a written request to CorVel for such services. CorVel shall, in good faith, consider providing such services at its then-current professional services fee rate and standard terms and conditions. Notwithstanding the foregoing, the parties understand that such additional services shall require an amendment to the County's Contract pursuant to the terms and conditions of the Professional Services Agreement.

4. REPRESENTATIONS AND WARRANTIES

A. Customer Representations. Customer represents that (i) it has the legal authority to provide the Customer Data to CorVel hereunder, and (ii) it is fully aware and knowledgeable of and shall comply with its duties and responsibilities with respect to the privacy and confidentiality of medical records and protected health information under applicable federal and state laws.

B. CorVel Warranties. CorVel warrants that (i) it shall use commercially reasonable professional practices and good workmanship in providing the CareMC Application, and (ii) Customer support will be performed consistent with generally accepted industry standards. These warranties extend only to Customer.

C. Exclusive Remedy. For any breach of the foregoing warranties, CorVel's entire liability and Customer's exclusive remedy will be the correction of the problems or errors that cause the breach of warranty, if feasible, or termination of the Agreement.

5. DISCLAIMERS AND LIMITATIONS OF LIABILITY

A. Disclaimers. TO THE EXTENT ALLOWED BY APPLICABLE LAW, EXCEPT FOR THE LIMITED WARRANTIES DESCRIBED IN SECTION 4B ABOVE, CORVEL MAKES NO OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, AND EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, GOOD TITLE, SATISFACTORY QUALITY AND NONINFRINGEMENT. CUSTOMER SPECIFICALLY ACKNOWLEDGES AND AGREES AS FOLLOWS:

(i) Internet Usage. Customer acknowledges that the Internet is essentially an unregulated, insecure and unreliable environment, and that the ability of Customer to access and use the CareMC Application is dependent on the Internet and hardware, software and services provided by various Third Party Providers. CORVEL SHALL NOT BE RESPONSIBLE FOR CUSTOMER'S INABILITY TO ACCESS OR USE THE CAREMC APPLICATION TO THE EXTENT SOLELY CAUSED BY FAILURES OR INTERRUPTIONS OF ANY HARDWARE, SOFTWARE OR SERVICES PROVIDED BY CUSTOMER OR THIRD PARTY PROVIDERS.

(ii) CareMC Application. CUSTOMER ACKNOWLEDGES AND AGREES THAT CORVEL DOES NOT WARRANT THAT THE CAREMC APPLICATION OR ONLINE SERVICES ARE ERROR FREE, THAT CUSTOMER WILL BE ABLE TO ACCESS OR USE THE CAREMC APPLICATION OR ONLINE SERVICES WITHOUT PROBLEMS OR INTERRUPTIONS, OR THAT THE CAREMC SITE AND CAREMC APPLICATION ARE NOT SUSCEPTIBLE TO INTRUSION, ATTACK OR COMPUTER VIRUS INFECTION, UNLESS DUE TO CORVEL'S NEGLIGENCE, ERRORS, OMISSIONS, WILLFUL MISCONDUCT OR FRAUD.

(iii) Network Intrusions. EXCEPT WHERE A BREACH, UNAUTHORIZED ACCESS TO, MISUSE OF, OR INTRUSION INTO CUSTOMER DATA (COLLECTIVELY, "UNAUTHORIZED ACCESS") IS DUE TO CORVEL'S NEGLIGENCE, ERRORS, OMISSIONS, WILLFUL MISCONDUCT OR FRAUD, CUSTOMER AGREES THAT CORVEL WILL NOT BE LIABLE FOR DAMAGES ARISING FROM SUCH UNAUTHORIZED ACCESS OF CUSTOMER DATA RESIDING ON CORVEL'S SERVER(S) OR ANY NETWORK USED BY CUSTOMER TO THE EXTENT THAT SUCH DAMAGES WERE BEYOND CORVEL'S REASONABLE CONTROL.

(iv) Exclusion of Damages. CUSTOMER AGREES THAT, EXCEPT WITH RESPECT TO (i) A BREACH BY CORVEL OF ITS OBLIGATIONS UNDER SECTION 9 (*Confidentiality*) OR UNAUTHORIZED ACCESS OF CUSTOMER'S DATA, AND (ii) CORVEL'S OBLIGATIONS UNDER SECTION 6 (*Indemnification*) INCLUDING CORVEL'S NEGLIGENCE, ERRORS, OMISSIONS, WILLFUL MISCONDUCT OR FRAUD, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING BUT NOT LIMITED TO LOST PROFITS OR LOST REVENUES) UNDER THIS AGREEMENT, WHETHER OR NOT FORESEEABLE AND REGARDLESS OF WHETHER CLAIMS UNDER THIS AGREEMENT ARE BROUGHT UNDER TORT, CONTRACT OR ANY OTHER LEGAL OR EQUITABLE THEORY.

(iv) Acknowledgment. The parties acknowledge that the limitations and disclaimers set forth in this Section 5 were an essential element in setting consideration under this CareMC License Agreement. Notwithstanding the forgoing, the limitations and disclaimers set forth herein shall be applicable only to the CAREMC application and shall not limit CorVel's liability in its performance or non-performance of the Services provided by CorVel under County Contract 1318-13179.

6. INDEMNIFICATION

A. Indemnification by CorVel. Subject to Section 6B below, CorVel shall indemnify, hold harmless, and defend against any third party suit or action against Customer to the extent such suit or action is based on a claim that Customer's permitted use of the CareMC Application under this Agreement constitutes an infringement of a United States patent, trademark, trade name, trade secret, copyright or other United States intellectual property right, and CorVel will pay those Losses finally awarded against Customer in any monetary settlement or final, non-appealable judgment of such suit or action which are specifically attributable to such claim. This indemnity does not apply to any claims based on Customer's use of the CareMC Application (i) in violation of this Agreement or the Documentation (as defined in the CareMC License Agreement), (ii) in combination with any other software, hardware, network or system where the alleged infringement relates to such combination, or (iii) based on CorVel's compliance with Customer's instructions, designs or specifications where the alleged infringement relates to such compliance. If any portion of the CareMC Application becomes, or in CorVel's opinion is likely to become, the subject of a claim of infringement, then CorVel may, at its option and expense, procure for Customer the right to continue using the CareMC Application or replace or modify the affected portion of the CareMC Application so that it becomes non-infringing. If neither alternative is reasonably available, CorVel may terminate this Agreement. THE FOREGOING STATES CORVEL'S ENTIRE LIABILITY AND CUSTOMER'S SOLE REMEDY FOR INFRINGEMENT CLAIMS. NOTWITHSTANDING THAT, CorVel shall not be responsible or liable to the extent of Customer's Negligence, errors, omissions, willful misconduct or fraud under the obligations of this License Agreement.

B. Conditions. The indemnification obligations under this Section 6 are contingent upon: (i) the indemnified party giving prompt written notice to the indemnifying party of any claim under this Section (provided, however, that failure to give such notification shall not affect the indemnification provided hereunder except to the extent, and only to the extent, that the indemnifying party shall have been actually prejudiced as a result of such failure), (ii) the indemnifying party having the right, but not the obligation, to assume sole control of the defense or settlement of the claim, and (iii) at the indemnifying party's request and expense, the indemnified party cooperating in the investigation and defense of such claim(s). If the indemnifying party assumes the defense of any claim hereunder, the indemnified party shall be entitled to participate in (but not control) such defense and to retain its own counsel, at its own expense, subject to Illinois law. The indemnifying party shall not settle or consent to an adverse judgment in any such claim that adversely affects the rights or interests of the indemnified party or imposes additional obligations on the indemnified party, without the prior express written consent of the indemnified party.

7. INSURANCE

A. CorVel Insurance. CorVel, at its sole expense, agrees to maintain, at all times during the term of the Agreement, the required professional liability, errors and omissions, workers' compensation, general, and auto liability insurance coverages as set forth on the Certificate of Insurance provided with the executed Service Agreement with an effective date of October 1, 2014

B. Customer Insurance. It is agreed that Customer shall be deemed in compliance with this Section 7B by being self-insured under terms and conditions and with sufficient reserves as is customary within the industry for companies of comparable size and operations.

8. LICENSE TERM AND TERMINATION

A. Term. The Term of the Agreement shall run co-terminus with Cook County Contract 1318-13179 unless terminated pursuant to Section 8B or 8C hereunder this License Agreement.

B. Termination for Convenience. The County shall have the right to terminate this License Agreement for any reason or for no reason, upon ninety (90) days written notice to the other party.

C. Termination for Cause. This License Agreement may be terminated by either party for cause in accordance with the requirements set forth Professional Services Agreement. Article 9) Events of Default, Remedies, Termination, Suspension and Right to Offset

D. Effect. Except to the extent expressly provided to the contrary herein, any right of action for breach of the License Agreement prior to termination, and the following provisions shall survive the termination of this License Agreement: Sections 1G, 2D, 4, 5 and 6. Additionally, upon termination or expiration of the License Agreement (i) CorVel shall provide Customer with any data belonging to Customer, without any additional cost, in an industry accepted, non-proprietary format that is reasonably usable without the licenses under this License Agreement, (ii) all licenses granted under this License Agreement shall terminate immediately, (iii) all rights to use the CareMC Application and Online Services shall cease immediately, and (iv) each party shall promptly return all information, documents, manuals and other materials belonging to the other party related to this License Agreement, whether in printed or electronic form, except as otherwise provided in this License Agreement, including without limitation all confidential information of the other party then currently in its possession.

E. Funding Out Clause. This agreement depends on continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by Customer upon a thirty (30) day prior written notice. Termination for any of these reasons is not a default by the Customer nor does it give rise to a claim against Customer.

9. CONFIDENTIALITY

A. Definition of Confidential Information. "Confidential Information" shall mean any non-public data, information and other materials regarding the products, services or business of a party (and/or, if either party is bound to protect the confidentiality of any third party's information, of a third party) provided to either party by the other party where such information is marked or otherwise communicated as being "proprietary" or "confidential" or the like, or where such information should, by its nature, be reasonably considered to be confidential and/or proprietary. Without limiting the foregoing, the parties agree that (i) the CareMC Application, Documentation, CorVel Content (as defined in the in the CareMC License Agreement) and all software, source code, source documentation, inventions, know-how, and ideas, updates and any documentation and information relating thereto constitutes Confidential Information of CorVel, (ii) the Customer Data (as defined in the CareMC License Agreement) constitute Confidential Information of Customer, and (iii).

B. Disclosure and Use of Confidential Information. The Confidential Information disclosed by either party ("Disclosing Party") to the other ("Receiving Party") constitutes the confidential and proprietary information of the Disclosing Party and the Receiving Party agrees to treat such Confidential Information in the same manner as it treats its own similar proprietary information, but in no case will the degree of care be less than reasonable care. The Receiving Party shall use the Confidential Information of the Disclosing Party only in performing under this Agreement and shall retain the Confidential Information in confidence and not disclose it to any third party (except as authorized under this Agreement) without the Disclosing Party's express written consent. The Receiving Party shall disclose the Disclosing Party's Confidential Information only to those employees and contractors of the Receiving Party who have a need to know such information for the purposes of this Agreement, and such employees and contractors must be bound by this Agreement or have entered into agreements with the Receiving Party containing confidentiality provisions covering the Confidential Information with terms and conditions at least as restrictive as those set forth herein.

C. Exceptions. Notwithstanding the foregoing, the parties' confidentiality obligations hereunder shall not apply to information which: (i) is already known to the Receiving Party prior to disclosure by the Disclosing Party, (ii) becomes publicly available without fault of the Receiving Party, (iii) is rightfully obtained by the Receiving Party from a third party without restriction as to disclosure, (iv) is approved for release by written authorization of the Disclosing Party, (v) is developed independently by the Receiving Party without use of or access to the Disclosing Party's Confidential Information, or (v) is required to be disclosed by law, rule, regulation, court of competent jurisdiction or governmental order, provided, however, that the Receiving Party shall advise the Disclosing Party of the Confidential Information required to be disclosed promptly upon learning thereof in order to afford the Disclosing Party a reasonable opportunity to contest, limit or assist the Receiving Party in crafting the disclosure, and then such disclosure shall be made only to the extent necessary to satisfy such requirements.

D. Use of Data. Nothing shall prohibit CorVel from using aggregate, non-identifying, statistical data generated through its customers', including Customer, use of the CareMC Application and Online Services for analytical purposes, provided that CorVel shall not use or disclose any such data or information in a manner that would reveal the identity of, or other confidential information concerning, Customer. Such aggregate, non-identifying statistical data could include, without limitation, statistics regarding usage of the CareMC Application and Online Services, the number of case referrals generated through the CareMC Application and Online Services and the efficiencies gained by CorVel customers through their use of the CareMC Application and Online Services.

10. GENERAL PROVISIONS

A. Choice of Law. This Agreement shall be governed by and construed under the laws of the State of Illinois and the United States without regard to conflicts of laws provisions thereof. The parties expressly agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement. The parties submit to the jurisdiction of the Circuit Court of Cook County, Illinois and agree, that any cause of action arising under or in connection with this Agreement shall be litigated in said courts.

B. Compliance with Laws. Both parties shall comply with all federal, state, and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this Agreement, and will be solely responsible for obtaining current information on such requirements.

C. Contacts for Notices. All written notice required or permitted hereunder shall be in writing and shall be sufficient if personally delivered or sent by facsimile or internationally recognized delivery service to the address or fax number set forth below, unless such address or fax number is changed by notice, to the other party, as permitted hereunder. Any notices shall be deemed given on the date received, as indicated (i) by receipt of electronic answer back in the case of facsimile, or (ii) the records of the delivery service, if by courier.

If to CorVel:

CorVel Corporation
2010 Main Street, Suite 600
Irvine, California 92614
Attn: Director, Legal Services
Phone: (949) 851-1473
Fax: (866) 434-2469
Email: Corporate_Legal@corvel.com

If to Customer:

Department of Risk Management
118 North Clark Street, Room 1072
Chicago, Illinois 60602 Attention: Department Director
Deana.Zalas@cookcountyil.gov
(312) 603-6426

And

Office of the Chief Procurement Officer
118 North Clark Street, Room 1018
Chicago, Illinois 60602
(Include County Contract Number on all notices)

D. Assignment. Neither this Agreement nor any rights, licenses or obligations hereunder, may be assigned by either party without the prior written consent of the non-assigning party. Notwithstanding the foregoing, CorVel may assign this Agreement to any acquiror of all or of substantially all of CorVel's equity securities, assets or business related to the subject matter of this Agreement. Any attempted assignment in violation of this Agreement shall be void and without effect.

E. Severability. Should any term of this Agreement be declared void or unenforceable by any arbitral tribunal or court of competent jurisdiction, such declaration shall have no effect on the remaining terms hereof, which shall continue in full force and effect.

F. Waiver. The failure of either party to enforce any rights granted hereunder or to take action against the other party in the event of any breach hereunder shall not be deemed a waiver by that party as to subsequent enforcement of rights or subsequent actions in the event of future breaches.

G. Relationship of the Parties. The relationship of CorVel and Licensee established by this Agreement is that of independent contractors, and nothing contained in this Agreement shall be construed (i) to give either party the power to direct or control the day-to-day activities of the other, or (ii) to constitute the parties as partners, franchisee-franchiser, joint venturers, co-owners or otherwise as participants in a joint or common undertaking, or otherwise give rise to fiduciary obligations between the parties.

H. Force Majeure. Except for the obligation to make payments, nonperformance by either party shall be excused to the extent that performance is rendered impossible by war, acts of terrorism, strikes, fire, flood, governmental acts or orders or restrictions, failure of suppliers, or any other reason where failure to perform is beyond the control of the non-performing party.

EXHIBIT 3

Schedule of Compensation

EXHIBIT 3
Schedule of Compensation



COMPENSATION

Maximum Compensation: CorVel shall be compensated for the actual number of services performed accordance with the Schedule of Compensation table above. Total Consultant compensation under this Agreement shall not exceed \$6,000,000.00 without a written amendment in accordance with Section 10.c.

Worker's Compensation	Year One	Year Two	Year Three	Year Four	Year Five
Administrative Services	\$50,000	\$50,000	\$50,000	\$55,000	\$55,000

CorVel will provide a dedicated staff member to include computer, internet access and scanning capabilities. This person will work with Cook County to coordinate administrative services within the managed care program. Utilizing Care^{MC}, this individual can complete Bill Scanning, assist in implementing of E-Billing, referrals to the Preferred Provider Program, Pharmacy Benefit Manager Services, Utilization Review, Peer Review Services, Field Case Management, Telephonic Case Management, Independent Medical Evaluation Services, Vocational Rehabilitation, Placement Services, Durable Medical Equipment Services, and Medical Diagnostic Services.

CorVel also has the ability to provide additional support staff at an hourly rate, part time or full time basis.

Base Services: Option 1; Unbundled Program – Managed Care Services

Medical Bill Review Services

Description	Pricing Allocated Expense
Bill Review Incremental	\$6.00/bill*
Fee Schedule and Reasonable & Customary	18.5% of savings
Network (PPO and/or PPP)	18.5% of savings
Enhanced Bill Review / Professional Review	18.5% of savings

*Minimum transaction fee of \$6.00 per bill; maximum bill review fee of \$10,000.

Utilization Review/Peer Review Services

Description	Pricing Allocated Expense
Prospective Utilization Review	\$95 per review (plus Peer Review fee when needed)
Peer Review/Physician Advisor	Based on specialty (Estimated: \$175)

E-billing

Description	Pricing Allocated Expense
E-billing	No Additional Charge

Durable Medical Equipment Services

Description	Pricing Allocated Expense
Durable Medical Equipment	Per Service

Medical Diagnostic Services

Description	Pricing Allocated Expense
Medical Diagnostic Services	Per Service

Preferred Provider Program

Description	Pricing Allocated Expense
Preferred Provider Program	Included in Bill Review Fee (No Additional Charge)

Optional Services: Unbundled Program – Managed Care Services

Field Case Management

Description	Pricing Allocated Expense
Field Case Management	\$82 per hour*

*IRS Mileage Rate Applies

Telephonic Case Management

Description	Pricing Allocated Expense
Telephonic Case Management	\$82 per hour

Independent Medical Evaluation Services

Description	Pricing Allocated Expense
Independent Medical Evaluation Services	Per Service
<ul style="list-style-type: none"> • Ortho - \$1,200 • Neurology - \$1,200 • PM&R - \$1,200 • Chiro - \$600 <p>The average cost for the top four specialties are listed above. Charges outside of the top four would be, on average, the physician fee plus a \$300 administration fee.</p> <p>All pricing includes issuance of mileage reimbursement as required by Illinois Law.</p>	<p>Permanent Partial Ratings are billed as a pass through cost per Illinois Statute at \$600. CorVel does not charge any additional fees for this service. All IME fees are quoted in advance of the IME appointment. We provide the quoted fee based on the information at the time of scheduling. We will notify Cook County of any potential changes in price for their approval, such as additional x-rays, translation/transportation, additional body parts, etc.</p>

Vocational Rehabilitation/Placement Services

Description	Pricing Allocated Expense
Vocational Rehabilitation/ Placement Services	\$82 per hour

*IRS Mileage Rate Applies

Pricing for telephonic case management, field case management, utilization review and vocational case management is valid for first 3 years of contract. After year 3, fees are subject to 3% or CPI whichever is greater, dating from the renewal date of that year.

Support Staff

Description	Pricing
Additional Support Staff	Fee for Support Staff of Managed Care Services are within the hourly allocated expense of hourly professional rate.

Miscellaneous Fee (detailed description required)

Description	Pricing Allocated Expense
Nurse Triage	\$95 per FNOL

Pharmacy Benefit Manager Services

Description	Pricing Allocated Expense
Pharmacy Services	
Retail Pharmacies	
Brand	AWP - 11% + \$3.50 handling fee
Generic	AWP - 25% + \$3.50 handling fee
Fee Schedule States	State Fee Schedule
Mail Order	
Brand	AWP - 14% + \$2.00 handling fee
Generic	AWP - 35% + \$2.00 handling fee
Medication Review (Optional)	\$200 per hour
Connected Care	

Billing and Payments for Pharmacy Program:

- (a) Contractor will invoice County daily for all fees related to the Pharmacy Program. Payment shall be due within ten (10) days of approval by the Cook County Board of Commissioners. Invoices will reasonably detail the computation of the fees owed.
- (b) Contractor uses the Medi-Span AWP at pre-settlement levels. To maintain pricing neutrality Contractor applies the established multiplier to impacted prescriptions.

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- (c) Relative to state fee schedules, Contractor will apply the lesser of the County's contracted pharmacy rate or the applicable state fee schedule. The following exceptions apply:
- (i) All California pharmacy prescriptions will be priced at the California fee schedule.
 - (ii) To the extent that the fee schedules rate in any state other than California is less Contractor's acquisition costs, Contractor will apply the lesser of County's contracted rate or Contractor's acquisition cost.
- (d) Both parties understand that pricing indices historically used (including under this Agreement) for determining the financial components of pharmacy billing rates are outside the control of Contractor and County. The parties also understand there are extra-market industry, legal, governmental and regulatory activities which may lead to changes relating to, or elimination of, these pricing indices that could alter the financial positions and expectations of both parties as intended under this Agreement. Both parties agree that, upon entering into this Agreement and thereafter, their mutual intent has been and is to maintain pricing neutrality as intended and not to benefit one party to the detriment of the other. Accordingly, to preserve this mutual intent, if Contractor undertakes any or all of the following:
- (i) Changes the AWP source across its book of business (e.g., from Medi-Span to First Databank); or
 - (ii) Maintains AWP as the pricing index with an appropriate adjustment in the event the AWP methodology and/or its calculation is changed, whether by the existing or alternative sources; or
 - (iii) Transitions the pricing index from AWP to another index or benchmark (e.g., to Wholesale Acquisition Cost).
- (e) Pharmacy rates will be modified as reasonably and equitably necessary to maintain the pricing intent under this Agreement. Contractor shall provide County with at least ninety (90) days prior written notice of the change (or if such notice is not practicable, as much notice as is reasonable under the circumstances), and written illustration of the financial impact of the pricing source or index change (e.g., specific drug examples). If County disputes the illustration of the financial impact of the pricing source, both parties agree to cooperate in good faith to resolve such disputes.

Quick Payment Discounts

Consultant agrees to provide the following discounts on services provided by Consultant when payments are made by the County within the following time frames from date of invoice:

Payment Terms (in Days)	% Discount
NET 30	1%
NET 20	1%

Maximum Compensation: Consultant shall be compensated for the actual number of services performed accordance with the Schedule of Compensation table above. Total Consultant compensation under this Agreement shall not exceed \$6,000,000.00 without a written amendment in accordance with Section 10.c.

EXHIBIT 4

Evidence of Insurance

EXHIBIT 5

Board Authorization