

AGENDA

CITY COUNCIL MEETING

MONDAY, NOVEMBER 5, 2012

7:00 P.M.

CITY COUNCIL CHAMBERS, CITY HALL - 45 LYON TERRACE
BRIDGEPORT, CONNECTICUT

Prayer

Pledge of Allegiance

Roll Call

MINUTES FOR APPROVAL:

Approval of City Council Minutes: October 1, 2012

COMMUNICATIONS TO BE REFERRED TO COMMITTEES:

- 155-11** Communication from City Attorney re: Twenty day notice to Settle Litigation pursuant to Municipal Code Section 2.10.130: Damien Csech, **ACCEPTED AND MADE PART OF THE RECORD.**
- 156-11** Communication from City Clerk re: Items Pending before City Council Committees pursuant to City Council Rules Ch. XIII (11), **ACCEPTED AND MADE PART OF THE RECORD.**
- 157-11** Communication from City Attorney re: Proposed Settlement of Pending Litigation with Teresa Lisi, referred to Miscellaneous Matters Committee.
- 158-11 (A)** Communication from Labor Relations and Benefits Administration re: Proposed Integrated Prescription Drug Program Agreement with Medco Health Solutions, Inc. for the period of October 1, 2011 - December 31, 2013, referred to Contracts Committee.
- 158-11 (B)** Communication from Labor Relations and Benefits Administration re: Medicare Part D EGWP Amendment with Medco Health Solutions, Inc. for the period of January 1, 2012 - December 31, 2013, referred to Contracts Committee.
- 159-11** Communication from Central Grants and Community Development re: Grant Submission: State of Connecticut Department of Energy and Environmental Protection for the 319 NPS Grant Program, referred to Economic and Community Development and Environment Committee.
- 160-11** Communication from OPED re: Proposed Resolution regarding the Extension of the Duration of Controls of the East Side NDP Area No. 1 Urban Renewal Plan, referred to Economic and Community Development and Environment Committee.
- 161-11** Communication from OPED re: Proposed Resolution authorizing the establishment of an annual "PILOT" for real property located at 1336 Railroad Avenue, Bridgeport Fuel Cell Park, referred to Economic and Community Development and Environment Committee.

COMMUNICATIONS TO BE REFERRED TO COMMITTEES CONTINUED:

- 162-11** Communication from OPED re: Proposed Amendments to the Municipal Code of Ordinances, Chapter 15.08 Building Permits and Fees amend Section 15.08.010(A) Building permit and related fees, referred to Ordinance Committee.

RESOLUTIONS TO BE REFERRED TO BOARDS, COMMISSIONS, ETC.:

- 163-11** Resolution presented by Council Members Olson and Brantley re: Signage Honoring Bishop T. Walter Plummer by including his name on the street sign at the intersection of Beechwood Avenue and Norman Street, referred to Public Safety and Transportation Committee.

MATTERS TO BE ACTED UPON (CONSENT CALENDAR):

- *142-11(PHO)** Economic and Community Development and Environment Committee Report re: Public Hearing Ordered for November 19, 2012: re Disposition of City Owned Properties to Habitat for Humanity (Request for Public Hearing).
- *148-11** Economic and Community Development and Environment Committee Report re: Grant Submission: State of Connecticut Department of Public Health for 2012-2013 Per Capita Grant.
- *149-11** Economic and Community Development and Environment Committee Report re: Request concerning the Modification of Development Agreement with M.O.V.E. Yacht Club in Connection with Relocating from Steel Point to Waterview Avenue.
- *150-11** Economic and Community Development and Environment Committee Report re: Disposition of City Owned Property located at 2836 Fairfield Avenue – Black Rock Bank & Trust Building.
- *151-11(PHO)** Economic and Community Development and Environment Committee Report re: Public Hearing Ordered for November 19, 2012: re Disposition of City Owned Property (Request for Public Hearing).
- *154-11** Economic and Community Development and Environment Committee Report re: Approval of Consultant to Develop City's 2013-2018 Consolidated Plan for Housing & Community Development.

MATTERS TO BE ACTED UPON:

- 152-11** Miscellaneous Matters Committee Report re: Resolution to grant permission to Southwest Community Health Center Inc. and Baldwin Holdings, Inc. to construct two on-premises wall signs on the building at 46 Albion Street pursuant to City Ordinance 15.32.090.

THE FOLLOWING NAMED PERSON HAS REQUESTED PERMISSION TO ADDRESS THE CITY COUNCIL ON MONDAY, NOVEMBER 5, 2012, AT 6:30 P.M., IN THE CITY COUNCIL CHAMBERS, CITY HALL, 45 LYON TERRACE, BRIDGEPORT, CT.

NAME

SUBJECT

Amos Brown, Sr.
758 Kossuth Street
Bridgeport, CT 06608

Government.

**CITY OF BRIDGEPORT
CITY COUNCIL
PUBLIC SPEAKING SESSION
MONDAY, NOVEMBER 5, 2012
6:30 PM**

Council President McCarthy called the public speaking session to order at 6:33 pm.

He announced that a quorum wasn't required for the public speaking session. He commented that all the council members receive a copy of the session and the speakers that spoke.

THE FOLLOWING NAMED PERSON HAS REQUESTED PERMISSION TO ADDRESS THE CITY COUNCIL ON MONDAY, NOVEMBER 5, 2012, AT 6:30 P.M., IN THE CITY COUNCIL CHAMBERS, CITY HALL, 45 LYON TERRACE, BRIDGEPORT, CT.

NAME

SUBJECT

Amos Brown, Sr.
758 Kossuth Street
Bridgeport, CT 06608

Government

Council President McCarthy called Amos Brown to come forward to address the city council (three times). It was stated that Amos Brown wasn't present.

Council President McCarthy announced that no other speakers signed up to speak.

The public speaking session closed at 6:35 pm.

CITY RECEIVED
CITY CLERK'S OFFICE
2012 NOV 14 A 12:01

**CITY OF BRIDGEPORT
CITY COUNCIL MEETING
MONDAY, NOVEMBER 5, 2012
7:00 PM**

**City Council Chambers, City Hall - 45 Lyon Terrace
Bridgeport, Connecticut**

ATTENDANCE: Council members: Brannelly, Taylor-Moye, Olson, Brantley, T. McCarthy, Lyons, Bonney, Blunt, dePara, Silva, Ayala, Martinez, Paoletto, Baker, Holloway

ABSENT: Council members: M. McCarthy, Austin, Vizzo-Paniccia, Curwen

Mayor Finch called the meeting to order at 7:10 pm.

Prayer - the prayer was offered by Council member Olson.

Pledge of Allegiance - the pledge was led by Council member Blunt.

Roll Call - the city clerk called the roll call and announced there was a quorum.

Announcements:

Council President McCarthy announced that the following council members weren't present:

Council member M. McCarthy – had a family issue.

Council member Vizzo-Paniccia had a medical issue.

Council member Austin had a medical issue.

Mayor Finch expressed his appreciation for all the thoughts and prayers that were extended to the city during the hurricane. He recalled that they got through a second storm within twelve months without the loss of life. He relayed that when others want to look down on Bridgeport, he said they should be reminded that we have a track record of life and public safety. He thanked Council member Taylor-Moye for the strength and compassion she showed towards people in her district during the storm.

Council member Taylor-Moye expressed that it was tough for everyone getting through the storm. She thanked Mayor Finch, Council member dePara and others that helped out and

provided sleeping cots, meals and other assistance. She sincerely expressed that she was happy to be a resident in the city and happy to see how everyone came together.

Council member Baker stated that he was pleased that there weren't any casualties or major injuries. He further expressed that the Red Cross did an excellent job and they were very efficient and well organized. However, he said he was a little concerned about the notice that was given for closing the shelters too early. He suggested that if there is ever another situation like this in the future, earlier notice should be given.

Council member Lyons thanked Mayor Finch for working and pressing United Illuminating to make sure that the city was in good hands. And also for helping the senior citizens that were stuck on the second floor and third floor building at Jewett Avenue. She further relayed that she was glad the schools were now functioning more than any other surrounding town.

Council member Brantley gave kudos to Charles Carroll and Steve Lladen for removing the trees and ensuring that United Illuminating responded to the hazardous conditions quickly, especially at the homes where there were children. She also thanked Mayor Finch for all the assistance he extended.

Mayor Finch mentioned the alleged criticism that he expressed toward United Illuminating. He clarified that he never criticized the line workers. He emphasized that he didn't believe any of the workers were mistreated and when he heard that eggs were being thrown at them, he immediately contact Police Chief Gaudet to find out what was going on. But he never once said anything out of line about the line workers. He further stated that all the line workers that were contacted, told the police that nothing happened.

He went on to say that it was important to dispel the myth that the residents of the city don't know how to act during a crisis. He reiterated that noting happened, however; if it's found out that something did occur; those person(s) will be dealt with.

Mayor Finch thanked Governor Malloy who was crucial in lending assistance to the City of Bridgeport. He expressed that it was important to always address the poor, needy and the frail first. He also thanked President Obama and he shared that he was allowed to ask the president a question and in return, President Obama asked how Bridgeport was doing. Mayor Finch said he asked President Obama how we change it so that the poor, frail and elderly get their lights back on first and President Obama agreed that those persons should be taken care of first. He further noted that the president of FEMA has also been in contact with the city.

Council member Martinez thanked the city staff and she expressed that although many were scared, there were many who extended their help and resources during the storm. She expressed that when you have good people around helping out, it helps alleviate fear. She also thanked Mayor Finch for his help.

Mayor Finch added that the city staff helped pass out tens of thousands of meals.

Council President McCarthy thanked Charles Carroll and Scott Appleby for their assistance. And he thanked Elaine Ficarra who he said was crucial in getting information out to the residents of the city.

He further commented that there were many unsung heroes in the city that will probably never be recognized. He asked for a round of applause for all of the council members. He thanked Mayor Finch and he stressed that if it wasn't for him, the power wouldn't have been restored to so many people as successfully.

He asked for a *Moment of Silence* for those in other towns and states that have faced major devastation due to the storm.

Council member McCarthy called for a caucus at 7:31 pm.
The caucus ended at 7:45 pm.

Mayor Finch reconvened the meeting at 7:46 pm.

MINUTES FOR APPROVAL:

Approval of City Council Minutes: October 1, 2012

- ** COUNCIL MEMBER BRANNELLY MOVED TO ACCEPT THE MINUTES**
- ** COUNCIL MEMBR PAOLETTO SECONDED**
- ** MOTION PASSED UNANIMOUSLY**

COMMUNICATIONS TO BE REFERRED TO COMMITTEES:

- 155-11** Communication from City Attorney re: Twenty day notice to Settle Litigation pursuant to Municipal Code Section 2.10.130: Damien Csech, **ACCEPTED AND MADE PART OF THE RECORD.**
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Communication from Central Grants and Community Development re: Grant Submission: State of Connecticut Department of Energy and Environmental Protection for the 319 NPS Grant Program, referred to Economic and Community Development and Environment Committee.

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162-11

Communication from OPED re: Proposed Amendments to the Municipal Code of Ordinances, Chapter 15.08 Building Permits and Fees amend Section 15.08.010(A) Building permit and related fees, referred to Ordinance Committee.

**** COUNCIL MEMBER LYONS MOVED TO REFER COMMUNICATIONS TO BE REFERRED TO COMMITTEES**

**** COUNCIL MEMBER MARTINEZ SECONDED**

**** MOTION PASSED UNANIMOUSLY**

RESOLUTIONS TO BE REFERRED TO BOARDS, COMMISSIONS, ETC.:

163-11

Resolution presented by Council Members Olson and Brantley re: Signage Honoring Bishop T. Walter Plummer by including his name on the street sign at the intersection of Beechwood Avenue and Norman Street, referred to Public Safety and Transportation Committee.

**** COUNCIL MEMBER OLSON MOVED TO AMEND FOR THE PURPOSE OF ACTING UPON THE ITEM FOR IMMEDIATE CONSIDERATION**
**** COUNCIL MEMBER BRANTLEY SECONDED**
**** MOTION PASSED UNANIMOUSLY**

**** COUNCIL MEMBER OLSON MOVED TO WAIVE SENDING THE ITEM TO COMMITTEE FOR THE PURPOSE OF VOTING ON THE ITEM TONIGHT**

He commented that Bishop Plummer was being honored on November 17 and the vote tonight would make it possible to announce at the celebration.

**** COUNCIL MEMBER BRANTLEY SECONDED
** MOTION PASSED UNANIMOUSLY**

**** COUNCIL MEMBER OLSON MOVED TO APPROVE THE AMENDMENT WITH THE FOLLOWING CORRECTION TO READ: THE INTERSECTION BETWEEN BEECHWOOD AVENUE AND IRANISTAN AVENUE *not* BEECHWOOD AVENUE AND NORMAN STREET**

**** COUNCIL MEMBRE BRANTLEY SECONDED
** MOTION PASSED UNANIMOUSLY**

MATTERS TO BE ACTED UPON (CONSENT CALENDAR):

Mayor Finch asked if there were any items to be removed from the consent calendar.

Hearing none, the city clerk read the consent calendar items into the record.

***142-11(PHO) Economic and Community Development and Environment Committee Report re: Public Hearing Ordered for November 19, 2012: re Disposition of City Owned Properties to Habitat for Humanity (Request for Public Hearing).**

***148-11 Economic and Community Development and Environment Committee Report re: Grant Submission: State of Connecticut Department of Public Health for 2012-2013 Per Capita Grant.**

***149-11 Economic and Community Development and Environment Committee Report re: Request concerning the Modification of Development Agreement with M.O.V.E. Yacht Club in Connection with Relocating from Steel Point to Waterview Avenue.**

***150-11** Economic and Community Development and Environment Committee Report
re: Disposition of City Owned Property located at 2836 Fairfield Avenue –
Black Rock Bank & Trust Building.

***151-11(PHO)** Economic and Community Development and Environment Committee Report
re: Public Hearing Ordered for November 19, 2012: re Disposition of City
Owned Property (Request for Public Hearing).

***154-11** Economic and Community Development and Environment Committee Report
re: Approval of Consultant to Develop City's 2013-2018 Consolidated Plan for
Housing & Community Development.

**** COUNCIL MEMBER BRANNELLY MOVED TO APPROVE**

**** COUNCIL MEMBER LYONS SECONDED**

**** MOTION PASSED UNANIMOUSLY**

MATTERS TO BE ACTED UPON:

152-11 Miscellaneous Matters Committee Report re: Resolution to grant permission to
Southwest Community Health Center Inc. and Baldwin Holdings, Inc. to
construct two on-premises wall signs on the building at 46 Albion Street
pursuant to City Ordinance 15.32.090.

**** COUNCIL MEMBER BRANNELLY MOVED TO APPROVE**

**** COUNCIL MEMBER LYONS SECONDED**

**** MOTION PASSED UNANIMOUSLY**

New business:

Council member Paoletto referenced Chapter 2.123 Bridgeport Food Policy Council ordinance. He stated that the item passed in committee, but the final language needed to be tweaked. He said as the co-sponsor of the resolution along with Council member Bonney, they wanted to review it further in committee.

Other business:

- ** COUNCIL MEMBER DEPARA MOVED TO SUSPEND THE RULES FOR THE PURPOSE OF ADDING AN ITEM TO THE AGENDA**
- ** COUNCIL MEMBER PAOLETTO SECONDED**
- ** MOTION PASSED UNANIMOUSLY**

Council member dePara stated that the item pertained to the Bridgeport Port Authority Resolution 314-91 Funding Agreement (2012) Amendment.

- ** COUNCIL MEMBER dePARA MOVED TO REFER BRIDGEPORT PORT AUTHORITY RESOLUTION 314-91 FUNDING AGREEMENT (2012) AMENDMENT TO THE BUDGET & APPROPRIATIONS COMMITTEE**
- ** COUNCIL MEMBER BRANNELLY SECONDED**
- ** MOTION PASSED UNANIMOUSLY**

Council President McCarthy commented that they had the audio consultants in to review the sound system in council chambers. He stated that they will have two speakers positioned in front of council chambers to allow for better acoustics. He urged everyone to observe the improvement and give feedback if they find the sound is better.

Council member Holloway stated that he thought the problem with the sound system was elsewhere, noting that many constituents have complained that they can't hear what is being said during the televised recordings. He said it was a possibility that the problem was with Soundview Media.

Mayor Finch thanked the husband and wife team of Soundview Media for videotaping and recording the meetings.

ADJOURNMENT

- ** COUNCIL MEMBER PAOLETTO MOVED TO ADJOURN**
- ** COUNCIL MEMBER TAYLOR-MOYE SECONDED**
- ** MOTION PASSED UNANIMOUSLY**

The meeting adjourned at 8:00 pm.

Respectfully submitted,

Diane Graham
Telesco Secretarial Services

CITY OF BRIDGEPORT
OFFICE OF THE CITY ATTORNEY

999 Broad Street
Bridgeport, Connecticut 06604-4328

CITY ATTORNEY
Mark T. Anastasi

DEPUTY CITY ATTORNEY
Arthur C Laske, III

ASSOCIATE CITY ATTORNEYS

Gregory M. Conte
Betsy A. Edwards
Richard G. Kascak, Jr.
Russell D. Liskov
John R. Mitola
Ronald J. Pacacha
Lisa R. Trachtenburg



ASSISTANT CITY ATTORNEYS

Salvatore C. DePiano
R. Christopher Meyer
Edmund F. Schmidt
Eroll V. Skyers

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Facsimile (203) 576- 8252

Comm. #155-11 ACCEPTED AND MADE PART OF THE RECORD
on 11/05/2012

October 16, 2012

The Honorable City Council
City of Bridgeport
45 Lyon Terrace
Bridgeport, CT 06604

Re: **SETTLEMENT OF CLAIM**
DAMIEN CSECH V. CITY OF BRIDGEPORT, ET AL

Dear Honorable Members:

The Office of the City Attorney proposes to settle the above referenced litigation in the amount of \$17,500 payable to Thomas Bucci, Esq., Trustees for Damien Csech. The action is claiming violation of his Fourth Amendment rights to Mr. Csech when, on October 2, 2008, the Bridgeport Police Department seized Mr. Csech's firearms, searched his home without a warrant, and allegedly seized his possessions and held them for an unreasonable amount of time.

Pursuant to the City Council's recently amended Ordinance Section 2.10.130, this office hereby provides notice of its intent to settle this matter in accordance with the terms set forth in said Section 2.10.130.

If you wish to discuss the details of this case or have any questions, please feel free to contact me. If I am not immediately available, please speak with my Paralegal, Margo Litz, who will then follow-up with me. Further, if I do not hear from you within the twenty (20) day time period provided by the Ordinance, I will proceed to finalize settlement of this matter.

Very truly yours,

Mark T. Anastasi
City Attorney

MTA/ch

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CITY ATTORNEY'S OFFICE
OCT 19 P 2:50



City of Bridgeport, Connecticut
OFFICE OF THE CITY CLERK
LEGISLATIVE DEPARTMENT

45 Lyon Terrace • Bridgeport, Connecticut 06604 • Telephone (203) 576-7081 • Fax (203) 332-5608

FLEETA C. HUDSON
City Clerk

FRANCES ORTIZ
Assistant City Clerk

COMM.# 156-11 – Accepted and Made Part of the Record (11-05-12)

October 22, 2012

Honorable City Council Members
City of Bridgeport, Connecticut

Dear Council Members:

Pursuant to City Council Rules Chapter XIII, Subsection 11, attached is a report of all items pending before the City Council Committees.

Please be reminded that this not being an election year for city council, all items will carry over into the next council session, and will not be filed sine die.

Respectfully submitted,

Fleeta C. Hudson
City Clerk

ATTEST
CITY CLERK

RECEIVED
CITY CLERK'S OFFICE
2012 OCT 22 P 4: 16

**MISCELLANEOUS MATTERS
COMMITTEE
NO PENDING ITEMS
AS OF November 5, 2012**

Number	Type	Summary	Submitted by:	Date

BUDGET AND APPROPRIATIONS COMMITTEE
PENDING ITEMS
AS OF NOVEMBER 5, 2012

Number	Type	Summary	Submitted by:	Date
		No Pending Items.		

**ORDINANCE COMMITTEE
PENDING ITEMS
AS OF NOVEMBER 5, 2012**

Number	Type	Summary	Submitted by	Date
13-11	Res.	Proposed Amendments to the Municipal Code of Ordinances, amend Section 15.12.250 Rental Conditions-Certificate of Apartment Occupancy.	Councilmember, Richard Paoletto Jr., D-138 th	12/05/2011, Tabled by Committee on: 12/28/2011, Approved by Committee on: 09/25/2012, Tabled by Council on: 10/01/2012, <u>Tabled and Sent back to</u> Committee by Council on: 10/15/2012
22-11	Res.	Proposed Resolution to Review for Council Member Expense Reimbursement (Stipends).	Councilmember, Robert Curwen, Sr., D-138 th	12/05/2011 (OFF THE FLOOR) Tabled by Committee on: 12/28/2011, Tabled by Committee on: 02/28/2012, Approved by Committee on: 05/22/2012 <u>Tabled and Sent back to</u> Committee by Council on: 06/04/2012
140-11	Res.	Be It Resolved that a Food Policy Council be established through the Ordinance Committee.	Councilmember(s) Warren Blunt D-135 th and Richard Paoletto, Jr. D-138 th	09/04/2012 (OFF THE FLOOR) Ref'd to City Atty. on 09/05/2012, Approved by Committee on: 09/25/2012, Tabled by Council on: 10/01/2012, <u>Tabled and Sent back to</u> Committee by Council on: 10/15/2012

**PUBLIC SAFETY & TRANSPORTATION COMMITTEE
PENDING ITEMS
AS OF NOVEMBER 5, 2012**

Number	Type	Summary	Submitted by:	Date
138-11	Comm.	Application for Waiver to Extend Driveway Width: #2660 Main Street – St. Vincent's College.	Charles M. Carroll, Public Facilities Director	<u>09/04/2012</u> Rec'vd recommendation letter from Engineering Dept. on 08/29/2012. Tabled by Committee on: 10/2/2012

Economic & Community Development Committee
Pending Items
As of November 5, 2012

Number	Type	Summary	Submitted by:	Date
146-11	Comm.	A resolution concerning Disposition of City Owned Property by Auction, Sale to Abutter, Housing Authority of the City of Bridgeport or by RFP and <u>Ordering a Public Hearing</u> <u>Relative to same.</u>	Max Perez, Sr. Development Associate, OPED	Referred to Council on 10/01/2012 Tabled by Committee 10/16/2012

CONTRACTS COMMITTEE
NO PENDING ITEMS
As of November 5, 2012

Number	Type	Summary	Submitted by:	Date
		NO PENDING ITEMS		

EDUCATION & SOCIAL SERVICES COMMITTEE
NO PENDING ITEMS
AS OF November 5, 2012

Number	Type	Summary	Submitted by:	Date
		NO PENDING ITEMS		

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Comm. #157-11 Referred to Miscellaneous Matters Committee on
11/05/2012

October 24, 2012

The Honorable City Council
of the City of Bridgeport
45 Lyon Terrace
Bridgeport, CT 06604

Re: Proposed Settlement of Pending Litigation in the Matter of Teresa Lisa v. City of Bridgeport

Dear Councilpersons:

The Office of the City Attorney respectfully recommends the following pending lawsuit be settled as set forth below. It is our professional opinion that resolving this matter for the consideration agreed to between the parties is in the best interests of the City of Bridgeport.

<u>Plaintiff</u>	<u>Nature of Claim</u>	<u>Plaintiff's Attorney</u>	<u>Consideration</u>
Teresa Lisi	Slip & Fall	Dennis Laccavole	\$23,750

Kindly place this matter on the agenda for the City Council meeting on November 5, 2012 for referral to the Miscellaneous Matters Committee only. Thank you for your assistance in this matter.

Very truly yours,

Mark T. Anastasi
City Attorney

Cc: Bill Finch, Mayor
Fleeta C. Hudson, City Clerk

RECEIVED
CITY OF BRIDGEPORT OFFICE
2012 OCT 31 P 10:11
ATTORNEY GENERAL



CITY OF BRIDGEPORT
LABOR RELATIONS AND BENEFITS ADMINISTRATION

45 Lyon Terrace, Bridgeport, Connecticut 06604

LAWRENCE E. OSBORNE
Director
(203) 576-7843

JANET M. FINCH
Human Resources
Manager
(203) 576-8474

BILL FINCH
Mayor

RICHARD D. WEINER
Benefits Manager
(203) 576-7007

(A) & (B)
Comm. #158-11 Referred to Contracts Committee on 11/05/2012

October 31, 2012

Honorable Fleeta Hudson
City Clerk
City of Bridgeport
45 Lyon Terrace
Bridgeport, CT 06604

Dear Madam Clerk:

Attached please find an original and thirteen copies of the Integrated Prescription Drug Program Agreement and Medicare Part D EGWP Amendment between Medco Health Solutions, Inc. and the City of Bridgeport.

The term of the Agreement is from October 1, 2011 to December 31, 2013; the term of the Amendment is from January 1, 2012 to December 31, 2013.

I respectfully request that these documents be referred to the Contracts Committee at the Council meeting of November 5, 2012.

Sincerely,

Richard D. Weiner
Benefits Manager

RECEIVED
CITY OF BRIDGEPORT OFFICE
2012 OCT 31 P 10:39
ATTEST
CITY CLERK

INTEGRATED PRESCRIPTION DRUG PROGRAM AGREEMENT

THIS AGREEMENT is entered into as of the 1st day of October, 2011 (the "Effective Date") between Medco Health Solutions, Inc. ("Medco"), located at 100 Parsons Pond Drive, Franklin Lakes, New Jersey 07417, through Systemed, a Medco business, and City of Bridgeport ("BRIDGEPORT"), located at 45 Lyon Terrace, Bridgeport, CT 06604.

WHEREAS, the Connecticut Public Sector Coalition (the "COALITION") issued a Request for Proposal for the provision of prescription drug benefit services for COALITION Members to be provided under separate agreements to be executed between the selected pharmacy benefit manager ("PBM") and each COALITION Member; and

WHEREAS, BRIDGEPORT provides for the payment of prescription drugs and related services for persons eligible to receive such benefits through affiliation with a group that has a contract or other arrangement in effect with BRIDGEPORT; and

WHEREAS, Medco, provides prescription drug benefits programs and, in connection therewith, has established networks of participating retail pharmacies and operates a system for the processing, fulfillment and payment of claims for prescription drugs furnished by such pharmacies; and

WHEREAS, Medco's Medco By Mail mail order pharmacy affiliates are licensed pharmacies which provide prescription drugs via a mail order service; and

WHEREAS, the COALITION desires to retain the services of Medco and its subsidiaries, including Medco Health, L.L.C., as applicable, on behalf of the COALITION Members to provide a prescription drug benefit program (the "Program") including, but not limited to, retail pharmacy and home delivery pharmacy and specialty drug pharmacy services for eligible persons, point-of-care, physician office communications and cost containment initiatives developed and implemented by Medco, which may include communications with prescribers, patients and/or participating pharmacies, and financial incentives to participating pharmacies for their participation in such initiatives (collectively, "PBM Services").

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto agree as follows:

1. DEFINITIONS

- 1.1. "AWP" means the average wholesale price of the Covered Drug, as set forth in the current price list in Medi-Span's Master Drug Database (MDDB®) File if available, or other nationally recognized source determined by Medco for all clients. Under the Retail Pharmacy Program, AWP is based on the package size submitted, and for Compound Prescriptions is 1.25 times the AWP of each ingredient. Under the Mail Order Pharmacy Program, Medco will use the manufacturer's full 11-digit NDC code to determine AWP based on the AWP on the date the drug is dispensed. If Medi-Span or other applicable source changes the methodology for calculating AWP or ceases publishing or replaces AWP, or Medco utilizes another recognized pricing source or a pricing benchmark other than AWP, including prior to the Effective Date, in a way that changes the economics of the Program, the parties agree to modify the Program Pricing Terms to preserve the parties' relative economics before such changed methodology or other event.
- 1.2. "Brand Name Drugs" means all single-sourced drugs and multisource brand drugs as set forth in First Databank's National Drug Data File or such other nationally recognized source, as reasonably determined by Medco and independently verifiable by the COALITION.

- 1.3. **"Business Days" or "business days"** means all days except Saturdays, Sundays, and federal holidays. All references to "day(s)" are to calendar days unless "business day" is specified.
- 1.4. **"COALITION"** means the Connecticut Public Sector Coalition. The parties recognize however that there is no such legal entity as the COALITION.
- 1.5. **"COALITION Member"** means each entity that participates in the COALITION, as mutually agreed between the COALITION and Medco.
- 1.6. **"COALITION Participants"** means all persons enrolled in the COALITION Program through a COALITION Member.
- 1.7. **"COALITION Program"** means the prescription drug program provided by Medco to COALITION Members, in aggregate, as set forth in the agreements between Medco and each COALITION Member.
- 1.8. **"Compound Prescription"** means a prescription that meets the following criteria: two or more solid, semi-solid or liquid ingredients, at least one of which is a Covered Drug, that are weighed or measured then prepared according to the prescriber's order and the pharmacist's art.
- 1.9. **"Contract Quarter"** means the full three (3) month period commencing on the Effective Date, and each full consecutive three (3) month period thereafter that this Agreement remains in effect.
- 1.10. **"Contract Year"** means the full fifteen (15) month period commencing on the Effective Date, and each full consecutive twelve (12) month period thereafter that this Agreement remains in effect.
- 1.11. **"Copayment" and/or "Coinsurance"** means the amount to be paid by an Eligible Person for each prescription or authorized refill as determined in accordance with the Plan Design(s).
- 1.12. **"Covered Drugs"** means drugs designated by BRIDGEPORT in the applicable Plan Design and which, under state or federal law, require a prescription, including Compound prescriptions. Excluded from Covered Drugs are (i) cosmetic drugs, (ii) appliances, devices, bandages, heat lamps, braces, splints, and artificial appliances, (iii) health and beauty aids, cosmetics and dietary supplements and (iv) OTC products ("Exclusions"). Additional Covered Drugs and/or Exclusions applicable to any individual Group will be designated by BRIDGEPORT in the applicable Plan Design.
- 1.13. **"Dispensing Fee"** means the amount payable by BRIDGEPORT pursuant to Sections 1 and 2 of Schedule A of this Agreement for a Participating Pharmacy or Medco to dispense a prescription or authorized refill to an Eligible Person.
- 1.14. **"Eligible Person"** means each person who, through affiliation with a Group, is eligible for prescription drug benefits pursuant to this Agreement, and such person's qualified dependents.
- 1.15. **"Generic Drug"** means a multisource generic drug set forth in First Databank's National Drug Data File, or such other nationally recognized source, as reasonably determined by Medco, and independently verifiable by the COALITION, that is available in sufficient supply from multiple FDA approved generic manufacturers of such drug.
- 1.16. **"Group"** means a group of Eligible Persons that have the same Plan Design as designated by BRIDGEPORT.
- 1.17. **"Integrated Program"** means a program in which Eligible Persons enrolled in such program may have prescriptions dispensed either (i) by a Participating Pharmacy under the Retail Pharmacy Program or (ii) by Medco under the Mail Order Pharmacy Program. Reference to the Retail

Pharmacy Program and/or Mail Order Pharmacy Program herein will include services performed by Medco for Eligible Persons enrolled in the Integrated Program.

- 1.18. **“MAC” or the “Maximum Allowable Cost”** consists of a list of off-patent drugs subject to maximum allowable cost payment schedules developed or selected by Medco. The payment schedules specify the maximum unit ingredient cost payable by BRIDGEPORT for drugs on the MAC list. The MAC list and payment schedules are frequently updated.
- 1.19. **“Mail Order Pharmacy Program”** means the program described in Section 4 in which Eligible Persons may submit a prescription along with the applicable Copayment/Coinsurance to Medco for dispensing via mail order.
- 1.20. **“Minimum Enrollment”** means an enrollment of not less than 27,800 Primary Eligible Participants under the Program.
- 1.21. **“Participating Pharmacy”** means a retail pharmacy that has entered into an arrangement with Medco that specifies the terms and conditions of the pharmacy’s participation, including the rates that Medco will pay the pharmacy to participate in Medco’s Broad National Network servicing BRIDGEPORT’s Program .
- 1.22. **“Plan Design”** means Program drug coverage, days’ supply limitation, Copayment/Coinsurance, Formulary (including Formulary drug selection) and other Program specifications applicable to the Program designated by BRIDGEPORT as set forth in this Agreement or otherwise documented between the parties.
- 1.23. **“Primary Eligible Participant”** means each Eligible Person, excluding Eligible Persons who are qualified dependents.
- 1.24. **“Program Pricing Terms”** means the (i) financial or pricing terms, allowances and guarantees set forth in Schedule A of this Agreement, and (ii) performance standards and penalties set forth in Section 5 of this Agreement.
- 1.25. **“Retail Pharmacy Program”** means the program described in Section 3 in which Eligible Persons may purchase Covered Drugs from a Participating Pharmacy upon verification of Program eligibility and payment of the applicable Copayment/Coinsurance, and the claim is submitted by the Participating Pharmacy to Medco for payment in accordance with this Agreement and the applicable Medco Participating Pharmacy agreement.
- 1.26. **“Specialty Drugs”** means pharmaceutical products that are generally biotechnological in nature, with many requiring injection or non-oral methods of administration, and that may have special shipping or handling requirements.
- 1.27. **“TelePAID® System” or “TelePAID®”** means Medco’s real time, on-line system for adjudicating prescription drug claims submitted by retail pharmacies.

2. BRIDGEPORT FURNISHED INFORMATION

BRIDGEPORT will promptly furnish, in a format acceptable to Medco, all information necessary for Medco to render the services set forth herein. Such information will include, but is not limited to:

- 2.1. A file of Eligible Persons, and subsequent timely additions and deletions to such file as changes occur. BRIDGEPORT will pay for any Covered Drug dispensed to a person reported by BRIDGEPORT as no longer an Eligible Person, if such notification is not received by Medco at least two (2) full business days prior to the dispensing date of such prescription.

- 2.2. Designation, in writing, of those Plan Design features to be determined by BRIDGEPORT.
- 2.3. The reimbursement terms applicable to direct reimbursement claims submitted by Eligible Persons under the Retail Pharmacy Program.
- 2.4. The type, number, and description of Medco identification cards (“Identification Cards”) required under the Retail Pharmacy Program.

3. **RETAIL PHARMACY PROGRAM**

The specific features of the Retail Pharmacy Program are as follows:

- 3.1. **Program Coverage** - The Program coverage (Covered Drugs/Exclusions) and days supply limitation covered under the Retail Pharmacy Program will be as designated by BRIDGEPORT. Up to a thirty (30) day supply of Covered Drugs per prescription or refill may be dispensed under the Retail Pharmacy Program.
- 3.2. **Participating Pharmacy Networks** - Medco will maintain a Participating Pharmacy Network reasonably necessary to provide services under the Retail Pharmacy Program. Medco will have the responsibility to contract with Participating Pharmacies. Medco will be responsible for any amounts that it owes to Participating Pharmacies that exceeds the reimbursement it receives from BRIDGEPORT as specified in Section 1 of Schedule A. Medco will retain any reimbursement that it receives from BRIDGEPORT as specified in Section 1 of Schedule A that is in excess of the amounts it is obligated to pay to Participating Pharmacies.
- 3.3. **Identification Cards** - Medco will (i) produce Identification Cards for those Eligible Persons designated by BRIDGEPORT, with an accompanying explanatory brochure, and (ii) make direct reimbursement claim forms available through the www.medco.com internet site, or in response to a phone or written request, for use by Eligible Persons who have not received their Identification Cards, or have had them lost or stolen. Medco will distribute Identification Cards and claim forms to the designated Eligible Persons unless otherwise designated by the BRIDGEPORT. All costs associated with distributing and/or mailing such materials are the responsibility of BRIDGEPORT.
- 3.4. **Claim Adjudication** - Medco will adjudicate claims for prescription drug benefits in accordance with Medco’s *TelePAID* System and the applicable Plan Design. Disapproved claims will be transmitted via *TelePAID* to the submitting pharmacy with a brief explanation of the cause or causes for disapproval. Should BRIDGEPORT determine that a previously disapproved claim should be approved, and so direct Medco, adjudication of the claim will be accomplished promptly by Medco. Medco is obligated to pay Participating Pharmacies for all claims adjudicated through the *TelePAID* System. BRIDGEPORT will pay Medco for these claims pursuant to Schedule A, Section 1. Medco will promptly refer to BRIDGEPORT all non-routine inquiries by insurance departments, attorneys, claimants, or other persons following the denial of any claims.
- 3.5. **Administrative Services** – Medco will provide, as applicable, the Base Administrative Services and the Additional Administrative Services set forth in Schedule A.
- 3.6. **Pricing** - The Program Pricing Terms applicable to the Retail Pharmacy Program are set forth in Schedule A, in addition to the performance standards and penalties set forth in Section 5

4. **MAIL ORDER PHARMACY PROGRAM**

- 4.1. **Program Coverage**

- 4.1.1. The Program coverage (Covered Drugs/Exclusions) and days supply limitation under the Mail Order Pharmacy Program will be as designated by BRIDGEPORT in the applicable Plan Design.
- 4.1.2. Medco's mail order pharmacies will not be required to dispense prescriptions for greater than a ninety (90) day supply of Covered Drugs per prescription or refill, subject to the professional judgment of the dispensing pharmacist, limitations imposed on controlled substances and manufacturer's recommendations. Prescriptions may be refilled providing the prescription so states. Prescriptions will not be filled (i) more than twelve (12) months after issuance, (ii) more than six (6) months after issuance for controlled drug substances, or (iii) if prohibited by applicable law or regulation.

4.2. **Dispensing Procedures**

- 4.2.1. Medco's mail order pharmacies will dispense Covered Drugs to Eligible Persons, and dispense generic drugs when authorized, in accordance with (i) applicable law and regulations in the state in which Medco's mail order pharmacy is located, and (ii) the terms of this Agreement and Plan Design(s). Any prescriptions that are not dispensed will be returned to the applicable Eligible Person with an explanation as to why it could not be dispensed in accordance with Medco's standard operating procedures.
- 4.2.2. All matters pertaining to the dispensing of Covered Drugs or the practice of pharmacy in general are subject to the professional judgment of the dispensing pharmacist.
- 4.2.3. Any drug which cannot be dispensed in accordance with Medco's mail order pharmacy dispensing protocols due to FDA or manufacturer requirements may be excluded from dispensing by Medco.

4.3. **Claim Adjudication** - Medco will adjudicate and pay approved claims for prescription drug benefits in accordance with Medco's *TelePAID* System and the applicable Plan Design. Should BRIDGEPORT determine that a previously disapproved claim should be approved, and so direct Medco, adjudication of the claim will be accomplished promptly by Medco. BRIDGEPORT will pay Medco for claims adjudicated through the *TelePAID* System, pursuant to Schedule A, Section 2. Medco will promptly refer to BRIDGEPORT all non-routine inquiries by insurance departments, attorneys, claimants, or other persons following the denial of any claims.

4.4. **Administrative Services** - Medco will provide, as applicable, the Base Administrative Services and the Additional Administrative Services set forth in Schedule A.

4.5. **Pricing** - The Program Pricing Terms applicable to the Mail Order Pharmacy Program are set forth in Schedule A, in addition to the performance standards and penalties set forth in Section 5. Medco will have the responsibility to contract with drug wholesalers and manufacturers regarding Medco's purchase of drugs that are dispensed by it under the Mail Order Pharmacy Program. Medco receives and retains purchase discounts for such purchases from certain manufacturers and wholesalers. Medco will be responsible for any amounts that it owes drug wholesalers or manufacturers that exceeds the amounts it charges and receives from BRIDGEPORT or Eligible Persons, as specified in Section 2 of Schedule A. Medco will retain any payment that it receives from BRIDGEPORT or Eligible Persons as specified in Section 2 of Schedule A that is in excess of the amounts it is obligated to pay to drug wholesalers or manufacturers for the purchase of such drugs that are dispensed under the Mail Order Pharmacy Program.

5. **PERFORMANCE STANDARDS AND PENALTIES**

5.1. The following performance standards will apply during the Initial Term of this Agreement:

- 5.1.1. The *TelePAID* System Availability Rate for each Contract Year will be 99.5% or greater. BRIDGEPORT may assess a penalty against Medco in the amount of 10% of the total amount at risk for each Contract Year that the *TelePAID* System Availability Rate averages less than 99.5% for a Contract Year. "*TelePAID* System Availability Rate" means the percentage of normal operating hours that the *TelePAID* System is operational, excluding scheduled maintenance time, measured on an annual basis.
- 5.1.2. The Dispensing Accuracy Rate for each Contract Year will be 99.996% or greater. BRIDGEPORT may assess a penalty against Medco in the amount of 10% of the total amount at risk for each Contract Year that the Dispensing Accuracy Rate is less than 99.996% for a Contract Year. "Dispensing Accuracy Rate" means (i) the number of all mail order pharmacy prescriptions dispensed by Medco in a Contract Year less the number of those prescriptions dispensed by Medco in such Contract Year which are reported to Medco and verified by Medco as having been dispensed with the incorrect drug or strength, divided by (ii) the number of all mail order pharmacy prescriptions dispensed by Medco in such Contract Year.
- 5.1.3. Medco will dispense all Non-Protocol Prescriptions received each Contract Year under the Mail Order Pharmacy Program within an average of two (2) business days following receipt. All other Mail Order Pharmacy Program prescriptions received each Contract Year will be dispensed within an average of four (4) business days following receipt by Medco. BRIDGEPORT may assess a penalty against Medco in the amount of 10% of the total amount at risk for each Contract Year that Medco fails to meet either one of these dispensing time period standards. This Section 5.1.3 does not include Specialty Drugs and is subject to a maximum penalty of 10% of the total amount at risk per Contract Year. "Non-Protocol Prescriptions" means Mail Order Pharmacy Program prescriptions for Covered Drugs received by Medco that are in stock and which do not require physician or patient contact or other non-standard procedures prior to dispensing by Medco.
- 5.1.4. Prescription Drug Plan reporting package will be made available online to BRIDGEPORT within thirty (30) business days of the end of the billing cycle that includes the last calendar day of the reporting quarter for quarterly reports. BRIDGEPORT may assess a penalty against Medco in the amount of \$100 for each report series which is not made available within the applicable time periods, subject to a maximum penalty of 10% of the total amount at risk per Contract Year.
- 5.1.5. At least 98% of all Maintenance Identification Cards issued by Medco each Contract Year will be mailed within an average of four (4) business days following Medco's receipt and update of a processable eligibility tape or transmission identifying the applicable Eligible Person(s). BRIDGEPORT may assess a penalty against Medco in the amount of 10% of the total amount at risk for each Contract Year that this standard is not met measured on a Contract Year basis. "Maintenance Identification Cards" means new Identification Cards issued to individuals who first become Eligible Persons after the Effective Date (exclusive of new Groups or Group re-enrollments) and replacement Identification Cards for Eligible Persons who have lost or had their Identification Cards stolen.
- 5.1.6. Processable maintenance eligibility transactions received by Medco via host to host, tape or floppy disc before 12:00 p.m. E.T. on any business day will be processed by Medco within an average of two (2) business days of receipt each Contract Year. BRIDGEPORT may assess a penalty against Medco in the amount of \$100 for each processable host to host, tape or floppy disc not processed by Medco within this time period, subject to a maximum penalty of 0% of the total amount at risk per Contract Year.

- 5.1.7. Medco will respond to at least 95% of written inquiries received at the address designated by Medco for such inquiries each Contract Year from an Eligible Person which requires a response (excluding appeals under Section 14.8) within an average of five (5) business days following receipt. BRIDGEPORT may assess a penalty against Medco in the amount of 5% of the total amount at risk for each Contract Year that this standard is not met measured on a Contract Year basis.
- 5.1.8. The target Average Speed of Answer ("ASA") of the Member Service Telephone Line each Contract Year will be thirty (30) seconds or less from the time a caller selects either the IVRU (Interactive Voice Response Unit) option or Member Service Representative Option. BRIDGEPORT may assess a penalty against Medco for failure to meet this standard in the amount of 5% of the total amount at risk for each Contract Year that this standard is not met measured on a Contract Year basis. "Member Service Telephone Line" means the toll-free telephone line made available for an Eligible Person, as noted on the Eligible Person's prescription identification card. This standard excludes calls to the toll-free telephone line separately established for Specialty Drugs.
- 5.1.9. The Telephone Abandonment Rate of the Member Service Telephone Line will be 3% or less of all incoming calls received during each Contract Year. BRIDGEPORT may assess a penalty against Medco in the amount of 5% of the total amount at risk for each Contract Year that this standard is not met measured on a Contract Year basis. "Telephone Abandonment Rate" means (i) the number of incoming telephone calls received by the Member Service Telephone Line during a Contract Year which are abandoned by the caller after a selection is made either to the IVRU (Interactive Voice Response Unit) system or a Member Services Representative, divided by (ii) the total number of incoming telephone calls received by the Member Service Telephone Line during such Contract Year.
- 5.1.10. Medco will respond to (process a check or reject notice) at least 97% of direct reimbursement paper claims received at the address designated by Medco for such claims each Contract Year from Eligible Persons within an average of five (5) business days following receipt at the address designated by Medco for such claims. All claims will be responded to within ten (10) business days. BRIDGEPORT may assess a penalty against Medco in the amount of 5% of the total amount at risk for each Contract Year that this rate is not met measured on a Contract Year basis. This Section 5.1.10 is subject to a maximum penalty of 5% of the total amount at risk per Contract Year.
- 5.1.11. The Claims Adjudication Accuracy Rate for each Contract Year will be 99% or greater. BRIDGEPORT may assess a penalty against Medco in the amount of 10% of the total amount at risk for each Contract Year that this standard is not met measured on a Contract Year basis. "Claims Adjudication Accuracy Rate" means (i) the number of retail claims, mail order claims and directly submitted paper claims, adjudicated by Medco in a Contract Year that do not contain a material adjudication error, divided by (ii) the number of all such claims adjudicated by Medco in such Contract Year.
- 5.1.12. The Member Satisfaction Rate for each Contract Year will be 90% or greater. A penalty of 5% of the total amount at risk per Contract Year may be assessed against Medco for failure to meet this standard. "Member Satisfaction Rate" means (i) the number of Eligible Persons responding to Medco's annual standard Patient Satisfaction Survey as being satisfied with the overall performance under the Integrated Program divided by (ii) the number of Eligible Persons responding to such annual Patient Satisfaction Survey; BRIDGEPORT must provide timely approvals and responses, and a minimum of 20% of surveys must be returned for the performance standard in this Section 5.1.12 to be applicable.

- 5.1.13. The First Call Resolution Rate for each Contract Year will be 93% or greater. This standard excludes calls to the toll-free telephone line separately established for Specialty Drugs. BRIDGEPORT may assess a penalty against Medco in the amount of 5% of the total amount at risk for each Contract Year that this standard is not met, measured on a Contract Year basis. "First Call Resolution Rate" means (i) the total number of telephone calls made by an Eligible Person and resolved by a Medco Member Service Representative on the first call as measured by the Eligible Person not calling back the Medco Member Service Call Center within five (5) days regarding the same inquiry, divided by (ii) the total number of telephone calls made by Eligible Persons and received by Medco's Member Service Call Center.
- 5.1.14. BRIDGEPORT may assess a penalty in the amount of 5% of the total amount at risk if, three (3) months after the Effective Date, those BRIDGEPORT employees who are members of the BRIDGEPORT Program implementation team do not rate Medco's performance in implementing the Program an average of 3 or better on a scale of 1 to 5 (5 being the best), provided BRIDGEPORT and any applicable third party has fully complied with all BRIDGEPORT implementation requirements established pursuant to this Section 5.1.14.
- 5.1.15. BRIDGEPORT may assess a penalty in the amount of 5% of the total amount at risk] per Contract Year if, after the first Contract Year and each successive Contract Year, those BRIDGEPORT employees who are members of the BRIDGEPORT benefits staff do not rate the Medco account team's performance for such Contract Year on average of 5 or better on a scale of 1 to 7 (7 being the best) based on a range of performance criteria agreed to between BRIDGEPORT and Medco at the beginning of such Contract Year. Additional BRIDGEPORT staff members may be included in the survey at the request of Medco.
- 5.2. Notwithstanding anything to the contrary, Medco's maximum liability under this Section 5 for any Contract Year will not exceed \$20.00 per Primary Eligible Participant with no more than 20% of the total amount at risk on any one guarantee during such Contract Year.
- 5.3. Medco shall provide BRIDGEPORT with an performance guarantee report within ninety (90) days after the end of each Contract Year.
- 5.4. BRIDGEPORT will give Medco written notice pursuant to Section 14.4 of the Agreement of any facts giving rise to BRIDGEPORT's right to assess a penalty against Medco pursuant to Section 5.1 above, within ten (10) business days after BRIDGEPORT becomes aware of such fact, and within thirty (30) days thereafter, of BRIDGEPORT's election to assess such penalty against Medco. Any penalties assessed against Medco pursuant to this Agreement, will be credited against future billings to BRIDGEPORT under the BRIDGEPORT Program in accordance with Medco's standard procedures. Should this Agreement be terminated, any penalties assessed will be paid to BRIDGEPORT.

6. **FORMULARY**

BRIDGEPORT will be a participating plan sponsor in Medco's *Preferred Prescriptions* Formulary as set forth below for the term of this Agreement. BRIDGEPORT will provide Medco with advance notice of each Group that will participate in the *Preferred Prescriptions* Formulary.

- 6.1. ***Preferred Prescriptions Formulary*** - The *Preferred Prescriptions* Formulary is a prescription drug formulary administered by Medco which lists FDA approved drugs that have been evaluated for inclusion on the *Preferred Prescriptions* Formulary. The drugs included on the *Preferred Prescriptions* Formulary will be modified by Medco from time to time as a result of factors including, but not limited to, medical appropriateness, manufacturer rebate arrangements, and

patent expirations. Medco will implement Medco's formulary management programs, which may include cost containment initiatives, therapeutic interchange programs, communications with Eligible Persons, Participating Pharmacies and/or physicians (including communications regarding generic substitution programs), and financial incentives to Participating Pharmacies for their participation. Compliance with the *Preferred Prescriptions* Formulary and Medco's formulary management program will result in Formulary Rebates as set forth below. Medco reserves the right to modify or replace the *Preferred Prescriptions* Formulary (including any modification or replacement, the "Formulary") and formulary compliance methods and cost containment initiatives consistent with good pharmacy practice. BRIDGEPORT agrees that Medco will be the exclusive formulary administrator for BRIDGEPORT's prescription drug benefit programs during the term of the Agreement. BRIDGEPORT is authorized to use the Formulary only for its own Eligible Persons and only as long as the Program is in effect and administered by Medco.

6.2. Rebates - Medco and its subsidiaries receive formulary rebates from certain drug manufacturers as a result of the inclusion of those manufacturers' branded products on the Formulary ("Formulary Rebates"). Medco also receives additional rebates and/or fees from certain manufacturers for such products, which may take into account various factors, including the utilization of certain drugs within their respective therapeutic categories for Medco's book of business in aggregate as a result of various commitments and programs including, but not limited to, formularies ("Additional Rebates and Fees"). Formulary Rebates and Additional Rebates and Fees are jointly referred to as "Total Rebates." Total Rebates does not include payments for services rendered by Medco on behalf of or to pharmaceutical manufacturers, including, for example, adherence, compliance, nursing, and other patient support services; patient referral and assistance services; product launch and other support services; equipment replacement services; clinical and research studies, data and analytics; and services relating to high-risk biopharmaceuticals. Subject to the terms of Section 8 of Schedule A Medco will provide BRIDGEPORT with the greater of (i) 90% of the Total Rebates received by Medco based on the dispensing of each manufacturer's formulary drugs under BRIDGEPORT's Program or (ii) the Guaranteed Rebates (as described in Section 6.3).

6.3. Guaranteed Rebates - After each Contract Year during the Initial Term that BRIDGEPORT participates in the Formulary, Medco will calculate BRIDGEPORT's Total Rebates during such Contract Year. Provided BRIDGEPORT complies fully with the Formulary and with the Formulary management programs implemented by Medco, if BRIDGEPORT'S percentage share of Total Rebates for any Contract Year during the Initial Term are less than the sum of (i) set forth below times the total number of Brand Name Drug prescriptions, billed and paid for under BRIDGEPORT's Retail Pharmacy Program during such Contract Year, plus (ii) the sum set forth below times the total number of Brand Name Drug prescriptions, billed and paid for under BRIDGEPORT's Mail Order Pharmacy Program during the same Contract Year (collectively the "Guaranteed Rebates"), Medco will credit such difference against future billings to BRIDGEPORT under the Program one hundred eighty (180) days after the end of each Contract Year. The Guaranteed Incentive Formulary Rebates are contingent upon BRIDGEPORT implementing a three tier formulary whose differential in copayment or its reasonably equivalent value for coinsurance between formulary and non-formulary drugs is not less than \$15.00.

Formulary Management Program Preferred Prescriptions® Formulary	
Per Brand Name Prescription	
Retail Open Formulary without enrollment in Preferred Drug Step Therapy Program	\$19.96 for the 1 st Contract Year \$19.92 for the 2 nd Contract Year \$49.90 for the 1 st Contract Year for 90 day Network \$49.80 for the 2 nd Contract Year for 90 day Network
Mail Order Open Formulary without enrollment Preferred Drug Step Therapy Program	\$55.83 for the 1 st Contract Year \$53.67 for the 2 nd Contract Year

Retail Incentive Formulary without enrollment in Preferred Drug Step Therapy Program	\$20.73 for the 1 st Contract Year \$20.59 for the 2 nd Contract Year \$51.83 for the 1 st Contract Year for 90 day Network \$51.48 for the 2 nd Contract Year for 90 day Network
Mail Order Incentive Formulary without enrollment Preferred Drug Step Therapy Program	\$57.76 for the 1 st Contract Year \$55.13 for the 2 nd Contract Year

- 6.4. If a government action, change in law or regulation, change in the interpretation of law or regulation or action by any drug manufacturer or by BRIDGEPORT has an adverse effect on the availability of Total Rebates or the Program Pricing Terms, Medco may modify, as applicable, the Total Rebates due BRIDGEPORT or the Guaranteed Rebates or the Program Pricing Terms.
- 6.5. Any lines of BRIDGEPORT's business, or any Group of Eligible Persons, for which BRIDGEPORT funds less than 50% of the costs of Covered Drugs under the Plan Design will not be entitled to Formulary Rebates and Additional Rebates and Fees. Calculations and guarantees under 6.2 and 6.3 will not include prescriptions dispensed for any such lines of business or Groups claims for drugs purchased by a pharmacy pursuant to the 340B program, and government subrogation claims

7. BILLING/PAYMENT

- 7.1. Medco will provide BRIDGEPORT with a bi-weekly consolidated electronic invoice via a File Transfer Protocol (FTP) for services provided by Medco under the Program, in accordance with the Program Pricing set forth in Schedule A. All invoices will be paid in full by BRIDGEPORT within two (2) business days of receipt by wire transfer, electronic debit, or other method approved by Medco in writing.
- 7.2. BRIDGEPORT will pay Medco for administrative products and services provided by Medco under the Program in accordance with the Administrative Fee provisions set forth in Schedule A. Medco will provide BRIDGEPORT with an Administrative Fee invoice in accordance with Medco's four (4) week Administrative Fee cycle. BRIDGEPORT will pay Administrative Fee invoices in full within fifteen (15) days of the invoice date. BRIDGEPORT will pay non contested portions of the invoice within fifteen (15) days of the invoice date. Disputed portions of invoices will be paid within thirty (30) after the dispute has been resolved.
- 7.3. If payments due to Participating Pharmacies for Covered Drugs under this Agreement become subject to prompt payment related legislation or regulation, BRIDGEPORT may be required to pay a deposit in an amount to be reasonably determined by Medco, which amount may be periodically modified by Medco based on BRIDGEPORT's actual claims experience and enrollment. This deposit may be used by Medco to offset the failure by BRIDGEPORT, for any reason, to make any payments pursuant to the terms of this Agreement and/or to make payments due in accordance with prompt payment legislation or regulation prior to Medco's billing and receipt of BRIDGEPORT's payment due under Section 7.1, and does not, in any way, limit other remedies available to Medco. The deposit, to the extent not utilized to offset any payment default by BRIDGEPORT under this Agreement, will be returned, without interest, to BRIDGEPORT within the greater of one hundred eighty (180) days following termination of this Agreement or following any agreed upon date for extended services.
- 7.4. Failure by BRIDGEPORT to make any payments in accordance with the terms of this Agreement will constitute a payment default. Notwithstanding Section 10.2 of this Agreement, if BRIDGEPORT fails to cure any such payment default within two (2) days, in addition to other available remedies, Medco may cease performing any or all of its obligations under, or may terminate this Agreement upon notice to BRIDGEPORT. After the two (2) day grace period, there will be a late payment fee of 1% per month on the balance due, accruing as of the due date.

BRIDGEPORT will reimburse Medco for all collection costs incurred by Medco as a result of any payment default by BRIDGEPORT under this Agreement. Notwithstanding anything in Section 7.4, Medco will not terminate this Agreement as long as the parties are working together in good faith to resolve any payment default issues.

8. RECORDS

- 8.1. Medco will maintain all claims records relating to services performed under this Agreement as required by applicable law. For purposes of this Section 8, the term "claim records" includes those BRIDGEPORT specific records necessary to confirm Medco's compliance with claims processing, operational services, and performance standards provided by Medco under this Agreement. Such claims records will be in their original form, on microfilm, microfiche or other form determined by Medco. Once per year, the COALITION's collective claims records may be audited, based on statistical sampling, or up to three individual COALITION companies may perform individual claims audits, either directly or by a representative reasonably acceptable to Medco, subject to execution of a confidentiality agreement, for a maximum period of twenty-four (24) months prior to the agreed upon audit date at no cost. The audit may be conducted once annually from January through September on an agreed upon date. Subject to Section 9.3, Medco may retain copies of such claims records for its own use.
- 8.2. Any audit of Medco's agreements with pharmaceutical manufacturers may be conducted by a top 100 public accounting firm reasonably approved by Medco whose audit department is a separate stand alone function of its business and that carries insurance for professional malpractice of at least \$2,000,000. . Once per year, the COALITION will be entitled to one collective audit, based on statistical sampling, under this Section 8.2 on behalf of all COALITION members, or up to three individual COALITION members may perform individual manufacturer agreement audits. The audit will include only those portions of the pharmaceutical manufacturer agreements as necessary to determine Medco's compliance with Section 6 above in respect to Total Rebates. The audit may be conducted once annually from January through September, at Medco's offices as scheduled by agreement of the parties but not sooner than ninety (90) days after execution of a confidentiality agreement.
- 8.3. Any auditor performing an audit under this Section 8 will warrant and represent that it is not providing Litigation Services to any person or entity in connection with any lawsuit, investigation, or other proceeding that is pending or contemplated against Medco. "Litigation Services" include (a) examining pharmacy claims or any other documents or information, or (b) providing advice, analysis, and/or opinions as a disclosed or undisclosed expert or consultant. The auditor must agree that, for a period of one (1) year after completion of the audit, it will not provide Litigation Services in any lawsuit, investigation, or other proceeding brought against Medco, except for Litigation Services to BRIDGEPORT in any proceeding against Medco.
- 8.4. Upon request, BRIDGEPORT will furnish its most recent audited financial statement to Medco.

9. CONFIDENTIAL INFORMATION

- 9.1. The Confidential Information of a party (the "disclosing party") which is disclosed to the other party (the "receiving party") will be held by the receiving party in strictest confidence at all times, and will not be used by the receiving party (or its affiliates, employees, officers, directors or limited liability company managers ("Representatives")) for any purpose not previously authorized by the disclosing party, except as necessary for Medco to perform the services under this Agreement. The Confidential Information of the disclosing party will not be disclosed or divulged by the receiving party to anyone, except with the prior written permission of the disclosing party and on the condition that the party to whom the Confidential Information is disclosed agrees in writing in advance to be bound by these terms and conditions. The receiving party may disclose the Confidential Information to those of its Representatives who need to

review the Confidential Information for the purposes authorized by the disclosing party but only after the receiving party has informed them of the confidential nature of the Confidential Information and directs them to treat the Confidential Information in accordance with the terms of this Agreement. The disclosing party retains all right, title and interest in and to its Confidential Information.

The term "Confidential Information " includes, but is not limited to, any information of either the receiving or disclosing party (whether oral, written, visual or fixed in any medium of expression), relating to either party's services, operations, systems, programs, inventions, techniques, suppliers, customers and prospective customers, contractors, cost and pricing data, trade secrets, know-how, processes, plans, reports, designs and any other information of or relating to either party's business, including it'ss therapeutic and disease management programs, but does not include information which (a) was known to the receiving party before it was disclosed to the receiving party by the disclosing party, (b) was or becomes available to the receiving party from a source other than the disclosing party, provided such fact is evidenced in writing and the source is not bound by a confidentiality obligation to the disclosing party, (c) is developed by the receiving party independently of the disclosing party's Confidential Information, provided that such fact can be documented,

If the receiving party is requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand, any informal or formal investigation by any government or governmental agency or authority, law or regulation, or otherwise) to disclose any of the Confidential Information, the receiving party will notify the disclosing party promptly in writing so that the disclosing party may seek a protective order or other appropriate remedy or, in its sole discretion, waive compliance with the terms of this Agreement. The receiving party agrees not to oppose any action by the disclosing party to obtain a protective order or other appropriate remedy. If no such protective order or other remedy is obtained, or the disclosing party waives compliance with the terms of this Agreement, the receiving party will furnish only that portion of the Confidential Information which it is advised by counsel is legally required and will exercise its reasonable best efforts to obtain reliable assurance that confidential treatment will be accorded the Confidential Information.

- 9.2. BRIDGEPORT and Medco may not utilize the service marks, trademarks, or tradenames of any other party to this Agreement, or any service marks, trademarks, or tradenames so similar as likely to cause confusion, without express written approval of such other party. The programs implemented by Medco will remain the sole property of Medco and will only be used by BRIDGEPORT in connection with the Program and so long as Medco administers the Program.
- 9.3. Medco and BRIDGEPORT will comply with all applicable laws and regulations regarding patient confidentiality as provided in the Business Associate Agreement between the parties. Medco will not furnish any BRIDGEPORT identifiable data or information to any third party without the written consent of BRIDGEPORT, except as reasonably necessary to implement and operate the Program and fulfill its obligations pursuant to this Agreement or as required by applicable law. The restrictions set forth in this Section 9 will not apply to claims data or information which is not identifiable on a BRIDGEPORT basis.

10. TERM OF AGREEMENT

- 10.1. This Agreement will remain in effect for an initial term of twenty-seven (27) months from the Effective Date (the "Initial Term") and thereafter will renew for successive one (1) year terms upon BRIDGEPORT giving written notice at least one hundred twenty (120) days prior to the end of any such term, to Medco of its intent to terminate this Agreement as of the end of the then current term. Notwithstanding the issuance of a termination notice, Medco agrees to continue to render services hereunder and BRIDGEPORT agrees to pay for services of Medco in accordance

with the terms of this Agreement for any claims incurred for prescription drug benefits by Eligible Persons while this Agreement was in force.

- 10.2. In the event of a material breach of this Agreement, the party alleging such breach will give written notice thereof to the other party. If such breach is not cured within sixty (60) days of receipt of such notice, the non-breaching party may terminate this Agreement upon written notice to the other party. [

11. **FORCE MAJEURE**

Neither Medco nor BRIDGEPORT will be deemed to have breached this Agreement or be held liable for any failure or delay in the performance of all or any portion of its obligations under this Agreement if prevented from doing so by a cause or causes beyond its control. Without limiting the generality of the foregoing, such causes include acts of God or the public enemy, fires, floods, storms, earthquakes, riots, strikes, boycotts, lock-outs, acts of terrorism, acts of war, war-operations, restraints of government, power or communications line failure or other circumstances beyond such party's control, or by reason of the judgment, ruling or order of any court or agency of competent jurisdiction, or change of law or regulation (or change in the interpretation thereof) subsequent to the execution of this Agreement which prevents or materially restricts a party from performing its obligations hereunder. Upon the occurrence of an event of force majeure, the party whose performance is affected shall give notice to the other party explaining the nature of such event of force majeure and shall explain what it intends to do to remove or attempt to remove such event of force majeure if that is reasonably possible using reasonable efforts and diligence.

12. **INDEMNIFICATION/LIMITATION OF LIABILITY**

- 12.1. Medco will indemnify and hold BRIDGEPORT, its subsidiaries, affiliates, and their officers, directors and employees (each a "BRIDGEPORT Indemnified Party") harmless from and defend BRIDGEPORT against claims, suits, actions, or causes of action ("Actions") asserted against a BRIDGEPORT Indemnified Party arising from services rendered by Medco pursuant to this Agreement to the extent the Action arises from Medco's (i) negligence or willful misconduct, (ii) breach of this Agreement, provided that BRIDGEPORT has given reasonable notice to Medco of the Action, and (b) no BRIDGEPORT Indemnified Party has, by act or failure to act, materially compromised Medco's position with respect to the resolution or defense of the Action.
- 12.2. BRIDGEPORT will indemnify and hold Medco, its subsidiaries and affiliates, and their respective officers, directors and employees (each a "Medco Indemnified Party") harmless from and defend Medco against Actions asserted against a Medco Indemnified Party arising from (i) breach of this Agreement by BRIDGEPORT, (ii) negligence or willful misconduct of BRIDGEPORT, or (iii) the provision of patient identifiable or Program information or data by a Medco Indemnified Party to BRIDGEPORT or BRIDGEPORT's designees, or the subsequent use or disclosure of such information or data by BRIDGEPORT or its designees, provided that the Medco Indemnified Party has given reasonable notice to BRIDGEPORT of the Action, and (b) no Medco Indemnified Party has, by act or failure to act, materially compromised BRIDGEPORT's position with respect to the resolution or defense of the Action.
- 12.3. Medco will maintain, during the term of this Agreement, liability coverage with limits not less than \$1,000,000 per occurrence and in the aggregate per policy year, with excess liability coverage in an amount not less than \$5,000,000 per policy year. Evidence thereof will be furnished to BRIDGEPORT upon request.
- 12.4. Except as provided in Section 12.1 above, neither Medco nor any subsidiary, affiliate, or any of their respective directors, officers or employees, will be responsible for any Action resulting from the provision of or failure to provide pharmaceutical goods or services or any other action or failure to act by any retail pharmacy, pharmaceutical manufacturer or other pharmaceutical providers in connection with this Agreement.

- 12.5. The liability of Medco to BRIDGEPORT for any negligent or willful misconduct by Medco will be limited to the per occurrence liability insurance amount set forth in this Section 12.3.
- 12.6. Medco or BRIDGEPORT will not be liable to each other for incidental, consequential, punitive, special, or exemplary damages.

13. **EXCLUSIVITY**

Medco will be the exclusive provider and administrator of PBM Services to BRIDGEPORT and its subsidiaries while this Agreement is in effect. Nothing contained herein, however, will prohibit Medco or any affiliated entity from providing or administering PBM Services and related programs and services to any other entity while this Agreement is in effect.

14. **GENERAL**

- 14.1. **Independent Contractor** - The relationship between Medco and BRIDGEPORT will solely be that of independent contractors engaged in the operation of their own respective businesses.
- 14.2. **Assignment** - This Agreement may not be assigned by any party without the written approval of the other parties provided, however, that services to be performed by Medco hereunder may be performed by its subsidiaries, affiliates, divisions and/or designees. Medco will remain responsible for the actions of its subsidiaries, affiliates, divisions and/or designees for act or failures to act with regard to this Agreement, under the same terms and conditions as would apply to an act or failure to act by Medco. The duties and obligations of the parties will be binding upon, and inure to the benefit of, successors, assigns, or merged or consolidated entities of the parties.
- 14.3. **No Third-Party Beneficiary** - This Agreement has been entered into solely for the benefit of BRIDGEPORT and Medco, and is not intended to create any legal, equitable or beneficial interest in any third party or to vest in any third party any interest as to enforcement or performance.
- 14.4. **Notices** - All notices required under this Agreement will be in writing and sent by certified mail, return receipt requested, hand delivery or overnight delivery by a nationally recognized service addressed as follows:

If to BRIDGEPORT: City of Bridgeport
45 Lyon Terrace
Bridgeport, CT 06604
Attention: Richard Weiner, Benefits Manager

With a copy to:

City Attorney
City of Bridgeport
City Hall Annex
999 Broad Street, 2nd Floor
Bridgeport, CT 06604

If to Medco: Express Scripts, Inc.
Attn: President
One Express Way
St. Louis, Missouri 63121

With copy to Legal Department

- 14.5. **Amendments** - This Agreement may be amended only in writing when signed by a duly authorized representative of each party.
- 14.6. **Financial Responsibility** - If Medco has reasonable grounds to believe that BRIDGEPORT may not meet its payment obligations under this Agreement as they become due, Medco may request information and/or reasonable assurances (including a deposit) from BRIDGEPORT as to its financial responsibility. Reasonable assurances mean: (a) if SPONSOR is judged bankrupt or insolvent; or (b) SPONSOR makes a general assignment for the benefit of its creditors; or (c) a trustee or receiver is appointed for SPONSOR or for any of its property; or (d) any petition by or on behalf of SPONSOR is filed to take advantage of any debtor's act or to reorganize under the bankruptcy or similar laws; or (e) repeated late payments; or (f) material adverse business or financial downturns documented in securities filings or national financial publications which may jeopardize payment. If the information or assurances are not furnished to Medco within five (5) days, or are not satisfactory in Medco's reasonable judgment, Medco may immediately terminate this Agreement.
- 14.7. **Plan Design** - The Program Pricing Terms set forth in this Agreement are based upon the Plan Designs, Minimum Enrollment, information/data provided by BRIDGEPORT during or after the proposal/renewal process, and Program specifications agreed to between the parties as reflected in this Agreement, and as otherwise hereafter agreed to by the parties in writing. The Program Pricing Terms are also based upon BRIDGEPORT funding 50% or greater of the costs of Covered Drugs for its Eligible Persons. Any modification of the Plan Design or Program specifications, failure to maintain Minimum Enrollment, changes in the information/data provided, or inclusion of Eligible Persons or Groups with Covered Drugs funded less than 50% by BRIDGEPORT, may result in a modification by Medco of the Program Pricing Terms retroactive to the date of the change/event. BRIDGEPORT will provide Eligible Persons with at least thirty (30) days' prior notice of approved Plan Design changes. If the number of BRIDGEPORT's Eligible Persons eligible for Medicare is materially reduced or eliminated for any reason, Medco may communicate with those persons at Medco's expense regarding Part D options, including Medco Part D services, and the Program Pricing Terms may be modified to reflect the reduction or elimination.
- 14.8. **ERISA Claims and Appeals**

BRIDGEPORT will not name or represent that Medco is, and Medco will not be, a Plan Administrator or, except as specifically set forth in this section, a fiduciary of any prescription drug benefit plan (the "Plan"), as those terms are used in the Employee Retirement Income Security Act ("ERISA"), 29 U.S.C. §§ 1001 et seq., and the regulations promulgated under ERISA. BRIDGEPORT will have complete discretionary, binding, and final authority to construe the terms of the Plan, to interpret ambiguous Plan language, to make factual determinations regarding the payment of claims or provisions of benefits, to review denied claims and to resolve complaints by Eligible Persons

BRIDGEPORT delegates to Medco the limited authority and discretion solely to undertake administrative and/or clinical initial determinations, first-level, second-level and urgent appeals of claims eligibility and benefit applications determinations filed by Eligible Persons with BRIDGEPORT's Program. Medco will process and determine all filed administrative and/or clinical first-level, second-level and urgent appeals under the procedures and within the time frames specified in the Department of Labor claims processing regulations, 29 C.F.R. § 2560.503-1 (the "Claims Procedure Regulations"). For this purpose, Medco agrees that it shall be the appropriate named fiduciary in accordance with Section 2560.503-1 (h) of the Claims Procedure Regulations. Medco's decisions will be conclusive and binding and not subject to further review by BRIDGEPORT. If, however, with respect to a claim or appeal, any of the duties, whether delegated to Medco or not, are assumed or acted upon by BRIDGEPORT, or by any agent or

vendor of such entity (e.g. utilization management vendor), then Medco will not have any fiduciary duties or discretionary authority with respect to such claim or appeal, and BRIDGEPORT will be deemed to have such fiduciary duties and discretionary authority and will be solely liable for such claim or appeal. Notwithstanding the services of Medco under this section, all decisions concerning the rendering of health care services are determined by the Eligible Person's physician, hospital or other health care provider and the Eligible Person.

External Review Process – Medco will facilitate the process for external reviews on behalf of BRIDGEPORT so long as Medco handles all levels of reviews and appeals for BRIDGEPORT. BRIDGEPORT has elected to use the Independent Review Organization Services as set forth on Schedule C.

- 14.9. **Taxes and TPA** - Any applicable sales, use, or other similarly assessed and administered tax imposed on items dispensed, or services provided hereunder, or any other amounts Medco may incur or be required to pay arising from or relating to Medco's performance of services as a third-party administrator in any jurisdiction, will be the sole responsibility of BRIDGEPORT. If Medco is legally obligated to collect and remit sales, use, or other similarly assessed and administered tax in a particular jurisdiction, or to incur or pay any amount relating to third-party administrator services, the tax or other amount will be reflected on the applicable invoice or subsequently invoiced at such time as Medco becomes aware of such obligation or as such obligation becomes due.
- 14.10. **Governing Law** - This Agreement will be construed and governed in accordance with the laws of the State of Connecticut. However, all matters relating to the Mail Order Pharmacy Program operations of Medco will be governed by the laws of the state in which Medco's mail order pharmacy is located.
- 14.11. **Enforceability** - The invalidity or unenforceability of any of the terms or provisions hereof will not affect the validity or enforceability of any other term or provision.
- 14.12. **Section Headings** - Section headings are inserted for convenience only and will not be used in any way to construe the terms of this Agreement.
- 14.13. **Waiver** - The waiver of any breach or violation of any term or provision hereof will not constitute a waiver of any subsequent breach or violation of the same or any other term or provision. No waiver or relinquishment by a party of any right or remedy under this Agreement will occur unless the waiver or relinquishment is in a written document signed by an officer of the party.
- 14.14. **Approvals** - Whenever approval of any party is required under this Agreement, such approval will not be unreasonably withheld in the exercise of its commercial business judgment.
- 14.15. **Organization** - Each party is duly organized, validly existing and in good standing, and has the power to own its property and to carry on its business as now being conducted by it.
- 14.16. **Authorization** - The execution and delivery of this Agreement and the consummation of the transactions contemplated herein on its part, has been duly authorized by all necessary action by each party.
- 14.17. **No Conflict of Interest or Other Restrictions** - No party has a conflict of interest which would impact its ability to perform fairly its obligations under this Agreement, and no party is subject to any restrictions, contractual or otherwise, which prevent or would prevent it from entering into this Agreement or carrying out its obligations hereunder.
- 14.18. **No Violation** - Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will be a violation or default of any term or provision of the

party's governance documents (e.g., its certificate of incorporation or bylaws or operating agreement) or of any material contract, commitment, indenture, or other agreement or restriction to which it is a party or by which it is bound.

- 14.19. **Binding Effect** - This Agreement has been duly executed and delivered by each party, and is a valid and binding obligation of each party, enforceable against such party in accordance with its terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and general principles of equity.
- 14.20. **Original Agreement/Counterparts** - The parties will execute two identical originals of this Agreement. Each party will retain one of the originals. This Agreement may be executed in one or more counterparts, any one of which need not contain the signatures of more than one party, but all counterparts taken together will constitute one instrument.
- 14.21. **Public Announcement** - Except as required by law or regulation, neither party will make any public announcement nor issue any press release relating to this Agreement without the written consent of the other party. This provision does not restrict either party from submitting necessary or appropriate filings with the SEC.
- 14.22. **Dispute Resolution** - Except for those matters subject to emergent or injunctive relief, in the event that any dispute relating to this Agreement arises between BRIDGEPORT and Medco, either party may, by written notice, demand a meeting regarding the dispute, to be attended by executive officers of each party, who will attempt in good faith to resolve the dispute. If the dispute cannot be resolved through executive negotiations within thirty (30) business days after the date of the initial notice, each party will retain all rights to bring an action regarding such matter in accordance with law.
- 14.23. **Construction** - BRIDGEPORT and Medco have participated jointly in the negotiation of this Agreement and each has had the advice of legal counsel to review, comment upon and draft this Agreement. Accordingly, it is agreed that no rule of construction shall apply against any party or in favor of any party, and any uncertainty or ambiguity shall not be interpreted against any one party and in favor of the other.
- 14.24. **Entire Agreement** - This Agreement, together with the Schedules hereto, embodies the entire understanding of the parties in relation to the subject matter hereof, supersedes any prior agreement among the parties in relation to the subject matter hereof, and no other agreement, understanding, or representation, verbal or otherwise, relative to the subject matter hereof exists among the parties at the time of execution of this Agreement.
- 14.25. **Compliance with Law** - Medco and BRIDGEPORT shall take all actions necessary and appropriate to assure that they comply with all applicable federal, state, and local laws and regulations, including, without limitation, the Anti-Kickback Statute, the Public Contracts Anti-Kickback Act, the Stark Law, and laws and regulations relating to disclosure or notification of plan benefits or the terms of rebate administration under this Agreement to BRIDGEPORT's Groups. Medco's Code of Conduct and its policies and procedures relating to compliance with the above-named laws are available at www.medcohealth.com/medco/corporate/home.jsp by clicking on the Investors tab and then the Corporate Governance link.
- 14.26. **Survival** - The provisions of Sections 7.4, 9, 12, and the last sentence of 10.1 will survive the termination of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date indicated below.

MEDCO HEALTH SOLUTIONS, INC.

CITY OF BRIDGEPORT

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

514572.5 (9/6/12)EFS
425981.2 (11/1/11)efs
PERMFORM 50180.14 (04/27/11) efs/nmb
(Original 50180.14 – 03/29/11)

SCHEDULE A PROGRAM PRICING TERMS

BRIDGEPORT will pay Medco for services provided under the Program as follows:

1. RETAIL PHARMACY PROGRAM CLAIMS

- 1.1. BRIDGEPORT will pay Medco for Covered Drugs dispensed and submitted by Participating Pharmacies under the Retail Pharmacy Program in an amount equal to the lowest of (i) the pharmacy's usual and customary price, as submitted ("U&C") plus applicable taxes, (ii) the maximum allowable cost ("MAC"), where applicable, plus the Dispensing Fee, or (iii) Discounted AWP and Dispensing Fee plus applicable taxes.
- 1.2. The guaranteed overall annual AWP discount for Brand Drugs will be as set forth below and the guaranteed overall annual AWP discount for Generic Drugs will be as set forth below for each Contract Year during the Initial Term. The guaranteed Dispensing Fee per prescription or authorized refill will be as set forth below. Medco will prepare a true up within ninety (90) days following the end of such Contract Year. Any net shortfall (i.e. shortfalls offset by surpluses across the three components) in the aggregate will be matched dollar for dollar by Medco. The guarantees set forth herein exclude Specialty Drugs. In the event of an increase or decrease in the total number of Participating Pharmacies by greater than five (5) percent, or a change in ownership of five (5) percent or more of Participating Pharmacies in the Broad National Network, Medco may modify the guarantee for Ingredient Costs and Dispensing Fees on an equitable basis. Payment by BRIDGEPORT is subject to the applicable Copayment/Coinsurance amount set forth below:

Retail Network (Broad National)	
Brand Pricing	AWP minus (-) 16.5% AWP minus (-) 19.75% for the 90-Day Network
Generic Pricing	The annual overall generic discount will be equal to AWP minus (-) 75% for the 1 st Contract Year The annual overall generic discount will be equal to AWP minus (-) 76% for the 2 nd Contract Year
Dispensing Fees	Brand and generic drugs = \$1.05 Brand and generic drugs = \$1.50 for the 90 day Network

- 1.3. **Copayment/Coinsurance** - The Copayment/Coinsurance amount for each prescription or refill dispensed by a Participating Pharmacy under the Retail Pharmacy Program will be as designated for each Group in the applicable Plan Design(s).
- 1.4. **Direct Claims** - The reimbursement terms applicable to direct reimbursement claims submitted by Eligible Persons under the Retail Pharmacy Program will be the same as the terms set forth in this Section 1, unless otherwise provided in writing by BRIDGEPORT to Medco.

2. MAIL ORDER PHARMACY PROGRAM CLAIMS

BRIDGEPORT will pay Medco for Covered Drugs dispensed by a Medco mail order pharmacy under the Mail Order Pharmacy Program in an amount equal to an Ingredient Cost plus Dispensing Fee for each Covered Drug dispensed, less the applicable Copayment/Coinsurance amount, as such terms are defined below:

- 2.1. **Ingredient Cost** - The guaranteed Ingredient Cost is the lower of MAC or Discounted AWP for Brand Drugs and Generic Drugs. The guaranteed overall annual AWP discount for Brand Drugs and Generic Drugs is set forth in the chart below.

2.2. Medco will prepare a true up ninety (90) days following the end of such Contract Year. Any net shortfall (i.e. shortfalls offset by surpluses across the three components) in the aggregate will be matched dollar for dollar by Medco. The guarantees set forth herein exclude Specialty Drugs.,

Mail Order Pharmacy Program	
Brand Pricing	AWP minus (-) 24.5%
Generic Pricing	The annual overall generic discount will be equal to AWP minus (-) 80% for the 1 st Contract Year The annual overall generic discount will be equal to AWP minus (-) 81% for the 2 nd Contract Year

2.3. **Dispensing Fee** - The Dispensing Fee per prescription or authorized refill is \$0.00 . Dispensing Fees are inclusive of postage. If postage rates (i.e., U.S. mail and/or applicable commercial courier services) increase during the term of this Agreement, the pricing will be increased to reflect such increase(s).

2.4. **Copayment/Coinsurance** - The Copayment/Coinsurance amount for each prescription or refill dispensed by a Medco mail order pharmacy under the Mail Order Pharmacy Program shall be as designated for each Group in the applicable Plan Design(s). If the amount of the applicable Copayment/Coinsurance paid by an Eligible Person for a prescription or refill dispensed by Medco exceeds the Ingredient Cost (as defined in 2.1 above) plus Dispensing Fee (as defined in Section 2.3 above) plus any applicable taxes, then Medco shall return to the Eligible Person an amount equal to the Copayment/Coinsurance amount, less the sum of the applicable Ingredient Cost plus Dispensing Fee plus any applicable taxes, for the prescription or refill. Eligible Persons must pay the applicable Copayment or Coinsurance amount to Medco for each prescription or authorized refill under the Mail Order Pharmacy Program. Medco may suspend Mail Order Pharmacy Program services to an Eligible Person who is in default of any Copayment or Coinsurance amount due Medco.

3. SPECIALTY PHARMACY PROGRAM

Notwithstanding anything to the contrary in Section 2 above and elsewhere in the Agreement, BRIDGEPORT will pay Medco for those Covered Drugs designated as Specialty Drugs in Schedule B under the Mail Order Pharmacy Program on a separate ingredient cost basis (provided in Schedule B) plus applicable Dispensing Fee (provided in Schedule B), subject to the Copayment/Coinsurance in the applicable Plan Design.

Under the Retail Pharmacy Program, BRIDGEPORT will pay Medco for Specialty Drugs according to the pricing set forth in Schedule C. For a Specialty Drug that is not designated by Medco on Schedule C due to limited or exclusive distribution through specific retail pharmacies (“Limited Distribution Specialty Drug”), BRIDGEPORT will pay Medco for the Limited Distribution Specialty Drugs in the same amount that Medco reimburses the retail pharmacy for the drug, including Ingredient Cost and Dispensing Fee.

Medco will be the exclusive administrator of Specialty Drugs, under the prescription drug benefit, to BRIDGEPORT while this Agreement is in effect. Specialty Drugs may be provided by Medco or other third-party specialty pharmacy that has a written arrangement with Medco. Medco may add or delete products, in Schedule B and Schedule C on written notice to BRIDGEPORT., or modify pricing terms on written notice to BRIDGEPORT. Specialty Drugs are included in the calculations and payments regarding Total Rebates but are excluded from the Guaranteed Rebates as set forth in Section 6.3 The terms and pricing set forth in this Section 3 apply only to BRIDGEPORT’s pharmacy benefit and not to BRIDGEPORT’s medical benefit. Medco will provide a current list of Specialty Drugs and associated prices upon BRIDGEPORT’s written request.

Services for Specialty Drugs under the Mail Order Pharmacy Program consist of:

- Clinical support that provides, according to Medco’s procedures:
 - Eligible Person tele-counseling from specially trained pharmacists and nurses
 - Care management, including information and support directly to the Eligible Person

- Coordination of care with the Eligible Persons case manager and/or home care agency
- Specialty Drug educational materials and product information
 - Standard communications notifying Eligible Persons of changes in plan coverage
 - Personalized mailings and outbound phone calls by Medco Special Care Pharmacy to Eligible Persons purchasing, at retail pharmacies, Specialty Drugs that are clinically appropriate for maintenance use
- Toll-free telephone line for Eligible Persons using Specialty Drugs
- Express delivery to physician's office or Eligible Person's home
 - Standard two (2) day delivery
 - Overnight delivery as physician required (excluding Sundays)
- Logistics coordination of delivery to Eligible Person's home or physician's office
- Analysis of integrated pharmacy and medical claims databases to identify utilizers, if applicable and agreed upon
- Ancillary supplies provided with each self-injectable medication
- Drug Utilization Review applied to specialty pharmacy related prescription claims and, when available from Medco, medical claims
- Enhanced Physician services, consisting of communication materials, forms and informational hotline

Additional communications to Eligible Persons or physicians beyond these listed above will be quoted upon request.

4. ADMINISTRATIVE SERVICES AND FEES

4.1. BRIDGEPORT will pay to Medco a Base Administrative Fee in the amount of \$0.00 per paid claim processed by Medco under the Retail Pharmacy Program/Mail Order Pharmacy Program and Specialty Pharmacy Program for the following Base Administrative Services, as applicable:

Eligibility

- Administration of eligibility submitted via tape or telecommunication in a Medco standard format
- Eligibility maintenance (minimum of weekly updates)
- Dependent Eligibility Certification System (DECS)
- Medco's client support system (e-SD) for on-line access to current eligibility (equipment, installation and line charges are responsibility of BRIDGEPORT)¹

Claim Adjudication

- Administration of BRIDGEPORT's Plan Design
- In-network claims adjudication via *TelePAID* on-line claims adjudication system
- Primary Coordination of Benefits (when flagged on eligibility records)
- Twelve (12) months on-line claims history retention (for use in claims processing)
- Processing associated with Medco by Mail Pharmacy Program prescriptions

Member Communication Materials

- Medco Welcome Package for new designated Eligible Persons, consisting of:
 - Announcement letter(not to exceed one page)
 - Medco descriptive brochure (not to exceed eight pages)
 - Pre-addressed Mail Order form/envelope

¹ BRIDGEPORT may be granted access to Medco systems and applications, in some cases requiring the grant of access to BRIDGEPORT employees and/or representatives, including e-SD and Client Website. BRIDGEPORT's use of such systems and applications is governed by this Agreement and the Terms of Use and privacy policies for the respective systems and applications. Medco will grant access to BRIDGEPORT employees and/or representatives only at the discretion of BRIDGEPORT, as provided in Medco's operating procedures, and BRIDGEPORT will be responsible for those individuals' compliance with the terms of this Agreement and the applicable Terms of Use and privacy policies.

- Patient health profile questionnaire
- One Medco Identification Card per Primary Eligible Participant (two per family)
- Information on access to major Participating Pharmacy network chains
- Other available standard Medco materials, consisting of:
 - Direct reimbursement claim form (also available via www.medco.com)
 - Coordination of Benefits (COB) claim form
- TDD-TTY services for hearing impaired to access Member Service Department

Clinical Programs

- Access capabilities to e-SD to support BRIDGEPORT coverage authorization activities

Reporting

- Medco's Prescription Drug Plan Report Package available through the Information Services Report Manager tool on the Client Website²
- Medco's Claims Detail Layout (CDL) file every two (2) weeks

Retail Pharmacy Network

- Establish, maintain, credential, and contract an adequate panel of Participating Pharmacies
- Development and distribution of communication materials to Participating Pharmacies regarding the Program
- Toll-free access to Help Desk for eligibility/claims processing assistance
- Toll-free access for Participating Pharmacies to obtain DUR assistance
- Monitor Participating Pharmacy performance and compliance, including generic substitution rates, formulary program conformance, and DUR intervention conformance through Retail Network Management initiatives and reporting
- Toll-free telephone access to voice response unit for location of Participating Pharmacies in zip code area
- Medco Pharmacy Audit Program³

Member Service

- Toll-free telephone access to Member Service for the Program for use by Eligible Persons, BRIDGEPORT benefits personnel, and physicians
- Gatekeeper Program – Medco's assistance program for older adults
- 24-hour access to a Medco pharmacist via toll-free telephone service

medco.com

- Standard Medco website capabilities, including:
 - online prescription ordering and status
 - prescription pricing information
 - coverage and benefit plan information
 - health news information

Account Management

- Clinical and plan consulting, analysis, and cost projections

² Includes Report Manager for up to four user IDs for BRIDGEPORT personnel only. Additional BRIDGEPORT user IDs may be set up at a charge of \$250/user per month. External claims integration charge is separate and quoted upon request. Equipment, installation, and Internet access charges are the responsibility of BRIDGEPORT. Specifically assigned user IDs may not be exchanged with, or used by, third parties (e.g., consultants) or other BRIDGEPORT personnel. Third parties desiring access must be approved by Medco and must sign Medco's Third-Party Access agreement, accompanied by BRIDGEPORT's letter of authorization.

³ Medco will credit BRIDGEPORT with 100% of all audit recoveries that Medco's Pharmacy Audit Program recovers on behalf of BRIDGEPORT.

- Annual analysis of Program utilization, impact of Plan Design changes, and intervention programs

4.2. BRIDGEPORT will also pay for Additional Administrative Services requested or used by BRIDGEPORT and provided by Medco under the Program as follows:

<u>Eligibility</u>	
• Hard copy eligibility submission	Data entry charges
<u>Claim Adjudication</u>	
• Direct reimbursement/out-of-network claims adjudication (including check and EOB to Eligible Person)	\$1.75 per claim
• Coordination of Benefits <ul style="list-style-type: none"> - Secondary Coordination of Benefits <ul style="list-style-type: none"> ▪ Eligible Person-submitted paper claim \$2.50 per claim ▪ Retail Pharmacy-submitted electronic claim \$1.00 per claim - Adjudication of government subrogation claims (unless responsibility is otherwise assigned by BRIDGEPORT) \$3.00 per paid claim 	
• On-line claims history retention (for use in claims processing) in excess of twelve (12) months	\$0.05 per claim
<u>Drug Utilization Review/Clinical/Formulary Programs</u>	
• Set-up and load of historical records from prior vendor, supplied in Medco format	\$0.07 per claim ⁴
• High Utilization Management Program (Level II – Intervention)	Quoted upon request
• Retrospective DUR	\$0.10 per claim
• Customized Physician Practice Summary Program	Quoted upon request
<u>Enhanced Reviews and Appeals Management</u>	
• Medco’s Coverage Authorization Program, consisting of prior authorization, step therapy, quantity duration/dose duration, quantity per dispensing event capabilities, and dose optimization (coverage option), including initial determinations and first-level appeals	\$55.00 per case or included in UM bundle fee.
• Reviews and Appeals Management – Plan Design <ul style="list-style-type: none"> - Medco handles all initial determinations and first-level appeals 	\$55.00 per case
• Second-level and urgent appeals, including transmission of case information to IROs or other external review entities: <ul style="list-style-type: none"> - Coverage Authorization requests - Plan Design-related requests 	\$10.00 per case (incremental to per case fees above, or if BRIDGEPORT has a UM Bundle, incremental to Utilization Management Program fee)
<u>Reporting</u>	
• Additional Ad-hoc report production, reprogramming, and testing of non-standard BRIDGEPORT requirements	Quoted upon request
• BRIDGEPORT’s requests for claims data, Plan Design information, or production files for itself or its designees (subject to execution of Medco’s confidentiality agreement)	Quoted upon request
– Requests for multiple data feeds	Additional fees per file, per cycle – quoted upon request
– Data feeds to third-party vendors on CD-ROM	Additional fees per file, per cycle – quoted upon request
<u>Member Communication Materials</u>	
• Replacement of any Member Communication materials, Formulary materials, or Identification Cards upon an Eligible Person’s request	Quoted upon request

⁴ Fee waived for six months of claims data if BRIDGEPORT implements Retrospective DUR at \$0.10 per claim on the Effective Date.

<ul style="list-style-type: none"> Customization, re-issuance, or replacement of Member Communication materials, Formulary materials, or Identification Cards on a Group or BRIDGEPORT-wide basis, if requested by BRIDGEPORT 	Quoted upon request
<ul style="list-style-type: none"> Prescription Drug Benefit Statement: <ul style="list-style-type: none"> Statement to Eligible Persons providing prescription history along with specific recommended actions and related savings. Quarterly summary reporting to BRIDGEPORT. 	\$1.50 per statement plus actual postage charges
<ul style="list-style-type: none"> Eligible Person communications describing the benefit or changes to the benefit, except for initial Welcome Package for new designated Eligible Persons 	Quoted upon request
<ul style="list-style-type: none"> Customized, targeted Eligible Person mailings for closed/custom formulary 	Quoted upon request
<ul style="list-style-type: none"> Retail Refill Allowance Program Member Communications Materials 	\$2.50 per Primary Eligible Participant plus postage costs on reminder letters
<ul style="list-style-type: none"> BRIDGEPORT requested Mailings direct to Eligible Persons, physicians, or BRIDGEPORT location 	Postage charges
Physician Communications	
<ul style="list-style-type: none"> Charges by physicians or medical practices for the completion of prior authorization forms, clarification of prescriptions, or other requests for information relating to coverage authorization or a prescribed medication 	Amount Medco is required to pay physician or medical practice
medco.com	
<ul style="list-style-type: none"> BRIDGEPORT customization of medco.com 	Quoted upon request
Audit Support	
<ul style="list-style-type: none"> Data in excess of a rolling twenty-four (24) months 	Quoted upon request
<ul style="list-style-type: none"> Medco support of additional client audits 	\$35,000 per audit
Medco Consumer Choice Plan®	
<ul style="list-style-type: none"> Core Services <ul style="list-style-type: none"> MCCP Benefit Design Consulting Services (identification of BRIDGEPORT's needs and goals and development of a strategy designed to optimize the prescription drug benefit plan design and metrics to measure success) System Installation and Verification Dedicated MCCP Operations Team Real-time Accumulation of Pharmacy and Medical Benefit Transactions or Pharmacy and Medical Data Batch Transactions Automated Data Transmission Monitoring and Reconciliation (benefit transaction reconciliation, duplicate checking, and threshold paging) Performance Reporting and Analytics (financial metrics, utilization, peer benchmarking, accumulator status and conversion rates, and modeling of different plan design scenarios) 	<p>\$0.20 Per Eligible Person Per Month ("PMPM") for existing connections with medical carrier or TPA. Fees to establish connection with new medical carrier or TPA will be quoted upon request.</p> <p>Additional services will be quoted upon request.</p> <p>Postage charges are not included and will be billed to BRIDGEPORT.</p>
<ul style="list-style-type: none"> Comprehensive Member Engagement Services <ul style="list-style-type: none"> MCCP Benefit Design Consulting Services (identification of BRIDGEPORT's needs and goals and development of a strategy designed to optimize the prescription drug benefit plan design and metrics to measure success) Web-Based Enrollment Decision-Support Tools and Services Dedicated MCCP Member Service Team Benefit Optimization/Member Coaching of Members Access to Medco's Library of Member Communication Templates for the MCCP Program Prescription Benefit Review Statements Medication Compliance and Outreach Program Preventive Medications Program (including customization of a 	<p>Additional \$0.75 PMPM for existing connection with medical carrier or TPA, so the total cost of Medco Consumer Choice Plan® (consisting of Core Services and Comprehensive Member Engagement Services) will be \$0.95 PMPM. Fees to establish connection with new medical carrier or TPA will be quoted upon request.</p> <p>Additional services will be quoted upon request.</p>

preventive drug list) (fee for optional letter of certification quoted upon request) – Processing of Estimated Claim-Level Rebates at Point-of-Sale	Postage charges are not included and will be billed to BRIDGEPORT.
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Note: Charge for additional services not listed above will be determined by Medco and quoted upon request.

5. UTILIZATION MANAGEMENT PROGRAM

Medco will provide to BRIDGEPORT Utilization Management Programs, which will be outlined in a Utilization Management Program Document (the “UMP Document”) to be entered into at a date determined by the parties. The UMP Document will be effective as of the Effective Date of this Agreement and when executed, will be entered into contemporaneously with this Agreement. The UMP Document at such time that it is entered into by both parties, is incorporated by reference herein. The UMP Document may be modified in the form of a new UMP Document agreed upon by the parties in writing.

6. SERVICE FEE PAYMENT AND DISCLOSURE OF FEES TO BRIDGEPORT

Medco will pay to BRIDGEPORT’s benefit advisor (“BENEFIT ADVISOR”), a service fee which may be in the form of a commission, marketing fee, incentives or other allowances (“Service Fee”). The Service Fee may vary based on the services BENEFIT ADVISOR has provided to Medco or BRIDGEPORT, and BRIDGEPORT acknowledges and consents to Medco paying such Service Fee. BENEFIT ADVISOR has acknowledged and agreed that it will disclose to BRIDGEPORT all Service Fees that BENEFIT ADVISOR receives from Medco including the form of such compensation (e.g., commissions, marketing fee, incentives, allowances). In the event BENEFIT ADVISOR does not provide such disclosure, Medco shall have the right to advise BRIDGEPORT of the service fee arrangement including the amount and rate of any such compensation.

7. RENEWAL ALLOWANCE

After ninety (90) days following full implementation of BRIDGEPORT’s Integrated Program and for the Initial Term of this Agreement, Medco will credit up to \$4.00 per household against future billings under BRIDGEPORT’s Program for documented expenses incurred and submitted by BRIDGEPORT to Medco for the preparation and/or implementation of BRIDGEPORT’s Integrated Program (e.g., consulting fees, RFP preparation, or special communications associated with the Integrated Program roll-out).

8. MAIL ORDER DISCOUNT INCENTIVE

At the end of the sixth and twelfth months of each Contract Year during the Initial Term, Medco will calculate the Mail Order Penetration Rate. For each five percentage point increase in the Mail Order Penetration Rate (measured from the Mail Order Penetration Rate for the six (6) month period from October 1, 2011 to March 31, 2012 (“Base Period”) the applicable discount for generic drugs dispensed under the Mail Order Program will be increased in succeeding six (6) month periods by one percentage point, up to a maximum increase of five percentage points (the “Mail Order Penetration Discount”). The applicable Mail Order Penetration Discount will become effective on the first day of the second month after the close of the applicable six (6) month period in which it was earned. If the Mail Order Penetration Rate falls below the rate that resulted in the then applicable Mail Order Penetration Discount for two consecutive six (6) month measurement periods, the Mail Order Penetration Discount will be reduced to the level resulting from the Mail Order Penetration Rate for the second six (6) month measurement period, effective on the first day of the second month after the close of such second six (6) month period.

9. MARKET CHECK

Anytime between the first and third quarter of the first contract year, COALITION may conduct a competitive assessment of the marketplace. COALITION shall select a nationally-recognized, leading independent consultant in the pharmacy benefit management field reasonably acceptable to Medco, subject to execution of a reasonable confidentiality agreement (if one has not already been executed by the consultant) and at COALITION' expense. The Market Check will compare the aggregate value of the COALITION Pricing Terms, and all other contractual terms with a financial impact, such as performance guarantees, using twelve (12) months of Medco historical data, with the aggregate value of contracted pricing terms then currently available in the market for similar services and/or individual companies of similar size and plan designs and drug utilization to COALITION, in the aggregate, for a contract term that is equal to the remainder of the current contract term and which contains the same annual market check and early termination provisions.

For purposes of the comparison, differences in the relative mail versus retail drug spend between COALITION and individual employers shall be reflected in the analysis, where possible, and Copayment/ Coinsurance structure, formulary type, use of an Integrated Program, mail penetration, generic dispensing rates, size of retail network, type of specialty program and, if available, demographics (including whether the contractual terms apply to an active versus retiree population). Such comparison will be based on the mail and retail pricing for brand and generic drugs, pricing for specialty drugs, dispensing fees, administrative fees, rebates, and other terms with a financial impact. COALITION or its consultant will provide Medco with the following information relating to such other offers: rebate guarantee conditions, required clinical programs, definition of brand and generic Drugs, zero balance billing at retail requirements, plan design, formulary administration, and plan utilization, and other terms that may reasonably have an impact on price.

The Market Check report prepared by COALITION's consultant (the "Report"), will be submitted to Medco, and Medco will provide its comments to the Report to COALITION and the COALITION consultant within twenty (20) business days of receipt. If the report finds that the current market conditions would yield a 2.0% or more savings of plan costs, then the parties will discuss in good faith the report and a revision to the deal, which should go into effect on January 1, 2013. If the parties are unable to reach agreement on revised COALITION' Pricing Terms and other applicable provisions within ninety (90) days from the date of the Report, then either party may terminate this Agreement upon ninety (90) days' prior written notice.

SCHEDULE B
SPECIALTY DRUG LISTS

Mail Specialty List

THERAPY	DRUG	Per Diem & Nursing Service Charges	Non Exclusive	Exclusive	Dispens ing Fees
			AWP Discount	AWP Discount	
Anemia	ARANESP		11.5788%	12.6190%	\$0.00
Anemia	EPOGEN		11.5788%	12.6190%	\$0.00
Anemia	PROCRIT		11.5788%	12.6190%	\$0.00
Anemia	SOLIRIS		11.5788%	11.5788%	\$0.00
Cancer	ABRAXANE		11.5788%	12.6190%	\$0.00
Cancer	ADCETRIS		11.5788%	11.5788%	\$0.00
Cancer	AFINITOR		11.5788%	11.5788%	\$0.00
Cancer	ARRANON		11.5788%	12.6190%	\$0.00
Cancer	ARZERRA		11.5788%	12.6190%	\$0.00
Cancer	AVASTIN		11.5788%	12.6190%	\$0.00
Cancer	DACOGEN		11.5788%	12.6190%	\$0.00
Cancer	ELIGARD		11.5788%	12.6190%	\$0.00
Cancer	ERBITUX		11.5788%	12.6190%	\$0.00
Cancer	FIRMAGON		11.5788%	11.5788%	\$0.00
Cancer	FOLOTYN		11.5788%	11.5788%	\$0.00
Cancer	GLEEVEC		11.5788%	12.6190%	\$0.00
Cancer	HALAVEN		11.5788%	12.6190%	\$0.00
Cancer	HERCEPTIN		11.5788%	12.6190%	\$0.00
Cancer	HYCAMTIN ORAL		11.5788%	12.6190%	\$0.00
Cancer	ISTODAX		11.5788%	12.6190%	\$0.00
Cancer	IXEMPRA		11.5788%	12.6190%	\$0.00
Cancer	JEVTANA		11.5788%	12.6190%	\$0.00
Cancer	LEUPROLIDE *		16.7800%	19.9008%	\$0.00
Cancer	LUPRON DEPOT		11.5788%	12.6190%	\$0.00
Cancer	MOZOBIL *		11.5788%	12.6190%	\$0.00
Cancer	NEXAVAR		11.5788%	12.6190%	\$0.00
Cancer	OCTREOTIDE ACETATE		11.5788%	12.6190%	\$0.00
Cancer	OFORTA		11.5788%	12.6190%	\$0.00
Cancer	PROLEUKIN *		11.5788%	12.6190%	\$0.00
Cancer	REVLIMID		11.5788%	11.5788%	\$0.00
Cancer	RITUXAN		11.5788%	12.6190%	\$0.00
Cancer	SANDOSTATIN (all forms and strengths)		11.5788%	12.6190%	\$0.00
Cancer	SPRYCEL		11.5788%	11.5788%	\$0.00
Cancer	SUTENT		11.5788%	12.6190%	\$0.00
Cancer	SYLATRON		12.6190%	12.6190%	\$0.00
Cancer	TARCEVA		11.5788%	12.6190%	\$0.00
Cancer	TASIGNA		11.5788%	12.6190%	\$0.00
Cancer	TEMODAR		11.5788%	12.6190%	\$0.00

Cancer	THALOMID		11.5788%	12.6190%	\$0.00
Cancer	TORISEL		11.5788%	12.6190%	\$0.00
Cancer	TREANDA		11.5788%	12.6190%	\$0.00
Cancer	TYKERB		11.5788%	12.6190%	\$0.00
Cancer	VANTAS		11.5788%	12.6190%	\$0.00
Cancer	VECTIBIX		11.5788%	12.6190%	\$0.00
Cancer	VELCADE		11.5788%	12.6190%	\$0.00
Cancer	VIDAZA		11.5788%	12.6190%	\$0.00
Cancer	VOTRIENT		11.5788%	11.5788%	\$0.00
Cancer	XALKORI		11.5788%	12.6190%	\$0.00
Cancer	XELODA*		11.5788%	12.6190%	\$0.00
Cancer	XGEVA		11.5788%	12.6190%	\$0.00
Cancer	YERVOY		11.5788%	12.6190%	\$0.00
Cancer	ZELBORAF		11.5788%	11.5788%	\$0.00
Cancer	ZOLADEX		11.5788%	12.6190%	\$0.00
Cancer	ZOLINZA		11.5788%	12.6190%	\$0.00
Cancer	ZYTIGA		11.5788%	12.6190%	\$0.00
Crohn's Disease	CIMZIA		11.5788%	12.6190%	\$0.00
DVT/Anticoagulation	ARIXTRA *		11.5788%	12.6190%	\$0.00
DVT/Anticoagulation	ENOXAPARIN SODIUM *		11.5788%	12.6190%	\$0.00
DVT/Anticoagulation	FONDAPARINUX SODIUM *		11.5788%	12.6190%	\$0.00
DVT/Anticoagulation	FRAGMIN *		11.5788%	12.6190%	\$0.00
DVT/Anticoagulation	INNOHEP *		11.5788%	12.6190%	\$0.00
DVT/Anticoagulation	IPRIVASK *		11.5788%	12.6190%	\$0.00
DVT/Anticoagulation	LOVENOX *		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	GENOTROPIN		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	HUMATROPE		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	INCRELEX		7.4178%	7.4178%	\$0.00
Growth Stimulating Agents	NORDITROPIN (all forms and strengths)		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	NUTROPIN (all forms and strengths)		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	OMNITROPE		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	SAIZEN		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	SEROSTIM		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	TEV-TROPIN		11.5788%	12.6190%	\$0.00
Growth Stimulating Agents	ZORBTIVE		11.5788%	12.6190%	\$0.00
Hemophilia	ADVATE		16.7800%	19.9008%	\$0.00
Hemophilia	ALPHANATE		19.9008%	21.9813%	\$0.00
Hemophilia	ALPHANINE SD		19.9008%	21.9813%	\$0.00
Hemophilia	BEBULIN		5.3373%	5.3373%	\$0.00
Hemophilia	BENEFIX		12.6190%	12.6190%	\$0.00
Hemophilia	CORIFACT		15.7398%	19.9008%	\$0.00
Hemophilia	FEIBA		21.9813%	24.0618%	\$0.00
Hemophilia	HELIXATE (all forms and strengths)		19.9008%	21.9813%	\$0.00
Hemophilia	HEMOPIL M		21.9813%	24.0618%	\$0.00
Hemophilia	HUMATE-P		16.7800%	19.9008%	\$0.00

Hemophilia	KOATE (all forms and strengths)		21.9813%	24.0618%	\$0.00
Hemophilia	KOGENATE		21.9813%	24.0618%	\$0.00
Hemophilia	MONOCLATE P		19.9008%	24.0618%	\$0.00
Hemophilia	MONONINE		19.9008%	21.9813%	\$0.00
Hemophilia	NOVOSEVEN RT		19.9008%	21.9813%	\$0.00
Hemophilia	PROFILNINE (all forms and strengths)		15.7398%	24.0618%	\$0.00
Hemophilia	RECOMBINATE		19.9008%	21.9813%	\$0.00
Hemophilia	RIASTAP *		6.3775%	7.4178%	\$0.00
Hemophilia	STIMATE		11.5788%	11.5788%	\$0.00
Hemophilia	WILATE		16.7800%	19.9008%	\$0.00
Hemophilia	XYNTHA (all forms and strengths)		12.6190%	19.9008%	\$0.00
Hepatitis	COPEGUS		12.6190%	12.6190%	\$0.00
Hepatitis	INCIVEK		12.6190%	12.6190%	\$0.00
Hepatitis	INFERGEN		12.6190%	12.6190%	\$0.00
Hepatitis	INTRON A (all forms and strengths)		12.6190%	12.6190%	\$0.00
Hepatitis	PEGASYS		12.6190%	12.6190%	\$0.00
Hepatitis	PEG-INTRON (all forms and strengths)		12.6190%	12.6190%	\$0.00
Hepatitis	REBETOL		12.6190%	12.6190%	\$0.00
Hepatitis	RIBASPHERE		42.7863%	42.7863%	\$0.00
Hepatitis	RIBAVIRIN		42.7863%	42.7863%	\$0.00
Hepatitis	VICTRELIS		12.6190%	12.6190%	\$0.00
Hereditary Tyrosinemia	ORFADIN		Plus 4.0250%	Plus 4.0250%	\$0.00
HIV	EGRIFTA		11.5788%	12.6190%	\$0.00
HIV	FUZEON		11.5788%	12.6190%	\$0.00
Homocystinuria	CYSTADANE		11.5788%	12.6190%	\$0.00
Immune Deficiency	ACTIMMUNE		11.5788%	12.6190%	\$0.00
Immune Deficiency	ADAGEN		Plus 4.0250%	Plus 4.0250%	\$0.00
Immune Deficiency	CARIMUNE NF	**	11.5788%	13.6593%	\$0.00
Immune Deficiency	CYTOGAM *	**	12.6190%	13.6593%	\$0.00
Immune Deficiency	FLEBOGAMMA	**	11.5788%	13.6593%	\$0.00
Immune Deficiency	GAMASTAN *	**	11.5788%	13.6593%	\$0.00
Immune Deficiency	GAMMAGARD	**	11.5788%	13.6593%	\$0.00
Immune Deficiency	GAMMAGARD LIQUID	**	11.5788%	11.5788%	\$0.00
Immune Deficiency	GAMMAPLEX	**	11.5788%	13.6593%	\$0.00
Immune Deficiency	GAMUNEX	**	11.5788%	13.6593%	\$0.00
Immune Deficiency	HIZENTRA	**	11.5788%	12.6190%	\$0.00
Immune Deficiency	HYPERRHO S/D *	**	16.7800%	16.7800%	\$0.00
Immune Deficiency	MICRHOGAM *	**	12.6190%	13.6593%	\$0.00
Immune Deficiency	OCTAGAM	**	11.5788%	13.6593%	\$0.00
Immune Deficiency	PRIVIGEN	**	11.5788%	12.6190%	\$0.00
Immune Deficiency	RHOGAM *	**	12.6190%	13.6593%	\$0.00
Immune Deficiency	RHOPHYLAC *	**	12.6190%	13.6593%	\$0.00
Immune Deficiency	VIVAGLOBIN	**	11.5788%	12.6190%	\$0.00

Immune Deficiency	WINRHO (all forms and strengths) *	**	21.9813%	21.9813%	\$0.00
Infertility	BRAVELLE *		11.5788%	12.6190%	\$0.00
Infertility	CETROTIDE *		11.5788%	12.6190%	\$0.00
Infertility	CHORIONIC GONADOTROPIN *		11.5788%	12.6190%	\$0.00
Infertility	FOLLISTIM AQ *		11.5788%	12.6190%	\$0.00
Infertility	GANIRELIX ACETATE *		11.5788%	12.6190%	\$0.00
Infertility	GONAL-F (all forms and strengths) *		11.5788%	12.6190%	\$0.00
Infertility	LUVERIS *		11.5788%	12.6190%	\$0.00
Infertility	MENOPUR *		11.5788%	12.6190%	\$0.00
Infertility	NOVAREL *		11.5788%	12.6190%	\$0.00
Infertility	OVIDREL *		11.5788%	12.6190%	\$0.00
Infertility	PREGNYL *		11.5788%	12.6190%	\$0.00
Infertility	REPRONEX *		11.5788%	12.6190%	\$0.00
Metabolic Disorder	ALDURAZYME	**	7.4178%	7.4178%	\$0.00
Metabolic Disorder	BERINERT *		11.5788%	12.6190%	\$0.00
Metabolic Disorder	CARBAGLU		5.3373%	5.3373%	\$0.00
Metabolic Disorder	CEREZYME	**	11.5788%	12.6190%	\$0.00
Metabolic Disorder	ELAPRASE	**	11.5788%	12.6190%	\$0.00
Metabolic Disorder	FABRAZYME	**	6.3775%	6.3775%	\$0.00
Metabolic Disorder	FIRAZYR *		12.6190%	13.6593%	\$0.00
Metabolic Disorder	LUMIZYME	**	10.5385%	10.5385%	\$0.00
Metabolic Disorder	MYOZYME	**	11.5788%	11.5788%	\$0.00
Metabolic Disorder	NAGLAZYME	**	11.5788%	12.6190%	\$0.00
Metabolic Disorder	V-PRIV	**	11.5788%	12.6190%	\$0.00
Multiple Sclerosis	AMPYRA		11.5788%	11.5788%	\$0.00
Multiple Sclerosis	AVONEX		11.5788%	12.6190%	\$0.00
Multiple Sclerosis	BETASERON		11.5788%	12.6190%	\$0.00
Multiple Sclerosis	COPAXONE		11.5788%	12.6190%	\$0.00
Multiple Sclerosis	EXTAVIA		11.5788%	12.6190%	\$0.00
Multiple Sclerosis	GILENYA		11.5788%	12.6190%	\$0.00
Multiple Sclerosis	MITOXANTRONE		11.5788%	12.6190%	\$0.00
Multiple Sclerosis	NOVANTRONE		11.5788%	12.6190%	\$0.00
Multiple Sclerosis	REBIF		11.5788%	12.6190%	\$0.00
Multiple Sclerosis	TYSABRI		10.5385%	10.5385%	\$0.00
Neutropenia/Thrombocytopenia	LEUKINE		11.5788%	12.6190%	\$0.00
Neutropenia/Thrombocytopenia	NEULASTA *		11.5788%	12.6190%	\$0.00
Neutropenia/Thrombocytopenia	NEUMEGA		11.5788%	12.6190%	\$0.00
Neutropenia/Thrombocytopenia	NEUPOGEN		11.5788%	12.6190%	\$0.00
Neutropenia/Thrombocytopenia	NPLATE		11.5788%	12.6190%	\$0.00
Ophthalmics	LUCENTIS		11.5788%	12.6190%	\$0.00
Ophthalmics	MACUGEN		11.5788%	12.6190%	\$0.00
Ophthalmics	OZURDEX		11.5788%	12.6190%	\$0.00
Ophthalmics	RETISERT		6.3775%	6.3775%	\$0.00
Osteo-Arthritis	EUFLEXXA		11.5788%	12.6190%	\$0.00
Osteo-Arthritis	HYALGAN		11.5788%	12.6190%	\$0.00

Osteo-Arthritis	ORTHOVISC		11.5788%	12.6190%	\$0.00
Osteo-Arthritis	SUPARTZ		11.5788%	12.6190%	\$0.00
Osteo-Arthritis	SYNVISC		11.5788%	12.6190%	\$0.00
Osteoporosis	FORTEO		12.6190%	12.6190%	\$0.00
Osteoporosis	PROLIA		11.5788%	12.6190%	\$0.00
Other Specialty Agents	ACTHAR GEL		11.5788%	12.6190%	\$0.00
Other Specialty Agents	APOKYN		11.5788%	12.6190%	\$0.00
Other Specialty Agents	ARCALYST		11.5788%	12.6190%	\$0.00
Other Specialty Agents	ATRYN *		11.5788%	12.6190%	\$0.00
Other Specialty Agents	CYTOVENE *		11.5788%	12.6190%	\$0.00
Other Specialty Agents	DYSPORT		11.5788%	12.6190%	\$0.00
Other Specialty Agents	EXJADE		11.5788%	11.5788%	\$0.00
Other Specialty Agents	GANCICLOVIR SODIUM *		11.5788%	12.6190%	\$0.00
Other Specialty Agents	KRYSTEXXA		11.5788%	12.6190%	\$0.00
Other Specialty Agents	LUPRON DEPOT PED		11.5788%	12.6190%	\$0.00
Other Specialty Agents	MAKENA		11.5788%	12.6190%	\$0.00
Other Specialty Agents	NULOJIX *		12.6190%	12.6190%	\$0.00
Other Specialty Agents	PRIALT *		11.5788%	11.5788%	\$0.00
Other Specialty Agents	PROMACTA		11.5788%	12.6190%	\$0.00
Other Specialty Agents	QUTENZA		11.5788%	11.5788%	\$0.00
Other Specialty Agents	SABRIL *		11.5788%	11.5788%	\$0.00
Other Specialty Agents	SAMSCA *		11.5788%	12.6190%	\$0.00
Other Specialty Agents	SENSIPAR		11.5788%	12.6190%	\$0.00
Other Specialty Agents	SOMATULINE DEPOT		11.5788%	12.6190%	\$0.00
Other Specialty Agents	SOMAVERT		11.5788%	12.6190%	\$0.00
Other Specialty Agents	SUPPRELIN LA		11.5788%	12.6190%	\$0.00
Other Specialty Agents	VIVITROL		11.5788%	12.6190%	\$0.00
Other Specialty Agents	XENAZINE		11.5788%	12.6190%	\$0.00
Other Specialty Agents	XEOMIN		1.1763%	5.3373%	\$0.00
Phenylketonuria (PKU)	KUVAN		11.5788%	12.6190%	\$0.00
Psoriasis	AMEVIVE		11.5788%	12.6190%	\$0.00
Pulmonary	ARALAST	**	11.5788%	11.5788%	\$0.00
Pulmonary	GLASSIA	**	11.5788%	11.5788%	\$0.00
Pulmonary	PULMOZYME		11.5788%	12.6190%	\$0.00
Pulmonary	TOBI		11.5788%	12.6190%	\$0.00
Pulmonary	XOLAIR		12.6190%	12.6190%	\$0.00
Pulmonary	ZEMAIRA	**	11.5788%	11.5788%	\$0.00
Pulmonary Hypertension	ADCIRCA		11.5788%	12.6190%	\$0.00
Pulmonary Hypertension	EPOPROSTENOL SODIUM	**	Plus 4.0250%	Plus 4.0250%	\$0.00
Pulmonary Hypertension	FLOLAN	**	Plus 4.0250%	Plus 4.0250%	\$0.00
Pulmonary Hypertension	LETAIRIS		11.5788%	12.6190%	\$0.00
Pulmonary Hypertension	REMODULIN	**	Plus 4.0250%	Plus 4.0250%	\$0.00
Pulmonary Hypertension	REVATIO		11.5788%	12.6190%	\$0.00
Pulmonary Hypertension	TRACLEER		11.5788%	12.6190%	\$0.00
Pulmonary Hypertension	TYVASO	**	Plus 4.0250%	Plus 4.0250%	\$0.00

Pulmonary Hypertension	VELETRI	**	Plus 4.0250%	Plus 4.0250%	\$0.00
Pulmonary Hypertension	VENTAVIS	**	Plus 4.0250%	Plus 4.0250%	\$0.00
Respiratory Syncytial Virus	SYNAGIS		11.5788%	12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	ACTEMRA		6.3775%	7.4178%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	BENLYSTA		11.5788%	12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	ENBREL		11.5788%	12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	HUMIRA		11.5788%	12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	KINERET		11.5788%	12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	ORENCIA		10.5385%	10.5385%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	ORENCIA SC		10.5385%	10.5385%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	REMICADE		11.5788%	12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	SIMPONI		11.5788%	12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	STELARA		11.5788%	12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	XIAFLEX		10.5385%	10.5385%	\$0.00

EXTENDED SPECIALTY DRUG LIST			Non Exclusive	Exclusive	
Therapy	Drug	Per Dose & Nursing Service Charges	AWP Discount	AWP Discount	Dispensing Fees
Cancer	8-MOP		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	ADRIAMYCIN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	ADRUCIL*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	AGRYLIN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00

Cancer	ALIMTA		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	ALKERAN		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	ALOXI*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	ANAGRELIDE HYDROCHLORIDE*		MAC	MAC	\$0.00
Cancer	ANZEMET*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	BICALUTAMIDE		MAC	MAC	\$0.00
Cancer	BICNU*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	BLENOXANE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	BLEOMYCIN SULFATE*		MAC	MAC	\$0.00
Cancer	CAMPATH*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	CAMPTOSAR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	CARBOPLATIN*		MAC	MAC	\$0.00
Cancer	CASODEX		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	CISPLATIN*		MAC	MAC	\$0.00
Cancer	CLADRIBINE*		MAC	MAC	\$0.00
Cancer	COSMEGEN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	CYCLOPHOSPHAMIDE		MAC	MAC	\$0.00
Cancer	CYTARABINE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00

Cancer	CYTOXAN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	DACARBAZINE*		MAC	MAC	\$0.00
Cancer	DELESTROGEN		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	DEPOCYT*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	DOXIL*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	DOXORUBICIN HCL*		MAC	MAC	\$0.00
Cancer	DTIC-DOME IV*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	EFUDEX*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	ELOXATIN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	EMCYT*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	ESTRADIOL VALERATE		MAC	MAC	\$0.00
Cancer	ETOPOPHOS*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	ETOPOSIDE		MAC	MAC	\$0.00
Cancer	FASLODEX*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	FLOXURIDINE*		MAC	MAC	\$0.00
Cancer	FLUDARA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	FLUDARABINE PHOSPHATE*		MAC	MAC	\$0.00
Cancer	FLUOROURACIL		MAC	MAC	\$0.00

Cancer	FUDR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	GEMZAR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	GLIADEL*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	HEXALEN		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	IFEX*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	IFOSFAMIDE (all forms and strengths)*		MAC	MAC	\$0.00
Cancer	IRINOTECAN HCL*		MAC	MAC	\$0.00
Cancer	MELPHALAN HCL*		MAC	MAC	\$0.00
Cancer	MESNA*		MAC	MAC	\$0.00
Cancer	MESNEX		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	METHOTREXATE*		MAC	MAC	\$0.00
Cancer	MUSTARGEN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	MYOBLOC		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	NAVELBINE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	NEOSAR*		MAC	MAC	\$0.00
Cancer	ONXOL*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	OXALIPLATIN*		MAC	MAC	\$0.00
Cancer	PACLITAXEL*		MAC	MAC	\$0.00
Cancer	PANRETIN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00

Cancer	PARAPLATIN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	PLATINOL-AQ*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	TARABINE PFS*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	TARGRETIN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	TAXOL*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	TAXOTERE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	THERACYS*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	THIOTEPA*		MAC	MAC	\$0.00
Cancer	TICE BCG*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	TOPOSAR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	TRELSTAR DEPOT*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	TRELSTAR LA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	TRETINOIN		MAC	MAC	\$0.00
Cancer	TRISENOX*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	VALERGEN-20*		MAC	MAC	\$0.00
Cancer	VEPESID*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00

Cancer	VESANOID*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Cancer	VINBLASTINE SULFATE*		MAC	MAC	\$0.00
Cancer	VINCRISTINE SULFATE*		MAC	MAC	\$0.00
Cancer	VINORELBINE TARTRATE*		MAC	MAC	\$0.00
Hemophilia	DDAVP*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Hemophilia	DESMOPRESSIN ACETATE*		MAC	MAC	\$0.00
Hepatitis B	BARACLUDGE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Hepatitis B	HEPAGAM B*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Hepatitis B	HEPSERA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Hepatitis B	HYPERHEP B S-D*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Hepatitis B	NABI-HB*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	APTIVUS*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	COMBIVIR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	CRIXIVAN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	DIDANOSINE*		MAC	MAC	\$0.00
HIV	EMTRIVA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	EPIVIR (all forms and strengths)		Mail Brand	Mail Brand	\$0.00

			AWP Discount	AWP Discount	
HIV	EPZICOM*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	INTELENCE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	INVIRASE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	KALETRA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	LEXIVA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	NORVIR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	PREZISTA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	RESCRIPTOR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	RETROVIR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	REYATAZ*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	STAVUDINE*		MAC	MAC	\$0.00
HIV	SUSTIVA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	TRIZIVIR*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	VIDEX (all forms and strengths)*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00

HIV	VIRAMUNE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	VIREAD*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	ZERIT*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	ZIAGEN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
HIV	ZIDOVUDINE*		MAC	MAC	\$0.00
Iron Overload	DEFERAL*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Osteoporosis	AREDIA		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Osteoporosis	BONIVA		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Osteoporosis	PAMIDRONATE DISODIUM		MAC	MAC	\$0.00
Osteoporosis	RECLAST		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Osteoporosis	ZOMETA*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Other Specialty Agents	BOTOX (all forms and strengths)		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Other Specialty Agents	DEFEROXAMINE MESYLATE*		MAC	MAC	\$0.00
PNE, diabetes insipidus	MINIRIN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Psoriasis	OXSORALEN (all forms and strengths)		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
PSORIASIS	UVADEX*		Mail Brand	Mail Brand	\$0.00

			AWP Discount	AWP Discount	
Rheumatoid Arthritis/Cancer	METHOTREXATE SODIUM*		MAC	MAC	\$0.00
Rheumatoid Arthritis/Cancer	RHEUMATREX*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Rheumatoid Arthritis/Cancer	TREXALL*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant	CELLCEPT*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant	CYCLOSPORINE*		MAC	MAC	\$0.00
Transplant	GENGRAF*		MAC	MAC	\$0.00
Transplant	IMURAN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant	MYCOPHENOLATE MOFETIL*		MAC	MAC	\$0.00
Transplant	MYFORTIC*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant	NEORAL*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant	PROGRAF*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant	RAPAMUNE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant	SANDIMMUNE*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant	TACROLIMUS (all forms and strengths)*		MAC	MAC	\$0.00
Transplant	ZENAPAX*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00
Transplant/Rheumatoid Arthritis	AZASAN*		Mail Brand AWP Discount	Mail Brand AWP Discount	\$0.00

Transplant/Rheumatoid Arthritis	AZATHIOPRINE (all forms and strengths)*		MAC	MAC	\$0.00
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Retail SPECIALTY DRUG LIST			
Therapy	Drug	AWP Discount	Dispensing Fee
Anemia	ARANESP	12.6190%	\$1.05
Anemia	EPOGEN	12.6190%	\$1.05
Anemia	PROCRIT	12.6190%	\$1.05
Anemia	SOLIRIS	12.6190%	\$1.05
Cancer	ABRAXANE	12.6190%	\$1.05
Cancer	ADCETRIS	11.5788%	\$1.05
Cancer	AFINITOR	12.6190%	\$1.05
Cancer	ARRANON	12.6190%	\$1.05
Cancer	ARZERRA	12.6190%	\$1.05
Cancer	AVASTIN	12.6190%	\$1.05
Cancer	DACOGEN	12.6190%	\$1.05
Cancer	ELIGARD	12.6190%	\$1.05
Cancer	ERBITUX	12.6190%	\$1.05
Cancer	FIRMAGON	12.6190%	\$1.05
Cancer	FOLOTYN	12.6190%	\$1.05
Cancer	GLEEVEC	12.6190%	\$1.05
Cancer	HALAVEN	11.5788%	\$1.05
Cancer	HERCEPTIN	12.6190%	\$1.05
Cancer	HYCAMTIN ORAL	12.6190%	\$1.05
Cancer	ISTODAX	12.6190%	\$1.05
Cancer	IXEMPRA	12.6190%	\$1.05
Cancer	JEVTANA	12.6190%	\$1.05
Cancer	LEUPROLIDE	12.6190%	\$1.05
Cancer	LUPRON DEPOT	12.6190%	\$1.05
Cancer	MOZOBIL	12.6190%	\$1.05
Cancer	NEXAVAR	12.6190%	\$1.05
Cancer	OCTREOTIDE ACETATE	12.6190%	\$1.05
Cancer	OFORTA	12.6190%	\$1.05
Cancer	PROLEUKIN	12.6190%	\$1.05
Cancer	REVLIMID	12.6190%	\$1.05
Cancer	RITUXAN	12.6190%	\$1.05
Cancer	SANDOSTATIN (all forms and strengths)	12.6190%	\$1.05
Cancer	SPRYCEL	12.6190%	\$1.05
Cancer	SUTENT	12.6190%	\$1.05
Cancer	SYLATRON	12.6190%	\$1.05
Cancer	TARCEVA	12.6190%	\$1.05
Cancer	TASIGNA	12.6190%	\$1.05
Cancer	TEMODAR	12.6190%	\$1.05
Cancer	THALOMID	12.6190%	\$1.05
Cancer	TORISEL	12.6190%	\$1.05
Cancer	TREANDA	12.6190%	\$1.05
Cancer	TYKERB	12.6190%	\$1.05
Cancer	VANTAS	12.6190%	\$1.05
Cancer	VECTIBIX	12.6190%	\$1.05

Cancer	VELCADE	12.6190%	\$1.05
Cancer	VIDAZA	12.6190%	\$1.05
Cancer	VOTRIENT	12.6190%	\$1.05
Cancer	XALKORI	12.6190%	\$1.05
Cancer	XELODA	12.6190%	\$1.05
Cancer	XGEVA	11.5788%	\$1.05
Cancer	YERVOY	12.6190%	\$1.05
Cancer	ZELBORAF	Plus 4.0250%	\$1.05
Cancer	ZOLADAX	12.6190%	\$1.05
Cancer	ZOLINZA	12.6190%	\$1.05
Cancer	ZYTIGA	12.6190%	\$1.05
Crohn's Disease	CIMZIA	12.6190%	\$1.05
DVT/Anticoagulation	ARIXTRA	12.6190%	\$1.05
DVT/Anticoagulation	ENOXAPARIN SODIUM	12.6190%	\$1.05
DVT/Anticoagulation	FONDAPARINUX SODIUM	12.6190%	\$1.05
DVT/Anticoagulation	FRAGMIN	12.6190%	\$1.05
DVT/Anticoagulation	INNOHEP	12.6190%	\$1.05
DVT/Anticoagulation	IPRIVASK	12.6190%	\$1.05
DVT/Anticoagulation	LOVENOX	12.6190%	\$1.05
Growth Stimulating Agents	GENOTROPIN	12.6190%	\$1.05
Growth Stimulating Agents	HUMATROPE	12.6190%	\$1.05
Growth Stimulating Agents	INCRELEX	Plus 4.0250%	\$1.05
Growth Stimulating Agents	NORDITROPIN (all forms and strengths)	12.6190%	\$1.05
Growth Stimulating Agents	NUTROPIN (all forms and strengths)	12.6190%	\$1.05
Growth Stimulating Agents	OMNITROPE	12.6190%	\$1.05
Growth Stimulating Agents	SAIZEN	12.6190%	\$1.05
Growth Stimulating Agents	SEROSTIM	12.6190%	\$1.05
Growth Stimulating Agents	TEV-TROPIN	12.6190%	\$1.05
Growth Stimulating Agents	ZORBTIVE	12.6190%	\$1.05
Hemophilia	ADVATE	12.6190%	\$1.05
Hemophilia	ALPHANATE	12.6190%	\$1.05
Hemophilia	ALPHANINE SD	12.6190%	\$1.05
Hemophilia	BEBULIN	12.6190%	\$1.05
Hemophilia	BENEFIX	12.6190%	\$1.05
Hemophilia	CORIFACT	12.6190%	\$1.05
Hemophilia	FEIBA	12.6190%	\$1.05
Hemophilia	HELIXATE (all forms and strengths)	12.6190%	\$1.05
Hemophilia	HEMOPIL M	12.6190%	\$1.05
Hemophilia	HUMATE-P	12.6190%	\$1.05
Hemophilia	KOATE (all forms and strengths)	12.6190%	\$1.05
Hemophilia	KOGENATE	12.6190%	\$1.05
Hemophilia	MONOCLATE P	12.6190%	\$1.05
Hemophilia	MONONINE	12.6190%	\$1.05
Hemophilia	NOVOSEVEN RT	12.6190%	\$1.05
Hemophilia	PROFILNINE (all forms and strengths)	12.6190%	\$1.05
Hemophilia	RECOMBINATE	12.6190%	\$1.05
Hemophilia	RIASTAP	12.6190%	\$1.05
Hemophilia	STIMATE	12.6190%	\$1.05

Hemophilia	WILATE	12.6190%	\$1.05
Hemophilia	XYNTHA (all forms and strengths)	12.6190%	\$1.05
Hepatitis	COPEGUS	12.6190%	\$1.05
Hepatitis	INCIVEK	12.6190%	\$1.05
Hepatitis	INFERGEN	12.6190%	\$1.05
Hepatitis	INTRON A (all forms and strengths)	12.6190%	\$1.05
Hepatitis	PEGASYS	12.6190%	\$1.05
Hepatitis	PEG-INTRON (all forms and strengths)	12.6190%	\$1.05
Hepatitis	REBETOL	12.6190%	\$1.05
Hepatitis	RIBASPHERE	12.6190%	\$1.05
Hepatitis	RIBAVIRIN	12.6190%	\$1.05
Hepatitis	VICTRELIS	12.6190%	\$1.05
Hereditary Tyrosinemia	ORFADIN	Plus 4.0250%	\$1.05
HIV	EGRIFTA	12.6190%	\$1.05
HIV	FUZEON	12.6190%	\$1.05
Homocystinuria	CYSTADANE	12.6190%	\$1.05
Immune Deficiency	ACTIMMUNE	12.6190%	\$1.05
Immune Deficiency	ADAGEN	Plus 4.0250%	\$1.05
Immune Deficiency	CARIMUNE NF	12.6190%	\$1.05
Immune Deficiency	CYTOGAM	12.6190%	\$1.05
Immune Deficiency	FLEBOGAMMA	12.6190%	\$1.05
Immune Deficiency	GAMASTAN	12.6190%	\$1.05
Immune Deficiency	GAMMAGARD	12.6190%	\$1.05
Immune Deficiency	GAMMAGARD LIQUID	12.6190%	\$1.05
Immune Deficiency	GAMMAPLEX	12.6190%	\$1.05
Immune Deficiency	GAMUNEX	12.6190%	\$1.05
Immune Deficiency	HIZENTRA	12.6190%	\$1.05
Immune Deficiency	HYPERRHO S/D	12.6190%	\$1.05
Immune Deficiency	MICRHOGAM	12.6190%	\$1.05
Immune Deficiency	OCTAGAM	12.6190%	\$1.05
Immune Deficiency	PRIVIGEN	12.6190%	\$1.05
Immune Deficiency	RHOGAM	12.6190%	\$1.05
Immune Deficiency	RHOPHYLAC	12.6190%	\$1.05
Immune Deficiency	VIVAGLOBIN	12.6190%	\$1.05
Immune Deficiency	WINRHO (all forms and strengths)	12.6190%	\$1.05
Infertility	BRAVELLE	12.6190%	\$1.05
Infertility	CETROTIDE	12.6190%	\$1.05
Infertility	CHORIONIC GONADOTROPIN	12.6190%	\$1.05
Infertility	FOLLISTIM AQ	12.6190%	\$1.05
Infertility	GANIRELIX ACETATE	12.6190%	\$1.05
Infertility	GONAL-F (all forms and strengths)	12.6190%	\$1.05
Infertility	LUVERIS	12.6190%	\$1.05
Infertility	MENOPUR	12.6190%	\$1.05
Infertility	NOVAREL	12.6190%	\$1.05
Infertility	OVIDREL	12.6190%	\$1.05
Infertility	PREGNYL	12.6190%	\$1.05
Infertility	REPRONEX	12.6190%	\$1.05
Metabolic Disorder	ALDURAZYME	12.6190%	\$1.05

Metabolic Disorder	BERINERT	12.6190%	\$1.05
Metabolic Disorder	CARBAGLU	11.5788%	\$1.05
Metabolic Disorder	CEREZYME	12.6190%	\$1.05
Metabolic Disorder	ELAPRASE	12.6190%	\$1.05
Metabolic Disorder	FABRAZYME	12.6190%	\$1.05
Metabolic Disorder	FIRAZYR	12.6190%	\$1.05
Metabolic Disorder	LUMIZYME	11.5788%	\$1.05
Metabolic Disorder	MYOZYME	12.6190%	\$1.05
Metabolic Disorder	NAGLAZYME	12.6190%	\$1.05
Metabolic Disorder	V-PRIV	12.6190%	\$1.05
Multiple Sclerosis	AMPYRA	11.5788%	\$1.05
Multiple Sclerosis	AVONEX	12.6190%	\$1.05
Multiple Sclerosis	BETASERON	12.6190%	\$1.05
Multiple Sclerosis	COPAXONE	12.6190%	\$1.05
Multiple Sclerosis	EXTAVIA	12.6190%	\$1.05
Multiple Sclerosis	GILENYA	12.6190%	\$1.05
Multiple Sclerosis	MITOXANTRONE	12.6190%	\$1.05
Multiple Sclerosis	NOVANTRONE	12.6190%	\$1.05
Multiple Sclerosis	REBIF	12.6190%	\$1.05
Multiple Sclerosis	TYSABRI	11.5788%	\$1.05
Neutropenia/Thrombocytopenia	LEUKINE	12.6190%	\$1.05
Neutropenia/Thrombocytopenia	NEULASTA	12.6190%	\$1.05
Neutropenia/Thrombocytopenia	NEUMEGA	12.6190%	\$1.05
Neutropenia/Thrombocytopenia	NEUPOGEN	12.6190%	\$1.05
Neutropenia/Thrombocytopenia	NPLATE	12.6190%	\$1.05
Ophthalmics	LUCENTIS	12.6190%	\$1.05
Ophthalmics	MACUGEN	12.6190%	\$1.05
Ophthalmics	OZURDEX	12.6190%	\$1.05
Ophthalmics	RETISERT	11.5788%	\$1.05
Osteo-Arthritis	EUFLEXXA	12.6190%	\$1.05
Osteo-Arthritis	HYALGAN	12.6190%	\$1.05
Osteo-Arthritis	ORTHOVISC	12.6190%	\$1.05
Osteo-Arthritis	SUPARTZ	12.6190%	\$1.05
Osteo-Arthritis	SYNVISC	12.6190%	\$1.05
Osteoporosis	FORTEO	12.6190%	\$1.05
Osteoporosis	PROLIA	11.5788%	\$1.05
Other Specialty Agents	ACTHAR GEL	12.6190%	\$1.05
Other Specialty Agents	APOKYN	12.6190%	\$1.05
Other Specialty Agents	ARCALYST	12.6190%	\$1.05
Other Specialty Agents	ATRYN	12.6190%	\$1.05
Other Specialty Agents	CYTOVENE	12.6190%	\$1.05
Other Specialty Agents	DYSPORT	12.6190%	\$1.05
Other Specialty Agents	EXJADE	11.5788%	\$1.05
Other Specialty Agents	GANCICLOVIR SODIUM	12.6190%	\$1.05
Other Specialty Agents	KRYSTEXXA	11.5788%	\$1.05
Other Specialty Agents	LUPRON DEPOT PED	12.6190%	\$1.05
Other Specialty Agents	MAKENA	12.6190%	\$1.05
Other Specialty Agents	NULOJIX	12.6190%	\$1.05

Other Specialty Agents	PRIALT	11.5788%	\$1.05
Other Specialty Agents	PROMACTA	12.6190%	\$1.05
Other Specialty Agents	QUTENZA	11.5788%	\$1.05
Other Specialty Agents	SABRIL	12.6190%	\$1.05
Other Specialty Agents	SAMSCA	12.6190%	\$1.05
Other Specialty Agents	SENSIPAR	12.6190%	\$1.05
Other Specialty Agents	SOMATULINE DEPOT	12.6190%	\$1.05
Other Specialty Agents	SOMAVERT	12.6190%	\$1.05
Other Specialty Agents	SUPPRELIN LA	12.6190%	\$1.05
Other Specialty Agents	VIVITROL	12.6190%	\$1.05
Other Specialty Agents	XENAZINE	12.6190%	\$1.05
Other Specialty Agents	XEOMIN	Plus 4.0250%	\$1.05
Phenylketonuria (PKU)	KUVAN	12.6190%	\$1.05
Psoriasis	AMEVIVE	12.6190%	\$1.05
Pulmonary	ARALAST	12.6190%	\$1.05
Pulmonary	GLASSIA	11.5788%	\$1.05
Pulmonary	PULMOZYME	12.6190%	\$1.05
Pulmonary	TOBI	12.6190%	\$1.05
Pulmonary	XOLAIR	12.6190%	\$1.05
Pulmonary	ZEMAIRA	12.6190%	\$1.05
Pulmonary Hypertension	ADCIRCA	12.6190%	\$1.05
Pulmonary Hypertension	EPOPROSTENOL SODIUM	Plus 4.0250%	\$1.05
Pulmonary Hypertension	FLOLAN	Plus 4.0250%	\$1.05
Pulmonary Hypertension	LETAIRIS	12.6190%	\$1.05
Pulmonary Hypertension	REMODULIN	Plus 4.0250%	\$1.05
Pulmonary Hypertension	REVATIO	12.6190%	\$1.05
Pulmonary Hypertension	TRACLEER	12.6190%	\$1.05
Pulmonary Hypertension	TYVASO	Plus 4.0250%	\$1.05
Pulmonary Hypertension	VELETRI	Plus 4.0250%	\$1.05
Pulmonary Hypertension	VENTAVIS	Plus 4.0250%	\$1.05
Respiratory Syncytial Virus	SYNAGIS	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	ACTEMRA	Plus 4.0250%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	BENLYSTA	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	ENBREL	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	HUMIRA	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	KINERET	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	ORENCIA	11.5788%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	ORENCIA SC	11.5788%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	REMICADE	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	SIMPONI	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	STELARA	12.6190%	\$1.05

Rheumatoid Arthritis and other autoimmune conditions	XIAFLEX	Plus 4.0250%	\$1.05
EXTENDED SPECIALTY DRUG LIST			
Therapy	Drug	AWP Discount	Dispensing Fee
Cancer	8-MOP	Retail Brand AWP Discount	\$1.05
Cancer	ADRIAMYCIN	Retail Brand AWP Discount	\$1.05
Cancer	ADRUCIL	Retail Brand AWP Discount	\$1.05
Cancer	AGRYLIN	Retail Brand AWP Discount	\$1.05
Cancer	ALIMTA	Retail Brand AWP Discount	\$1.05
Cancer	ALKERAN	Retail Brand AWP Discount	\$1.05
Cancer	ALOXI	Retail Brand AWP Discount	\$1.05
Cancer	ANAGRELIDE HYDROCHLORIDE	MAC	\$1.05
Cancer	ANZEMET	Retail Brand AWP Discount	\$1.05
Cancer	BICALUTAMIDE	MAC	\$1.05
Cancer	BICNU	Retail Brand AWP Discount	\$1.05
Cancer	BLENOXANE	Retail Brand AWP Discount	\$1.05
Cancer	BLEOMYCIN SULFATE	MAC	\$1.05
Cancer	CAMPATH	Retail Brand AWP Discount	\$1.05
Cancer	CAMPTOSAR	Retail Brand AWP Discount	\$1.05
Cancer	CARBOPLATIN	MAC	\$1.05
Cancer	CASODEX	Retail Brand AWP Discount	\$1.05
Cancer	CISPLATIN	MAC	\$1.05
Cancer	CLADRIBINE	MAC	\$1.05
Cancer	COSMEGEN	Retail Brand AWP Discount	\$1.05
Cancer	CYCLOPHOSPHAMIDE	MAC	\$1.05
Cancer	CYTARABINE	Retail Brand AWP Discount	\$1.05
Cancer	CYTOXAN	Retail Brand AWP Discount	\$1.05
Cancer	DACARBAZINE	MAC	\$1.05
Cancer	DELESTROGEN	Retail Brand AWP Discount	\$1.05

Cancer	DEPOCYT	Retail Brand AWP Discount	\$1.05
Cancer	DOXIL	Retail Brand AWP Discount	\$1.05
Cancer	DOXORUBICIN HCL	MAC	\$1.05
Cancer	DTIC-DOME IV	Retail Brand AWP Discount	\$1.05
Cancer	EFUDEX	Retail Brand AWP Discount	\$1.05
Cancer	ELOXATIN	Retail Brand AWP Discount	\$1.05
Cancer	EMCYT	Retail Brand AWP Discount	\$1.05
Cancer	ESTRADIOL VALERATE	MAC	\$1.05
Cancer	ETOPOPHOS	Retail Brand AWP Discount	\$1.05
Cancer	ETOPOSIDE	MAC	\$1.05
Cancer	FASLODEX	Retail Brand AWP Discount	\$1.05
Cancer	FLOXURIDINE	MAC	\$1.05
Cancer	FLUDARA	Retail Brand AWP Discount	\$1.05
Cancer	FLUDARABINE PHOSPHATE	MAC	\$1.05
Cancer	FLUOROURACIL	MAC	\$1.05
Cancer	FUDR	Retail Brand AWP Discount	\$1.05
Cancer	GEMZAR	Retail Brand AWP Discount	\$1.05
Cancer	GLIADEL	Retail Brand AWP Discount	\$1.05
Cancer	HEXALEN	Retail Brand AWP Discount	\$1.05
Cancer	IFEX	Retail Brand AWP Discount	\$1.05
Cancer	IFOSFAMIDE (all forms and strengths)	MAC	\$1.05
Cancer	IRINOTECAN HCL	MAC	\$1.05
Cancer	MELPHALAN HCL	MAC	\$1.05
Cancer	MESNA	MAC	\$1.05
Cancer	MESNEX	Retail Brand AWP Discount	\$1.05
Cancer	METHOTREXATE	MAC	\$1.05
Cancer	MUSTARGEN	Retail Brand AWP Discount	\$1.05
Cancer	MYOBLOC	Retail Brand AWP Discount	\$1.05
Cancer	NAVELBINE	Retail Brand AWP Discount	\$1.05
Cancer	NEOSAR	MAC	\$1.05

Cancer	ONXOL	Retail Brand AWP Discount	\$1.05
Cancer	OXALIPLATIN	MAC	\$1.05
Cancer	PACLITAXEL	MAC	\$1.05
Cancer	PANRETIN	Retail Brand AWP Discount	\$1.05
Cancer	PARAPLATIN	Retail Brand AWP Discount	\$1.05
Cancer	PLATINOL-AQ	Retail Brand AWP Discount	\$1.05
Cancer	TARABINE PFS	Retail Brand AWP Discount	\$1.05
Cancer	TARGRETIN	Retail Brand AWP Discount	\$1.05
Cancer	TAXOL	Retail Brand AWP Discount	\$1.05
Cancer	TAXOTERE	Retail Brand AWP Discount	\$1.05
Cancer	THERACYS	Retail Brand AWP Discount	\$1.05
Cancer	THIOTEPA	MAC	\$1.05
Cancer	TICE BCG	Retail Brand AWP Discount	\$1.05
Cancer	TOPOSAR	Retail Brand AWP Discount	\$1.05
Cancer	TRELSTAR DEPOT	Retail Brand AWP Discount	\$1.05
Cancer	TRELSTAR LA	Retail Brand AWP Discount	\$1.05
Cancer	TRETINOIN	MAC	\$1.05
Cancer	TRISENOX	Retail Brand AWP Discount	\$1.05
Cancer	VALERGEN-20	MAC	\$1.05
Cancer	VEPESID	Retail Brand AWP Discount	\$1.05
Cancer	VESANOID	Retail Brand AWP Discount	\$1.05
Cancer	VINBLASTINE SULFATE	MAC	\$1.05
Cancer	VINCRISTINE SULFATE	MAC	\$1.05
Cancer	VINORELBINE TARTRATE	MAC	\$1.05
Hemophilia	DDAVP	Retail Brand AWP Discount	\$1.05
Hemophilia	DESMOPRESSIN ACETATE	MAC	\$1.05
Hepatitis B	BARACLUDE	Retail Brand AWP Discount	\$1.05
Hepatitis B	HEPAGAM B	Retail Brand AWP Discount	\$1.05
Hepatitis B	HEPSERA	Retail Brand AWP Discount	\$1.05

Hepatitis B	HYPERHEP B S-D	Retail Brand AWP Discount	\$1.05
Hepatitis B	NABI-HB	Retail Brand AWP Discount	\$1.05
HIV	APTIVUS	Retail Brand AWP Discount	\$1.05
HIV	COMBIVIR	Retail Brand AWP Discount	\$1.05
HIV	CRIXIVAN	Retail Brand AWP Discount	\$1.05
HIV	DIDANOSINE	MAC	\$1.05
HIV	EMTRIVA	Retail Brand AWP Discount	\$1.05
HIV	EPIVIR (all forms and strengths)	Retail Brand AWP Discount	\$1.05
HIV	EPZICOM	Retail Brand AWP Discount	\$1.05
HIV	INTELENCE	Retail Brand AWP Discount	\$1.05
HIV	INVIRASE	Retail Brand AWP Discount	\$1.05
HIV	KALETRA	Retail Brand AWP Discount	\$1.05
HIV	LEXIVA	Retail Brand AWP Discount	\$1.05
HIV	NORVIR	Retail Brand AWP Discount	\$1.05
HIV	PREZISTA	Retail Brand AWP Discount	\$1.05
HIV	RESCRIPTOR	Retail Brand AWP Discount	\$1.05
HIV	RETROVIR	Retail Brand AWP Discount	\$1.05
HIV	REYATAZ	Retail Brand AWP Discount	\$1.05
HIV	STAVUDINE	MAC	\$1.05
HIV	SUSTIVA	Retail Brand AWP Discount	\$1.05
HIV	TRIZIVIR	Retail Brand AWP Discount	\$1.05
HIV	VIDEX (all forms and strengths)	Retail Brand AWP Discount	\$1.05
HIV	VIRAMUNE	Retail Brand AWP Discount	\$1.05
HIV	VIREAD	Retail Brand AWP Discount	\$1.05
HIV	ZERIT	Retail Brand AWP Discount	\$1.05

HIV	ZIAGEN	Retail Brand AWP Discount	\$1.05
HIV	ZIDOVUDINE	MAC	\$1.05
Iron Overload	DESFERAL	Retail Brand AWP Discount	\$1.05
Osteoporosis	ARELIA	Retail Brand AWP Discount	\$1.05
Osteoporosis	BONIVA	Retail Brand AWP Discount	\$1.05
Osteoporosis	PAMIDRONATE DISODIUM	MAC	\$1.05
Osteoporosis	RECLAST	Retail Brand AWP Discount	\$1.05
Osteoporosis	ZOMETA	Retail Brand AWP Discount	\$1.05
Other Specialty Agents	BOTOX (all forms and strengths)	Retail Brand AWP Discount	\$1.05
Other Specialty Agents	DEFEROXAMINE MESYLATE	MAC	\$1.05
PNE, diabetes insipidus	MINIRIN	Retail Brand AWP Discount	\$1.05
Psoriasis	OXSORALEN (all forms and strengths)	Retail Brand AWP Discount	\$1.05
Psoriasis	UVADEX	Retail Brand AWP Discount	\$1.05
Rheumatoid Arthritis/Cancer	METHOTREXATE SODIUM	MAC	\$1.05
Rheumatoid Arthritis/Cancer	RHEUMATREX	Retail Brand AWP Discount	\$1.05
Rheumatoid Arthritis/Cancer	TREXALL	Retail Brand AWP Discount	\$1.05
Transplant	CELLCEPT	Retail Brand AWP Discount	\$1.05
Transplant	CYCLOSPORINE	MAC	\$1.05
Transplant	GENGRAF	MAC	\$1.05
Transplant	IMURAN	Retail Brand AWP Discount	\$1.05
Transplant	MYCOPHENOLATE MOFETIL	MAC	\$1.05
Transplant	MYFORTIC	Retail Brand AWP Discount	\$1.05
Transplant	NEORAL	Retail Brand AWP Discount	\$1.05
Transplant	PROGRAF	Retail Brand AWP Discount	\$1.05
Transplant	RAPAMUNE	Retail Brand AWP Discount	\$1.05
Transplant	SANDIMMUNE	Retail Brand AWP Discount	\$1.05
Transplant	TACROLIMUS (all forms and strengths)	MAC	\$1.05
Transplant	ZENAPAX	Retail Brand AWP Discount	\$1.05

Transplant/Rheumatoid Arthritis	AZASAN	Retail Brand AWP Discount	\$1.05
Transplant/Rheumatoid Arthritis	AZATHIOPRINE (all forms and strengths)	MAC	\$1.05

1. If carrier rates (i.e., U.S. mail and/or applicable commercial courier services) increase during the term of this Agreement, the Dispensing Fee will be increased to reflect such increase(s).
2. Charges for nursing visits and costs of supplies, equipment (e.g., pumps), and clinical monitoring required to administer certain Specialty Drugs indicated with ** above will be billed through Connecticut Public Sector Coalition 's medical carrier at rates that have been agreed between Medco and the medical carrier.
3. Connecticut Public Sector Coalition will pay Medco for the Covered Drugs listed on the Extended Specialty Drug List above based on the pricing set forth in the Mail-Order Pharmacy Program.
4. Please note that all rebates and guarantees, including net effective discounts, for Extended Specialty Drug List products (specialty drugs dispensed through Medco's mail-order pharmacies) are consistent with the rebates and guarantees for non-specialty drugs. Furthermore, Covered Drugs included under the Extended Specialty Drug list will be included in all calculations and measurements, as applicable, credits and payments under the Mail-Order Pharmacy Program. This inclusion relates to measurements of applicable Performance Standards and Penalties, Total Rebates and other applicable financial guarantees.
5. For the Exclusive Offer this pricing is contingent on Medco being the exclusive provider of Specialty Drugs through mail (e.g., US Postal Service, Federal Express, or other similar couriers), except those drugs designated above with an asterisk *. This pricing may be modified based upon state law requirements.

CORE SPECIALTY DRUG LIST			
Therapy	Drug	AWP Discount	Dispensing Fee
Anemia	ARANESP	12.6190%	\$1.05
Anemia	EPOGEN	12.6190%	\$1.05
Anemia	PROCRIT	12.6190%	\$1.05
Anemia	SOLIRIS	12.6190%	\$1.05
Cancer	ABRAXANE	12.6190%	\$1.05
Cancer	ADCETRIS	11.5788%	\$1.05
Cancer	AFINITOR	12.6190%	\$1.05
Cancer	ARRANON	12.6190%	\$1.05
Cancer	ARZERRA	12.6190%	\$1.05
Cancer	AVASTIN	12.6190%	\$1.05
Cancer	DACOGEN	12.6190%	\$1.05
Cancer	ELIGARD	12.6190%	\$1.05
Cancer	ERBITUX	12.6190%	\$1.05
Cancer	FIRMAGON	12.6190%	\$1.05
Cancer	FOLOTYN	12.6190%	\$1.05
Cancer	GLEEVEC	12.6190%	\$1.05
Cancer	HALAVEN	11.5788%	\$1.05
Cancer	HERCEPTIN	12.6190%	\$1.05
Cancer	HYCAMTIN ORAL	12.6190%	\$1.05
Cancer	ISTODAX	12.6190%	\$1.05
Cancer	IXEMPRA	12.6190%	\$1.05
Cancer	JEVTANA	12.6190%	\$1.05
Cancer	LEUPROLIDE	12.6190%	\$1.05
Cancer	LUPRON DEPOT	12.6190%	\$1.05
Cancer	MOZOBIL	12.6190%	\$1.05
Cancer	NEXAVAR	12.6190%	\$1.05
Cancer	OCTREOTIDE ACETATE	12.6190%	\$1.05
Cancer	OFORTA	12.6190%	\$1.05
Cancer	PROLEUKIN	12.6190%	\$1.05
Cancer	REVLIMID	12.6190%	\$1.05
Cancer	RITUXAN	12.6190%	\$1.05
Cancer	SANDOSTATIN (all forms and strengths)	12.6190%	\$1.05
Cancer	SPRYCEL	12.6190%	\$1.05
Cancer	SUTENT	12.6190%	\$1.05
Cancer	SYLATRON	12.6190%	\$1.05
Cancer	TARCEVA	12.6190%	\$1.05
Cancer	TASIGNA	12.6190%	\$1.05
Cancer	TEMODAR	12.6190%	\$1.05
Cancer	THALOMID	12.6190%	\$1.05
Cancer	TORISEL	12.6190%	\$1.05
Cancer	TREANDA	12.6190%	\$1.05
Cancer	TYKERB	12.6190%	\$1.05
Cancer	VANTAS	12.6190%	\$1.05

Cancer	VECTIBIX	12.6190%	\$1.05
Cancer	VELCADE	12.6190%	\$1.05
Cancer	VIDAZA	12.6190%	\$1.05
Cancer	VOTRIENT	12.6190%	\$1.05
Cancer	XALKORI	12.6190%	\$1.05
Cancer	XELODA	12.6190%	\$1.05
Cancer	XGEVA	11.5788%	\$1.05
Cancer	YERVOY	12.6190%	\$1.05
Cancer	ZELBORAF	Plus 4.0250%	\$1.05
Cancer	ZOLADAX	12.6190%	\$1.05
Cancer	ZOLINZA	12.6190%	\$1.05
Cancer	ZYTIGA	12.6190%	\$1.05
Crohn's Disease	CIMZIA	12.6190%	\$1.05
DVT/Anticoagulation	ARIXTRA	12.6190%	\$1.05
DVT/Anticoagulation	ENOXAPARIN SODIUM	12.6190%	\$1.05
DVT/Anticoagulation	FONDAPARINUX SODIUM	12.6190%	\$1.05
DVT/Anticoagulation	FRAGMIN	12.6190%	\$1.05
DVT/Anticoagulation	INNOHEP	12.6190%	\$1.05
DVT/Anticoagulation	IPRIVASK	12.6190%	\$1.05
DVT/Anticoagulation	LOVENOX	12.6190%	\$1.05
Growth Stimulating Agents	GENOTROPIN	12.6190%	\$1.05
Growth Stimulating Agents	HUMATROPE	12.6190%	\$1.05
Growth Stimulating Agents	INCRELEX	Plus 4.0250%	\$1.05
Growth Stimulating Agents	NORDITROPIN (all forms and strengths)	12.6190%	\$1.05
Growth Stimulating Agents	NUTROPIN (all forms and strengths)	12.6190%	\$1.05
Growth Stimulating Agents	OMNITROPE	12.6190%	\$1.05
Growth Stimulating Agents	SAIZEN	12.6190%	\$1.05
Growth Stimulating Agents	SEROSTIM	12.6190%	\$1.05
Growth Stimulating Agents	TEV-TROPIN	12.6190%	\$1.05
Growth Stimulating Agents	ZORBTIVE	12.6190%	\$1.05
Hemophilia	ADVATE	12.6190%	\$1.05
Hemophilia	ALPHANATE	12.6190%	\$1.05
Hemophilia	ALPHANINE SD	12.6190%	\$1.05
Hemophilia	BEBULIN	12.6190%	\$1.05
Hemophilia	BENEFIX	12.6190%	\$1.05
Hemophilia	CORIFACT	12.6190%	\$1.05
Hemophilia	FEIBA	12.6190%	\$1.05
Hemophilia	HELIXATE (all forms and strengths)	12.6190%	\$1.05
Hemophilia	HEMOPIL M	12.6190%	\$1.05
Hemophilia	HUMATE-P	12.6190%	\$1.05
Hemophilia	KOATE (all forms and strengths)	12.6190%	\$1.05
Hemophilia	KOGENATE	12.6190%	\$1.05
Hemophilia	MONOCLATE P	12.6190%	\$1.05
Hemophilia	MONONINE	12.6190%	\$1.05
Hemophilia	NOVOSEVEN RT	12.6190%	\$1.05
Hemophilia	PROFILNINE (all forms and strengths)	12.6190%	\$1.05
Hemophilia	RECOMBINATE	12.6190%	\$1.05
Hemophilia	RIASTAP	12.6190%	\$1.05

Hemophilia	STIMATE	12.6190%	\$1.05
Hemophilia	WILATE	12.6190%	\$1.05
Hemophilia	XYNTHA (all forms and strengths)	12.6190%	\$1.05
Hepatitis	COPEGUS	12.6190%	\$1.05
Hepatitis	INCIVEK	12.6190%	\$1.05
Hepatitis	INFERGEN	12.6190%	\$1.05
Hepatitis	INTRON A (all forms and strengths)	12.6190%	\$1.05
Hepatitis	PEGASYS	12.6190%	\$1.05
Hepatitis	PEG-INTRON (all forms and strengths)	12.6190%	\$1.05
Hepatitis	REBETOL	12.6190%	\$1.05
Hepatitis	RIBASPHERE	12.6190%	\$1.05
Hepatitis	RIBAVIRIN	12.6190%	\$1.05
Hepatitis	VICTRELIS	12.6190%	\$1.05
Hereditary Tyrosinemia	ORFADIN	Plus 4.0250%	\$1.05
HIV	EGRIFTA	12.6190%	\$1.05
HIV	FUZEON	12.6190%	\$1.05
Homocystinuria	CYSTADANE	12.6190%	\$1.05
Immune Deficiency	ACTIMMUNE	12.6190%	\$1.05
Immune Deficiency	ADAGEN	Plus 4.0250%	\$1.05
Immune Deficiency	CARIMUNE NF	12.6190%	\$1.05
Immune Deficiency	CYTOGAM	12.6190%	\$1.05
Immune Deficiency	FLEBOGAMMA	12.6190%	\$1.05
Immune Deficiency	GAMASTAN	12.6190%	\$1.05
Immune Deficiency	GAMMAGARD	12.6190%	\$1.05
Immune Deficiency	GAMMAGARD LIQUID	12.6190%	\$1.05
Immune Deficiency	GAMMAPLEX	12.6190%	\$1.05
Immune Deficiency	GAMUNEX	12.6190%	\$1.05
Immune Deficiency	HIZENTRA	12.6190%	\$1.05
Immune Deficiency	HYPERRHO S/D	12.6190%	\$1.05
Immune Deficiency	MICRHOGAM	12.6190%	\$1.05
Immune Deficiency	OCTAGAM	12.6190%	\$1.05
Immune Deficiency	PRIVIGEN	12.6190%	\$1.05
Immune Deficiency	RHOGAM	12.6190%	\$1.05
Immune Deficiency	RHOPHYLAC	12.6190%	\$1.05
Immune Deficiency	VIVAGLOBIN	12.6190%	\$1.05
Immune Deficiency	WINRHO (all forms and strengths)	12.6190%	\$1.05
Infertility	BRAVELLE	12.6190%	\$1.05
Infertility	CETROTIDE	12.6190%	\$1.05
Infertility	CHORIONIC GONADOTROPIN	12.6190%	\$1.05
Infertility	FOLLISTIM AQ	12.6190%	\$1.05
Infertility	GANIRELIX ACETATE	12.6190%	\$1.05
Infertility	GONAL-F (all forms and strengths)	12.6190%	\$1.05
Infertility	LUVERIS	12.6190%	\$1.05
Infertility	MENOPUR	12.6190%	\$1.05
Infertility	NOVAREL	12.6190%	\$1.05
Infertility	OVIDREL	12.6190%	\$1.05
Infertility	PREGNYL	12.6190%	\$1.05
Infertility	REPRONEX	12.6190%	\$1.05

Metabolic Disorder	ALDURAZYME	12.6190%	\$1.05
Metabolic Disorder	BERINERT	12.6190%	\$1.05
Metabolic Disorder	CARBAGLU	11.5788%	\$1.05
Metabolic Disorder	CEREZYME	12.6190%	\$1.05
Metabolic Disorder	ELAPRASE	12.6190%	\$1.05
Metabolic Disorder	FABRAZYME	12.6190%	\$1.05
Metabolic Disorder	FIRAZYR	12.6190%	\$1.05
Metabolic Disorder	LUMIZYME	11.5788%	\$1.05
Metabolic Disorder	MYOZYME	12.6190%	\$1.05
Metabolic Disorder	NAGLAZYME	12.6190%	\$1.05
Metabolic Disorder	V-PRIV	12.6190%	\$1.05
Multiple Sclerosis	AMPYRA	11.5788%	\$1.05
Multiple Sclerosis	AVONEX	12.6190%	\$1.05
Multiple Sclerosis	BETASERON	12.6190%	\$1.05
Multiple Sclerosis	COPAXONE	12.6190%	\$1.05
Multiple Sclerosis	EXTAVIA	12.6190%	\$1.05
Multiple Sclerosis	GILENYA	12.6190%	\$1.05
Multiple Sclerosis	MITOXANTRONE	12.6190%	\$1.05
Multiple Sclerosis	NOVANTRONE	12.6190%	\$1.05
Multiple Sclerosis	REBIF	12.6190%	\$1.05
Multiple Sclerosis	TYSABRI	11.5788%	\$1.05
Neutropenia/Thrombocytopenia	LEUKINE	12.6190%	\$1.05
Neutropenia/Thrombocytopenia	NEULASTA	12.6190%	\$1.05
Neutropenia/Thrombocytopenia	NEUMEGA	12.6190%	\$1.05
Neutropenia/Thrombocytopenia	NEUPOGEN	12.6190%	\$1.05
Neutropenia/Thrombocytopenia	NPLATE	12.6190%	\$1.05
Ophthalmics	LUCENTIS	12.6190%	\$1.05
Ophthalmics	MACUGEN	12.6190%	\$1.05
Ophthalmics	OZURDEX	12.6190%	\$1.05
Ophthalmics	RETISERT	11.5788%	\$1.05
Osteo-Arthritis	EUFLEXXA	12.6190%	\$1.05
Osteo-Arthritis	HYALGAN	12.6190%	\$1.05
Osteo-Arthritis	ORTHOVISC	12.6190%	\$1.05
Osteo-Arthritis	SUPARTZ	12.6190%	\$1.05
Osteo-Arthritis	SYNVISC	12.6190%	\$1.05
Osteoporosis	FORTEO	12.6190%	\$1.05
Osteoporosis	PROLIA	11.5788%	\$1.05
Other Specialty Agents	ACTHAR GEL	12.6190%	\$1.05
Other Specialty Agents	APOKYN	12.6190%	\$1.05
Other Specialty Agents	ARCALYST	12.6190%	\$1.05
Other Specialty Agents	ATRYN	12.6190%	\$1.05
Other Specialty Agents	CYTOVENE	12.6190%	\$1.05
Other Specialty Agents	DYSPORT	12.6190%	\$1.05
Other Specialty Agents	EXJADE	11.5788%	\$1.05
Other Specialty Agents	GANCICLOVIR SODIUM	12.6190%	\$1.05
Other Specialty Agents	KRYSTEXXA	11.5788%	\$1.05
Other Specialty Agents	LUPRON DEPOT PED	12.6190%	\$1.05
Other Specialty Agents	MAKENA	12.6190%	\$1.05

Other Specialty Agents	NULOJIX	12.6190%	\$1.05
Other Specialty Agents	PRIALT	11.5788%	\$1.05
Other Specialty Agents	PROMACTA	12.6190%	\$1.05
Other Specialty Agents	QUTENZA	11.5788%	\$1.05
Other Specialty Agents	SABRIL	12.6190%	\$1.05
Other Specialty Agents	SAMSCA	12.6190%	\$1.05
Other Specialty Agents	SENSIPAR	12.6190%	\$1.05
Other Specialty Agents	SOMATULINE DEPOT	12.6190%	\$1.05
Other Specialty Agents	SOMAVERT	12.6190%	\$1.05
Other Specialty Agents	SUPPRELIN LA	12.6190%	\$1.05
Other Specialty Agents	VIVITROL	12.6190%	\$1.05
Other Specialty Agents	XENAZINE	12.6190%	\$1.05
Other Specialty Agents	XEOMIN	Plus 4.0250%	\$1.05
Phenylketonuria (PKU)	KUVAN	12.6190%	\$1.05
Psoriasis	AMEVIVE	12.6190%	\$1.05
Pulmonary	ARALAST	12.6190%	\$1.05
Pulmonary	GLASSIA	11.5788%	\$1.05
Pulmonary	PULMOZYME	12.6190%	\$1.05
Pulmonary	TOBI	12.6190%	\$1.05
Pulmonary	XOLAIR	12.6190%	\$1.05
Pulmonary	ZEMAIRA	12.6190%	\$1.05
Pulmonary Hypertension	ADCIRCA	12.6190%	\$1.05
Pulmonary Hypertension	EPOPROSTENOL SODIUM	Plus 4.0250%	\$1.05
Pulmonary Hypertension	FLOLAN	Plus 4.0250%	\$1.05
Pulmonary Hypertension	LETAIRIS	12.6190%	\$1.05
Pulmonary Hypertension	REMODULIN	Plus 4.0250%	\$1.05
Pulmonary Hypertension	REVATIO	12.6190%	\$1.05
Pulmonary Hypertension	TRACLEER	12.6190%	\$1.05
Pulmonary Hypertension	TYVASO	Plus 4.0250%	\$1.05
Pulmonary Hypertension	VELETRI	Plus 4.0250%	\$1.05
Pulmonary Hypertension	VENTAVIS	Plus 4.0250%	\$1.05
Respiratory Syncytial Virus	SYNAGIS	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	ACTEMRA	Plus 4.0250%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	BENLYSTA	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	ENBREL	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	HUMIRA	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	KINERET	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	ORENCIA	11.5788%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	ORENCIA SC	11.5788%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	REMICADE	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	SIMPONI	12.6190%	\$1.05

Rheumatoid Arthritis and other autoimmune conditions	STELARA	12.6190%	\$1.05
Rheumatoid Arthritis and other autoimmune conditions	XIAFLEX	Plus 4.0250%	\$1.05
EXTENDED SPECIALTY DRUG LIST			
Therapy	Drug	AWP Discount	Dispensing Fee
Cancer	8-MOP	Retail Brand AWP Discount	\$1.05
Cancer	ADRIAMYCIN	Retail Brand AWP Discount	\$1.05
Cancer	ADRUCIL	Retail Brand AWP Discount	\$1.05
Cancer	AGRYLIN	Retail Brand AWP Discount	\$1.05
Cancer	ALIMTA	Retail Brand AWP Discount	\$1.05
Cancer	ALKERAN	Retail Brand AWP Discount	\$1.05
Cancer	ALOXI	Retail Brand AWP Discount	\$1.05
Cancer	ANAGRELIDE HYDROCHLORIDE	MAC	\$1.05
Cancer	ANZEMET	Retail Brand AWP Discount	\$1.05
Cancer	BICALUTAMIDE	MAC	\$1.05
Cancer	BICNU	Retail Brand AWP Discount	\$1.05
Cancer	BLENOXANE	Retail Brand AWP Discount	\$1.05
Cancer	BLEOMYCIN SULFATE	MAC	\$1.05
Cancer	CAMPATH	Retail Brand AWP Discount	\$1.05
Cancer	CAMPTOSAR	Retail Brand AWP Discount	\$1.05
Cancer	CARBOPLATIN	MAC	\$1.05
Cancer	CASODEX	Retail Brand AWP Discount	\$1.05
Cancer	CISPLATIN	MAC	\$1.05
Cancer	CLADRIBINE	MAC	\$1.05
Cancer	COSMEGEN	Retail Brand AWP Discount	\$1.05
Cancer	CYCLOPHOSPHAMIDE	MAC	\$1.05
Cancer	CYTARABINE	Retail Brand AWP Discount	\$1.05
Cancer	CYTOXAN	Retail Brand AWP Discount	\$1.05
Cancer	DACARBAZINE	MAC	\$1.05

Cancer	DELESTROGEN	Retail Brand AWP Discount	\$1.05
Cancer	DEPOCYT	Retail Brand AWP Discount	\$1.05
Cancer	DOXIL	Retail Brand AWP Discount	\$1.05
Cancer	DOXORUBICIN HCL	MAC	\$1.05
Cancer	DTIC-DOME IV	Retail Brand AWP Discount	\$1.05
Cancer	EFUDEX	Retail Brand AWP Discount	\$1.05
Cancer	ELOXATIN	Retail Brand AWP Discount	\$1.05
Cancer	EMCYT	Retail Brand AWP Discount	\$1.05
Cancer	ESTRADIOL VALERATE	MAC	\$1.05
Cancer	ETOPOPHOS	Retail Brand AWP Discount	\$1.05
Cancer	ETOPOSIDE	MAC	\$1.05
Cancer	FASLODEX	Retail Brand AWP Discount	\$1.05
Cancer	FLOXURIDINE	MAC	\$1.05
Cancer	FLUDARA	Retail Brand AWP Discount	\$1.05
Cancer	FLUDARABINE PHOSPHATE	MAC	\$1.05
Cancer	FLUOROURACIL	MAC	\$1.05
Cancer	FUDR	Retail Brand AWP Discount	\$1.05
Cancer	GEMZAR	Retail Brand AWP Discount	\$1.05
Cancer	GLIADEL	Retail Brand AWP Discount	\$1.05
Cancer	HEXALEN	Retail Brand AWP Discount	\$1.05
Cancer	IFEX	Retail Brand AWP Discount	\$1.05
Cancer	IFOSFAMIDE (all forms and strengths)	MAC	\$1.05
Cancer	IRINOTECAN HCL	MAC	\$1.05
Cancer	MELPHALAN HCL	MAC	\$1.05
Cancer	MESNA	MAC	\$1.05
Cancer	MESNEX	Retail Brand AWP Discount	\$1.05
Cancer	METHOTREXATE	MAC	\$1.05
Cancer	MUSTARGEN	Retail Brand AWP Discount	\$1.05
Cancer	MYOBLOC	Retail Brand AWP Discount	\$1.05
Cancer	NAVELBINE	Retail Brand AWP Discount	\$1.05

Cancer	NEOSAR	MAC	\$1.05
Cancer	ONXOL	Retail Brand AWP Discount	\$1.05
Cancer	OXALIPLATIN	MAC	\$1.05
Cancer	PACLITAXEL	MAC	\$1.05
Cancer	PANRETIN	Retail Brand AWP Discount	\$1.05
Cancer	PARAPLATIN	Retail Brand AWP Discount	\$1.05
Cancer	PLATINOL-AQ	Retail Brand AWP Discount	\$1.05
Cancer	TARABINE PFS	Retail Brand AWP Discount	\$1.05
Cancer	TARGRETIN	Retail Brand AWP Discount	\$1.05
Cancer	TAXOL	Retail Brand AWP Discount	\$1.05
Cancer	TAXOTERE	Retail Brand AWP Discount	\$1.05
Cancer	THERACYS	Retail Brand AWP Discount	\$1.05
Cancer	THIOTEPA	MAC	\$1.05
Cancer	TICE BCG	Retail Brand AWP Discount	\$1.05
Cancer	TOPOSAR	Retail Brand AWP Discount	\$1.05
Cancer	TRELSTAR DEPOT	Retail Brand AWP Discount	\$1.05
Cancer	TRELSTAR LA	Retail Brand AWP Discount	\$1.05
Cancer	TRETINOIN	MAC	\$1.05
Cancer	TRISENOX	Retail Brand AWP Discount	\$1.05
Cancer	VALERGEN-20	MAC	\$1.05
Cancer	VEPESID	Retail Brand AWP Discount	\$1.05
Cancer	VESANOID	Retail Brand AWP Discount	\$1.05
Cancer	VINBLASTINE SULFATE	MAC	\$1.05
Cancer	VINCRISTINE SULFATE	MAC	\$1.05
Cancer	VINORELBINE TARTRATE	MAC	\$1.05
Hemophilia	DDAVP	Retail Brand AWP Discount	\$1.05
Hemophilia	DESMOPRESSIN ACETATE	MAC	\$1.05
Hepatitis B	BARACLUDE	Retail Brand AWP Discount	\$1.05
Hepatitis B	HEPAGAM B	Retail Brand AWP Discount	\$1.05

Hepatitis B	HEPSERA	Retail Brand AWP Discount	\$1.05
Hepatitis B	HYPERHEP B S-D	Retail Brand AWP Discount	\$1.05
Hepatitis B	NABI-HB	Retail Brand AWP Discount	\$1.05
HIV	APTIVUS	Retail Brand AWP Discount	\$1.05
HIV	COMBIVIR	Retail Brand AWP Discount	\$1.05
HIV	CRIXIVAN	Retail Brand AWP Discount	\$1.05
HIV	DIDANOSINE	MAC	\$1.05
HIV	EMTRIVA	Retail Brand AWP Discount	\$1.05
HIV	EPIVIR (all forms and strengths)	Retail Brand AWP Discount	\$1.05
HIV	EPZICOM	Retail Brand AWP Discount	\$1.05
HIV	INTELENCE	Retail Brand AWP Discount	\$1.05
HIV	INVIRASE	Retail Brand AWP Discount	\$1.05
HIV	KALETRA	Retail Brand AWP Discount	\$1.05
HIV	LEXIVA	Retail Brand AWP Discount	\$1.05
HIV	NORVIR	Retail Brand AWP Discount	\$1.05
HIV	PREZISTA	Retail Brand AWP Discount	\$1.05
HIV	RESCRIPTOR	Retail Brand AWP Discount	\$1.05
HIV	RETROVIR	Retail Brand AWP Discount	\$1.05
HIV	REYATAZ	Retail Brand AWP Discount	\$1.05
HIV	STAVUDINE	MAC	\$1.05
HIV	SUSTIVA	Retail Brand AWP Discount	\$1.05
HIV	TRIZIVIR	Retail Brand AWP Discount	\$1.05
HIV	VIDEX (all forms and strengths)	Retail Brand AWP Discount	\$1.05
HIV	VIRAMUNE	Retail Brand AWP Discount	\$1.05
HIV	VIREAD	Retail Brand AWP Discount	\$1.05

HIV	ZERIT	Retail Brand AWP Discount	\$1.05
HIV	ZIAGEN	Retail Brand AWP Discount	\$1.05
HIV	ZIDOVUDINE	MAC	\$1.05
Iron Overload	DESFERAL	Retail Brand AWP Discount	\$1.05
Osteoporosis	AREDIA	Retail Brand AWP Discount	\$1.05
Osteoporosis	BONIVA	Retail Brand AWP Discount	\$1.05
Osteoporosis	PAMIDRONATE DISODIUM	MAC	\$1.05
Osteoporosis	RECLAST	Retail Brand AWP Discount	\$1.05
Osteoporosis	ZOMETA	Retail Brand AWP Discount	\$1.05
Other Specialty Agents	BOTOX (all forms and strengths)	Retail Brand AWP Discount	\$1.05
Other Specialty Agents	DEFEROXAMINE MESYLATE	MAC	\$1.05
PNE, diabetes insipidus	MINIRIN	Retail Brand AWP Discount	\$1.05
Psoriasis	OXSORALEN (all forms and strengths)	Retail Brand AWP Discount	\$1.05
Psoriasis	UVADEX	Retail Brand AWP Discount	\$1.05
Rheumatoid Arthritis/Cancer	METHOTREXATE SODIUM	MAC	\$1.05
Rheumatoid Arthritis/Cancer	RHEUMATREX	Retail Brand AWP Discount	\$1.05
Rheumatoid Arthritis/Cancer	TREXALL	Retail Brand AWP Discount	\$1.05
Transplant	CELLCEPT	Retail Brand AWP Discount	\$1.05
Transplant	CYCLOSPORINE	MAC	\$1.05
Transplant	GENGRAF	MAC	\$1.05
Transplant	IMURAN	Retail Brand AWP Discount	\$1.05
Transplant	MYCOPHENOLATE MOFETIL	MAC	\$1.05
Transplant	MYFORTIC	Retail Brand AWP Discount	\$1.05
Transplant	NEORAL	Retail Brand AWP Discount	\$1.05
Transplant	PROGRAF	Retail Brand AWP Discount	\$1.05
Transplant	RAPAMUNE	Retail Brand AWP Discount	\$1.05
Transplant	SANDIMMUNE	Retail Brand AWP Discount	\$1.05
Transplant	TACROLIMUS (all forms and strengths)	MAC	\$1.05

Transplant	ZENAPAX	Retail Brand AWP Discount	\$1.05
Transplant/Rheumatoid Arthritis	AZASAN	Retail Brand AWP Discount	\$1.05
Transplant/Rheumatoid Arthritis	AZATHIOPRINE (all forms and strengths)	MAC	\$1.05

SCHEDULE C

INDEPENDENT REVIEW ORGANIZATION SERVICES

This Schedule C sets forth the decision of BRIDGEPORT concerning its and Medco's roles and responsibilities in support of BRIDGEPORT's compliance with the regulations promulgated under Section 2719 of the Public Health Service Act governing internal claims and appeals and external review processes (the "Claims and Appeals Regulations").

To facilitate BRIDGEPORT's meeting its obligations under the Claims and Appeals Regulations regarding external review processes, and otherwise to meet BRIDGEPORT's needs, Medco has entered into an arrangement with the independent review organizations (each, an "IRO," collectively "IROs") listed on this Schedule C, which have been accredited by a nationally recognized private accrediting organization. The IROs will accept, on BRIDGEPORT's behalf, authority to conduct an independent, external review of an adverse benefit determination and to issue a final external review decision. BRIDGEPORT delegates to the IROs the administration of external reviews as specified by the Claims and Appeals Regulations. BRIDGEPORT has requested that, and authorizes Medco to, provide to the IROs the appeal files and other related information necessary for the IROs to conduct external reviews and to bill BRIDGEPORT for the fees incurred by the IROs in conducting such reviews, as set forth below. Medco will assign external reviews to the IROs on a rotating basis (or other method that Medco believes in good faith to be in compliance with the Claims and Appeals Regulations).

As conditions to this arrangement:

1. BRIDGEPORT acknowledges that it, and not Medco, is responsible for determining the independence and/or appropriateness of IROs to handle any external appeals on behalf of BRIDGEPORT and for ensuring an effective external review process. BRIDGEPORT acknowledges that Medco is providing the IRO arrangements for the convenience of BRIDGEPORT, that Medco is not recommending use of any particular IRO, and that BRIDGEPORT retains the obligation to ensure BRIDGEPORT's obligations (including fiduciary obligations under ERISA, if applicable) are satisfied when selecting, retaining, or otherwise using any IRO to ensure an effective external appeals process.
2. BRIDGEPORT shall take such further reasonable actions, execute or provide such other reasonable documents or instructions, and adopt such amendments to the Plan as reasonably determined to be necessary or appropriate by BRIDGEPORT, Medco, or the IRO to carry out the purpose and intent of this arrangement, including entering into or signing an appropriate delegation of fiduciary duty and responsibility letter/agreement with the IRO.
3. Because Medco is not responsible for eligibility determinations under the Agreement, an adverse benefit determination with respect to a claim or appeal made by Medco will not be based on the claimant's failure to meet the requirements for eligibility. Assuming that claimant exhausts the internal review process, or has a claim or appeal that is eligible for an accelerated external review, such adverse benefit determination will be submitted to the IRO for its determination that the claim is eligible for continued external review (i.e., a claim involving medical judgment or rescission) and, to the extent eligible for full external review, full external review by the applicable IRO.
4. BRIDGEPORT shall pay to the IROs the fees set forth on this Schedule C. As an administrative convenience to BRIDGEPORT, Medco will include such charges on BRIDGEPORT's administrative invoice and will pay the IROs after BRIDGEPORT has made payment to Medco, but shall have no other obligation regarding such payment. BRIDGEPORT shall be responsible to the IROs for any charges for which BRIDGEPORT does not pay Medco and the IROs may also pursue payment against BRIDGEPORT directly (and the IRO may receive a copy of this agreement in the event any IRO is required to seek such payment from BRIDGEPORT).
5. The pricing and/or services for any or all of the IROs may change in the future. In such event, Medco will notify BRIDGEPORT in writing of such changes. In order to ensure continuity of services, BRIDGEPORT

will be deemed to have agreed to continue to utilize the services of such IRO(s) at the new price(s) and/or conditions unless BRIDGEPORT notifies Medco in writing within ten (10) days after receiving Medco's notice that BRIDGEPORT is terminating this IRO arrangement as set forth in Section 8 below.

6. The pricing set forth in this Schedule C is based upon applicable law and regulations in effect as of September 20, 2011. Any modification of applicable law or regulation may result in equitable modification of the pricing terms.
7. Medco may offer BRIDGEPORT the opportunity to access the external review services of additional IROs. In the event Medco does so, BRIDGEPORT agrees to access the services of any additional IROs in accordance with the provisions of this Schedule C. However, nothing in this Agreement shall require Medco to offer access to additional external review services.
8. BRIDGEPORT may terminate this IRO arrangement upon ten (10) days' prior written notice to Medco. Medco may terminate the IRO arrangement upon thirty (30) days' prior written notice to BRIDGEPORT (as to any or all of the IROs) or as otherwise provided in this Agreement or as permitted by law, and may suspend this IRO arrangement in the event of non-payment for services upon written notice to BRIDGEPORT.

INDEPENDENT REVIEW ORGANIZATION FEE SCHEDULE

SECTION A. ALICARE MEDICAL MANAGEMENT, INC.

Note to BRIDGEPORT: As of the date of this Agreement, Alicare provides certain services to Medco under a contract unrelated to the IRO services provided hereunder. Under that contract, Alicare provides certain utilization review decisions for a select population in a small number of states.

1. Physician/Clinical Reviews:
 - a. Standard turnaround time: \$195 or \$225 per hour depending upon specialty
 - b. Expedited turnaround time: \$225 or \$275 per hour depending upon specialty
2. Non-Clinical Reviews:
 - a. Lawyer reviews: \$250 per hour
 - b. Non-lawyer reviews: \$100 per hour
3. Litigation Costs for Court Appearances:
 - a. Standard rate: \$3,600 per participant per day plus travel expenses
 - b. Cancellation fees based on a percentage of the standard daily rate depending upon the number of business days' advance notice of the cancellation:
 - i. More than 14 business days' notice – 0% charged
 - ii. 10 to 14 business days' notice – \$720
 - iii. 7 to 9 business days' notice – \$720
 - iv. 4 to 6 business days' notice – \$1,800
 - v. 2 to 3 business days' notice – \$2,880
 - vi. Less than 2 business days' notice – \$3,600
4. Litigation Costs (pre-trial preparation): \$400 per hour per person subject to approval for more than ninety (90) minutes of preparation time
5. Hourly rates are billed in six (6) minute increments (0.1 hour)
6. **External Appeal Screening (for Standard Turnaround and Expedited Turnaround) to Determine if Claim Involves Medical Judgment or Rescission of Coverage and is Eligible for a Full External Review:** \$100 per case will be charged only if claim is *not* eligible for a full external review. \$100 per case will *not* be charged if the claim is eligible for a full external review.

SECTION B. LONE STAR CONSULTING SERVICES, INC. (D/B/A MES PEER REVIEW SERVICES)

1. Physician/Clinical Reviews (hourly: time and material):
 - a. Normal Business Days: \$260 per hour
 - b. Weekends/Holidays/All Expedited reviews: \$285 per hour
 - c. Administrative Fee: \$95 per case in addition to the hourly rates
2. Non-Clinical Reviews:
 - a. Lawyer reviews: \$350 per hour
 - b. Non-lawyer reviews: \$125 per case (fixed flat rate)
 - c. Administrative Fee: \$95 per case in addition to the hourly rate or fixed flat rate
3. Litigation Support Review Services:
 - a. Court appearances, administrative/arbitration hearings, expert witness testimony: \$1,000 per hour
 - b. Other litigation support (such as pre-trial conferences, depositions, other preparation): \$650 per hour
 - c. Other administrative services when applicable: \$75 per hour
 - d. MES will be reimbursed for all out of pocket expenses (including copying, postage, attorney, and other legal fees)
 - e. When travel is required for litigation support, "portal to portal" charges (up to twelve (12) hours per day), and reimbursement of all travel-related expenses, including airfare, lodging, and meals will apply
 - f. Cancellation of any litigation-related services: \$450 per hour for the amount of time reserved (in addition to any charges incurred in preparation)
4. Hourly rates are billed in fifteen (15) minute increments (0.25 hour)

SECTION C. CLINIX HEALTHCARE, INC.

1. Physician/Clinical Reviews:
 - a. Reviewer rate: \$210 per hour
 - b. Administrative Review Fee: \$98 per hour in addition to the hourly reviewer rate
2. Non-Clinical Reviews:
 - a. Lawyer reviews: \$400 per hour
 - b. Non-lawyer reviews: \$98 per hour
 - c. Administrative Review Fee: \$98 per hour in addition to the reviewer rates (a or b)
3. Litigation Costs for Court Appearances:
 - a. Standard rate: \$1,800 per participant per day plus travel expenses
 - b. Cancellation fees based on the number of business days' advance notice of the cancellation:
 - i. More than 14 business days' notice – 0% charged
 - ii. 7 to 14 business days' notice – \$360
 - iii. 4 to 6 business days' notice – \$900
 - iv. 2 to 3 business days' notice – \$1,350
 - v. Less than 2 business days' notice – \$1,440
4. **Litigation costs (pre-trial preparation)**: \$210 per hour per person subject to approval for more than ninety (90) minutes of preparation time
5. Hourly rates are billed in fifteen (15) minute increments (0.25 hour)

**MEDICARE PART D
EMPLOYER GROUP WAIVER PLAN (EGWP)
PRESCRIPTION DRUG PLAN AMENDMENT
TO THE INTEGRATED PRESCRIPTION DRUG PROGRAM
MASTER AGREEMENT**

THIS AMENDMENT to the Integrated Prescription Drug Program Master Agreement (“PBM Agreement”) that became effective October 1, 2008, between Medco Health Solutions, Inc. (“Medco”), located at 100 Parsons Pond Drive, Franklin Lakes, New Jersey 07417, and City of Bridgeport, located at 45 Lyon Terrace, Bridgeport, CT 06604 (“SPONSOR”), is effective as of January 1, 2012 (the “Effective Date”).

WHEREAS, the Centers for Medicare and Medicaid Services (“CMS”) have adopted regulations set forth in 42 C.F.R. Parts 423 *et seq.* (“CMS regulations”) implementing the Medicare Prescription Drug Benefit (“Part D”) established by Section 101 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 as codified in Section 1860D-1 through 1860D-41 of the Social Security Act, which regulations allow for a CMS-approved employer group retiree-only Prescription Drug Program (“Employer Group Waiver Plan PDP” or “EGWP PDP”); and

WHEREAS, Medco, through its affiliated entities, is an approved CMS-contracted prescription drug plan (“PDP”) sponsor for an Employer Group Waiver Plan PDP in accordance with CMS regulations; and

WHEREAS, Medco has been informed that SPONSOR intends to offer the Medco EGWP PDP benefit to its Part D eligible Covered Retirees, in accordance with CMS regulations; and

WHEREAS, Medco and SPONSOR desire to have Medco assist SPONSOR with certain services related to offering the Medco EGWP PDP to SPONSOR’s retirees and administering it consistent with applicable requirements;

NOW, THEREFORE, in consideration of the material considerations contained in this Amendment, the Parties agree to amend the PBM Agreement as follows:

1. DEFINITIONS

1.1 “**AWP**” means the average wholesale price of the Covered Drug, as set forth in the current price list in Medi-Span’s Master Drug Database (MDDB[®]) file, if available. Under the Retail Pharmacy Program, AWP is based on the package size submitted, and for Compound Prescriptions is 1.25 times the AWP of each ingredient. Under the Mail Order Pharmacy Program, AWP is based on package sizes of one hundred (100) units for capsules and tablets, sixteen (16) ounce quantities for liquids, and the manufacturer’s smallest available package size for injectable Covered Drugs (or the next closest package size if such quantities or sizes are not available), and all other Covered Drugs will be priced as individual units or smallest package size available (e.g., per vial, per suppository, etc.). If Medi-Span changes the methodology for calculating AWP or ceases publishing or replaces AWP, or Medco needs to use another recognized pricing source or pricing benchmark other than AWP, including prior to the Effective Date, in a way that changes the economics of the Program, Medco will provide ten (10) business days’ notice of such change(s) and the parties agree to modify the Program Pricing Terms to preserve the parties’ relative economics before such changed methodology or other event.

1.2 “**Brand Name Drugs**” means all single-source drugs and multisource brand drugs set forth in First DataBank’s National Drug Data File, or such other nationally recognized source, as reasonably determined by Medco.

- 1.3 “**CMS**” means the Centers for Medicare and Medicaid Services.
- 1.4 “**Compound Prescription**” means a prescription that meets the following criteria: two or more solid, semi-solid, or liquid ingredients, at least one of which is a Covered Drug, that are weighed or measured then prepared according to the prescriber’s order and the pharmacist’s art.
- 1.5 “**Covered Drugs**” means drugs as defined by CMS that are covered for Part D.
- 1.6 “**Covered Retiree**” means an Eligible Person who is inactive, eligible for Medicare, and qualifies for the PDP under applicable CMS regulations, as determined by SPONSOR and verified by CMS.
- 1.7 “**Coverage Gap**” means the stage of the benefit between the initial coverage limit and the catastrophic coverage threshold, as described in the Medicare Part D prescription drug program administered by the United States federal government.
- 1.8 “**Coverage Gap Discount**” – The discount that a member will receive at the point of sale when they are purchasing a Brand Name Drug, while in the coverage gap stage of their Medicare part D benefit.
- 1.9 “**Commercial Wrap Program**” - means commercial (non-Part D) wrap-around coverage that supplements a basic Part D benefit package, (See §1860D-14A(c)(1)(A)(v) of the Act).
- 1.10 “**Enhanced**” or “**Employer Group Waiver PDP**” means an employer/union-only group PDP offered by Medco to SPONSOR pursuant to CMS Part D regulations and an agreement between Medco and CMS applicable to 800 series entities.
- 1.11 “**Eligible Persons**” shall have the meaning it has under the Agreement.
- 1.12 “**Generic Drug**” means a multisource generic drug set forth in First DataBank’s National Drug Data File, or such other nationally recognized source, as reasonably determined by Medco, that is available in sufficient supply from multiple FDA-approved generic manufacturers of such drug.
- 1.13 “**Late Enrollment Penalty**” or “**LEP**” means Financial penalty incurred by Medicare beneficiaries who a had continued gap in creditable (equal to or better than Medicare’s Standard Part D Benefit) coverage of sixty-three (63) days or more after the end of beneficiary’s IEP (“Initial Election Period”).
- 1.14 “**Medicare Part D Formulary**” means the prescription drug list administered by Medco for Covered Retirees, which includes certain defined FDA-approved drugs and other drugs that have been approved as qualifying Part D drugs by CMS, and the clinical rule filed and approved with CMS. The drugs included on the Formulary will be modified by Medco from time to time as a result of factors including, but not limited to, medical appropriateness, manufacturer rebate arrangements, and patent expirations.
- 1.15 “**Minimum Enrollment**” means an enrollment of not less than 1,200 Eligible Persons under the Program.
- 1.16 “**Part D Sponsor**” or “**Medco**” shall mean Medco, through its affiliated entities, as an approved CMS contracted sponsor entity authorized to underwrite and offer Medicare PDP.

- 1.17 “**Services**” means the Medco Employer Group Waiver PDP services that are described in Schedule A, that will support SPONSOR’s participation in the Medco PDP Program as an employer providing a CMS-approved PDP. Services include, but are not limited to: (1) the adjudication of eligible claims through a contracted retail pharmacy network and the Medco Mail Order pharmacies at specified discounted rates, (2) the billing of such adjudicated claims, and (3) customer service relating to retail pharmacy and mail order claims, (4) all CMS required filings and reporting. Optional Services are available to the extent provided in Schedule A.
- 1.18 “**SPONSOR**” under this Agreement means the legal entity offering the Employer Group Waiver Plan to its former employees, pursuant to an EGWP offered and administered by Medco.
- 1.19 **Vendor** – SPONSOR’s third party entity for delegated services.

Unless otherwise defined in this Amendment, all terms with initial capitals shall have the meanings assigned to those terms in the PBM Agreement or, if applicable, the CMS regulations

2. CMS REQUIRED PROVISIONS

SPONSOR, or SPONSOR’s vendor, agrees to participate in Medco’s Medicare Part D Prescription Drug Benefit Program under the terms and conditions agreed to by the parties.

- 2.1 SPONSOR, or SPONSOR’s vendor, agrees that its activities hereunder will be consistent and comply with Medco’s contractual obligations as a PDP sponsor. 42 CFR § 423.505(i)(3)(iii).
- 2.2 Medco and SPONSOR, or SPONSOR’s vendor, will abide by all applicable Federal and State laws and regulations and CMS instructions. 42 CFR § 423.505(i)(4)(iv). All of the information SPONSOR, or SPONSOR’s vendor, agrees it will submit to Medco for submission to CMS shall be accurate, complete, and truthful.
- 2.3 Medco and SPONSOR, or SPONSOR’s vendor, will abide by State and Federal privacy and security requirements, including the confidentiality and security provisions stated in the regulations for this program at 42 CFR § 423.136.
- 2.4 Medco and SPONSOR, or SPONSOR’s vendor, will provide any books, contracts, records, including medical records and documentation relating to the Part D Program directly to CMS or its designees. 42 CFR § 423.505(i)(3)(iv).
- 2.5 Medco and SPONSOR, or SPONSOR’s vendor, will ensure that Covered Retirees are not held liable for fees that are the responsibility of Medco or SPONSOR, or SPONSOR’s vendor., Medco and SPONSOR, or SPONSOR’s vendor, agree that in no event, including, but not limited to, nonpayment by SPONSOR, or SPONSOR’s vendor., SPONSOR’s, or SPONSOR’s vendor’s, insolvency, or breach of the agreement with Medco, shall Medco or SPONSOR, or SPONSOR’s vendor., or its subcontractors, bill, charge, or collect a deposit from, seek compensation, remuneration, reimbursement or payment from, or have recourse against, Medicare Part D beneficiaries for covered services provided pursuant to this agreement. 42 CFR § 423.505(i)(3)(i).
- 2.6 If Medco as a PDP sponsor, delegates an activity or responsibility to SPONSOR, or SPONSOR’s vendor., and if CMS or Medco determines that SPONSOR, or SPONSOR’s vendor, has not performed satisfactorily, the parties will meet to agree upon an appropriate remedy. SPONSOR , or SPONSOR’s vendor, agrees to comply with the corrective action process established by Medco and provide timely responses to noted deficiencies. SPONSOR, or SPONSOR’s vendor, and Medco agree that any delegated activity under this Agreement shall be in accordance with 42 CFR 423.505(i)(3).
- 2.7 Medco, as a PDP sponsor, will monitor the performance of the first tier, downstream and related

entities related to the EGWP PDP on an ongoing basis. 42 CFR § 423.505(i)(4)(iii). SPONSOR, or SPONSOR's vendor, and Medco shall cooperate as necessary to support Medco's monitoring strategy.

- 2.8 Medco and SPONSOR, or SPONSOR's vendor, will maintain, for a period of ten (10) years, plus the contract year, applicable books, contracts, medical records, patient care documentation, and other records relating to covered services under this Amendment. 42 CFR § 423.505(i)(2)(ii).
- 2.9 Medco and SPONSOR, or SPONSOR's vendor, will make its books and other records available in accordance with 42 CFR § 423.505(e)(2) and 42 CFR § 423.505(i)(2). Medco and SPONSOR, or SPONSOR's vendor, will give the U.S. Department of Health and Human Service (HHS) and U.S. Comptroller General, and their authorized designees, the right to inspect, evaluate and audit all books, contracts, medical records, patient care documentation, and other records relating to covered services during the term of the Agreement and for a period of ten (10) years, plus the contract year, following termination or expiration of the Amendment for any reason, or until completion of any audit, whichever is later. This provision shall survive termination of the Amendment. SPONSOR, or SPONSOR's vendor, and Medco agree that CMS or its designees may have direct access to Medco's books, contracts, records, including medical records and documentation relating to the Medicare Part D program, on Medco's premises. 42 CFR § 423.505(i)(2)(ii).
- 2.10 SPONSOR, or SPONSOR's vendor, shall not employ or contract for the provisions of services under this Amendment with any individual excluded from participation in the Medicare and Medicaid program under Section 1128 or 1128A of the Social Security Act. SPONSOR, or SPONSOR's vendor, shall review the OIG exclusion file and verify as required by CMS guidelines, that the persons it employ for services hereunder are in good standing. 42 CFR § 423.752(a)(6).
- 2.11 SPONSOR, or SPONSOR's vendor, shall submit a report in writing to Medco within thirty (30) calendar days of SPONSOR's, or SPONSOR's vendor's, knowledge of any and all civil judgments and other adjudicated actions or decisions against SPONSOR, or SPONSOR's vendor, related to the delivery of any healthcare item or service (regardless of whether the civil judgment or other adjudicated action or decision is the subject of a pending appeal). CMS Prescription Drug Benefit Manual, Chapter 9 – Part D Program to Control Fraud Waste & Abuse.
- 2.12 Medco retains ultimate responsibility with complying with the term of its contract with CMS. 42 CFR § 423.505(i).
- 2.13 Medco retains the right to approve, suspend, or terminate any arrangement with a pharmacy. 42 CFR 423.505(i)(5).
- 2.14 Medco shall issue, mail or otherwise transmit payments to pharmacies (excluding long-term care and mail order pharmacies) with respect to all clean claims submitted by or on behalf of such pharmacies within 14 days for electronic claims and within 30 days for claims submitted otherwise. 42 CFR § 423.505(i)(3)(vi).
- 2.15 Medco agrees that, if a prescription drug pricing standard is used for reimbursement of network pharmacies, it will identify the source used for the prescription drug pricing standard of reimbursement. 42 CFR § 423.505(i)(3)(viii)(B). Medco agrees to update any such prescription drug pricing standard for reimbursement of network pharmacies not less frequently than once every seven (7) days beginning with an initial update on January 1 of each year. 42 CFR § 423.505(i)(3)(viii)(A).
- 2.16 Medco pharmacy network participation agreements shall provide that LTC pharmacies shall have at least thirty (30) days and no more than ninety (90) days (i.e., up to ninety (90) days) to submit Medicare Part D claims to Medco for payment. 42 CFR § 423.505(i)(3)(vii).

- 2.17 Medco pharmacy network participation agreements shall contain language requiring the network pharmacies to submit claims to Medco whenever the membership ID card is presented or on file at the pharmacy unless the enrollee expressly requests that a particular claim not be submitted. 42 CFR § 423.120(c)(3).
- 2.18 To the extent applicable, Medco will comply with the reporting requirements established in Section 6005 of the Patient Protection and Affordable Care Act of 2010 (PPACA).

3. **PROGRAM PRICING TERMS**

The Program Pricing Terms are set forth in Schedule B.

4. **FORMULARY**

SPONSOR will be a participating plan sponsor in Medco's Medicare Part D Formulary as set forth below for the term of this Agreement.

- 4.1 **Medicare Part D Formulary** – The Medicare Part D Formulary is a prescription drug formulary administered by Medco which lists FDA approved Medicare Part D covered drugs that have been evaluated for inclusion on the Medicare Part D Formulary. The drugs included on the Medicare Part D Formulary will be modified by Medco from time to time as a result of factors including, but not limited to, medical appropriateness, manufacturer rebate arrangements, and patent expirations. Medco will implement Medco's formulary management programs, which may include cost containment initiatives, therapeutic interchange programs, communications with Eligible Persons, Participating Pharmacies and/or physicians (including communications regarding generic substitution programs), and financial incentives to Participating Pharmacies for their participation. Compliance with the Medicare Part D Formulary and Medco's formulary management program will result in Formulary Rebates as set forth below. Medco reserves the right to modify or replace the Medicare Part D Formulary (including any modification or replacement, the "Part D Formulary") and formulary compliance methods and cost containment initiatives consistent with good pharmacy practice. SPONSOR agrees that Medco will be the exclusive formulary administrator for SPONSOR's prescription drug benefit programs during the term of the Agreement. SPONSOR is authorized to use the Part D Formulary only for its own Eligible Persons and only as long as the Program is in effect and administered by Medco.
- 4.2 **Medicare Part D Formulary Rebates** - Medco and its subsidiaries receive formulary rebates from certain drug manufacturers as a result of the inclusion of those manufacturers' branded products on the Part D Formulary ("Part D Formulary Rebates"). Medco also receives additional rebates and/or fees from certain manufacturers for such products, which may take into account various factors, including the utilization of certain drugs within their respective therapeutic categories for Medco's book of business in aggregate as a result of various commitments and programs, including, but not limited to, formularies ("Additional Rebates and Fees"). Together, Part D Formulary Rebates and Additional Rebates and Fees will be referred to as "Total Rebates." Total Rebates does not include payments for services rendered by Medco on behalf of or to pharmaceutical manufacturers, including, for example, adherence, compliance, nursing, and other patient support services; patient referral and assistance services; product launch and other support services; equipment replacement services; clinical and research studies, data and analytics; and services relating to high-risk biopharmaceuticals. Medco will provide SPONSOR with 100% of the Total Rebates received by Medco based on the dispensing of each manufacturer's formulary drugs under SPONSOR's Program. Total Rebates will be credited against future billings to SPONSOR under the Program one hundred eighty (180) days after the end of each calendar quarter, provided SPONSOR has executed this Agreement.. Total Rebates due SPONSOR under this Agreement that are received by Medco within eighteen (18) months after termination or expiration of this Agreement will be paid to SPONSOR. Total Rebates received thereafter will be

retained by Medco.

- 4.3 If a government action, change in law or regulation, change in the interpretation of law or regulation, or action by any drug manufacturer or by SPONSOR has an adverse effect on the availability of Total Rebates or the Program Pricing Terms, Medco may modify, as applicable, the Total Rebates due SPONSOR or the Program Pricing Terms.
- 4.4 Any lines of SPONSOR's business, or any Group of Eligible Persons, for which SPONSOR funds less than 50% of the costs of Covered Drugs under the Plan Design will not be entitled to Formulary Rebates and Additional Rebates and Fees.

5. BILLING/PAYMENT

All invoices will be issued by Medco and paid in full by SPONSOR in accordance with the terms for payment of administrative fee invoices contained in the Billing/Payment section of the PBM Agreement.

6. TERM OF AGREEMENT

The term of this Amendment shall be from the January 1, 2012 through December 31, 2013. Notwithstanding the issuance of any termination notice, Medco agrees to continue to render services hereunder and SPONSOR agrees to pay for services of Medco in accordance with the terms of this Amendment while this Agreement is in force. Notwithstanding any other provisions to the contrary in this Amendment, this Amendment shall automatically terminate in the event and on the date that Medco's status as a Part D Sponsor under 42 CFR 423 *et seq.* terminates.

7. INDEMNIFICATION/LIMITATION OF LIABILITY

- 7.1 Medco will indemnify and hold SPONSOR, its subsidiaries and affiliates, and their officers, directors, and employees (each a "SPONSOR Indemnified Party") harmless from and against claims, suits, actions, or causes of action ("Actions") asserted against a SPONSOR Indemnified Party arising from services rendered by Medco pursuant to this Agreement to the extent the Actions arise from Medco's negligence or willful misconduct, or breach of this Agreement, or Medco's failure to comply with applicable law or CMS guidelines which failure results in claims, losses, or damages, including but not limited to fines, penalties, sanctions or similar fees, attorneys' fees, court costs and judgments ("SPONSOR Damages") imposed on SPONSOR, to the extent such SPONSOR Damages relate directly to the action or inaction of Medco, provided that (a) SPONSOR has given reasonable notice to Medco of the Actions, and (b) no SPONSOR Indemnified Party has, by act or failure to act, compromised Medco's position with respect to the resolution or defense of the Actions.
- 7.2 SPONSOR will indemnify and hold Medco, its subsidiaries and affiliates, and their respective officers, directors, and employees (each a "Medco Indemnified Party") harmless from and against Actions asserted against a Medco Indemnified Party arising from (i) breach of this Agreement by SPONSOR, (ii) negligence or willful misconduct of SPONSOR, (iii) the provision of patient identifiable or Program information or data by a Medco Indemnified Party to SPONSOR or SPONSOR's designees, or the subsequent use or disclosure of such information or data by SPONSOR or its designees, or (iv) SPONSOR's failure to comply with applicable law or CMS guidelines which failure results in claims, losses, or damages, including but not limited to fines, penalties, sanctions or similar fees, attorneys' fees, court costs and judgments ("Medco Damages") imposed on Medco, to the extent such Medco Damages relate directly to the action or inaction of SPONSOR, provided that (a) the Medco Indemnified Party has given reasonable notice to SPONSOR of the Actions, and (b) no Medco Indemnified Party has, by act or failure to act, compromised SPONSOR's position with respect to the resolution or defense of the Actions.
- 7.3 Medco will maintain, during the term of this Agreement, liability coverage with limits not less than \$1,000,000 per occurrence and in the aggregate per policy year, with excess liability coverage

in an amount not less than \$5,000,000 per policy year. Evidence thereof will be furnished to SPONSOR upon the execution of this agreement.

- 7.4 Except as provided in Section 7.1 above, neither Medco nor any subsidiary, affiliate, or any of their respective directors, officers, or employees, will be responsible for any Actions resulting from the provision of or failure to provide pharmaceutical goods or services or any other action or failure to act by any retail pharmacy, pharmaceutical manufacturer, or other pharmaceutical providers in connection with this Agreement.
- 7.5 The liability of Medco to SPONSOR for any negligent or willful misconduct by Medco will be limited to the per occurrence liability insurance amount set forth in Section 7.3.
- 7.6 Medco or SPONSOR, respectively, will not be liable to each other for incidental, consequential, punitive, special, or exemplary damages.

8. PLAN DESIGN

The Program Pricing Terms set forth in this Agreement are based upon the Plan Designs, Minimum Enrollment, and Program specifications agreed to between the parties as reflected in this Agreement and as otherwise hereafter agreed to by the parties in writing. The Program Pricing Terms are also based upon SPONSOR funding 50% or greater of the costs of Covered Drugs for its Eligible Persons. Any modification of the Plan Design or Program specifications, failure to maintain Minimum Enrollment, or inclusion of Eligible Persons or Groups with Covered Drugs funded less than 50% by SPONSOR may result in a modification by Medco of the Program Pricing Terms retroactive to the date of the change/event. SPONSOR will provide Eligible Persons with at least thirty (30) days' prior notice of approved Plan Design changes. If the number of SPONSOR's Eligible Persons eligible for Medicare is materially reduced or eliminated for any reason, Medco may communicate with those persons at Medco's expense regarding Part D options, including Medco Part D services, and the Program Pricing Terms may be modified to reflect the reduction or elimination.

8.1.1

9. COMPLIANCE WITH LAW

Medco and SPONSOR shall take all actions necessary and appropriate to assure that they comply with all applicable federal, state, and local laws and regulations, including, without limitation, the Anti-Kickback Statute, the Public Contracts Anti-Kickback Act, the Stark Law, and laws and regulations relating to disclosure or notification of plan benefits or the terms of rebate administration under this Agreement to SPONSOR's Groups. Medco's Code of Conduct and its policies and procedures relating to compliance with the above-named laws are available at www.medcohealth.com/medco/corporate/home.jsp by clicking on the Investors tab and then the Corporate Governance link. All of the information SPONSOR agrees that it will submit to Medco for submission to CMS in this Program shall be accurate, complete, and truthful. This Amendment shall be automatically amended to conform with the requirements of applicable law, regulations, and CMS instructions. Such automatic changes may result in a modification by Medco of the Pricing Terms retroactive to the effective date of such change.

10. SURVIVAL

The provisions of Section 2 (CMS Provisions), Section 5 (Billing/Payment), Section 7 (Indemnification, and the last sentence of Section 6 (Term) will survive the termination of this Amendment.

Except as modified herein, all other terms and conditions of the PBM Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their respective duly authorized officers as of the date first above written.

MEDCO HEALTH SOLUTIONS, INC.

CITY OF BRIDGEPORT

BY: _____
(signature)

BY: _____
(signature)

NAME: _____

NAME: _____
(type or print name)

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

458848.3 (10/26/12) nmb
PERMFORM 445476.1 (9/19/11) nmb
C@R Amendment

SCHEDULE A

MEDCO SERVICES

A. SERVICES UNDER THE AMENDMENT ARE AS FOLLOWS:

1. **PHARMACY NETWORK** – SPONSOR must use the CMS-approved Medco PDP network, including long term care, Indian Tribal Health Services, and home infusion pharmacies, to support the Medco Enhanced PDP. Medco will maintain a participating retail pharmacy network in accordance with CMS requirements.

1.1 **Retail Pharmacies** – Medco will develop, maintain, and operate a pharmacy benefit program that:

1.1.1 Performs the adjudication and processing of pharmacy claims at the point of sale.

1.1.2 Performs administration and tracking of member's drug benefits in real time.

1.1.3 Performs coordination with other drug benefit programs, within the limitations set by CMS.

1.1.4 Operates a member grievance and appeals process.

1.1.5 Performs customer service functions that accommodates the needs of seniors and persons with a disability.

1.2 **Mail Service Pharmacy** – Medco is the preferred provider of mail order services. Medco will develop, maintain, and operate a mail service that:

1.2.1 Processes prescriptions received via internet, fax, phone, or mail.

1.2.2 Refills orders received by phone or internet twenty-four (24) hours a day, seven (7) days a week.

1.2.3 Handles postage expense of mail-order prescriptions.

1.2.4 Provides Braille prescription labels for visually impaired.

1.2.5 Utilizes communication/educational materials included in medication packages.

1.2.6 Provides summary statement of benefit account.

1.2.7 Provides drug information leaflet with each new prescription.

1.2.8 Includes buck slips highlighting benefit components.

1.2.9 Uses pre-addressed Medco by mail order form/envelope.

1.2.10 Refills or processes renewal form (when appropriate).

1.2.11 Provides general communications regarding utilization of mail-order, including brochures.

1.3 **Medco Special Care Pharmacy** – Medco or its affiliates will provide the following services for products obtained from Medco's Special Care Pharmacy:

1.3.1 Clinical support, including:

- 1.3.1.1 Patient counseling from specially trained pharmacists and nurses.
- 1.3.1.2 Care management including information and support directly to the patient.
- 1.3.1.3 Coordination of care with the patient's case manager and/or home care agency.
- 1.3.1.4 Specialty drug educational materials and product information.
- 1.3.2 Toll-free telephone line for Eligible Persons using Specialty Drugs.
- 1.3.3 Ancillary supplies (such as needles and syringes) provided with injectable medications.
- 1.3.4 Logistics coordination of delivery to patient's home or physician's office.
- 1.3.5 Express delivery to physician's office or patient's home:
 - 1.3.5.1 Standard two (2) day delivery.
 - 1.3.5.2 Overnight delivery if required by physician (excluding Sundays).
- 1.3.6 Comprehensive drug utilization management review applied to specialty pharmacy related medical and prescription claims.
- 1.3.7 Enhanced physician services including communication materials, forms, informational hotline.
- 1.3.8 Targeted communications based on analysis of integrated pharmacy and medical claims databases to identify utilizers. This includes an initial mailing upon enrollment notifying members of the change in plan coverage and follow-up mailings and communication notifying members of their eligibility for services from the Special Care Pharmacy.
- 1.4 **Pharmaceutical Manufacturers** – Medco will perform negotiation with prescription drug manufacturers and others for rebates, discounts, or other price concessions on prescription drug.
- 1.5 **Home Infusion and Long-Term Care** – Medco shall ensure that network home infusion pharmacies provide delivery of home infusion drugs within twenty-four (24) hours of discharge from an acute setting, or later if so prescribed.
- 1.6 The foundation standards applicable to Medco's e-prescribing program are as follows:
 - 1.6.1 **Prescription Standards** – The NCPDP SCRIPT Standard Version 8.1 is utilized to communicate prescription and prescription related information between the prescriber and the dispenser. The following elements are supported by Medco:
 - 1.6.1.1 New prescription transaction *
 - 1.6.1.2 Status Response transaction *
 - 1.6.1.3 Verification transaction *
 - 1.6.1.4 Error response transaction *
 - 1.6.1.5 Refill request/response *
 - 1.6.1.6 Medication History request/response transactions *

1.6.1.7 RxCancel request/response transactions**

1.6.1.8 RxChange request/response transactions**

1.6.1.9 Prescription Fill status transaction**

* In use (ePrescribing Physician Technology Vendors are certified and utilize the transaction)

** Certified (Surescripts certified but no utilization by ePrescribing Physician Technology Vendors)

1.6.2 **Medication History** – Medco provides Medication History information through the appropriate usage, including identifying of physicians through their individual or group NPIs, of the SCRIPT 8.1 standard.

1.6.3 **Eligibility Standards**

1.6.3.1 Medco utilizes the Accredited Standards Committee (ASC) X12N 270/27 1 for the transmission of eligibility inquiries and responses between prescribers and Medco and for transmitting eligibility inquiries and responses between prescribers and Part D sponsors. This is the named standard for HIPAA compliance for healthcare eligibility.

1.6.3.2 Medco utilizes the standard NCPDP Telecommunications Standard 5.1 or D.O as applicable for the transmission of eligibility inquiries and responses between Medco and pharmacies. This is the named standard for HIPAA compliance for pharmacy eligibility.

1.6.4 **Formulary & Benefit Standards** – Medco utilizes the NCPDP Formulary & Benefit Standard 5.1 or D.O as applicable, to transmit batch formulary and benefit information to Surescripts certified Physician Technology Vendors. Medco provides Formulary Status and Payer-Specified Alternatives for each Part D Plan that Medco supports; Medco will provide Coverage Information, Copay Information and Drug Classification Information files for each Part D Plan sponsor for which Medco provides HPMS file submission support, or which has otherwise engaged Medco to support.

1.7 Adjudication of Coverage Gap Discount Program at point of sale.

2. **PLAN DESIGN** – Medco will work with the SPONSOR to make the appropriate plan/setup changes to meet the requirements of a PDP (e.g., drug lists/exclusions, coverage programs, rebate billing), using the SPONSOR's existing formulary and plan design and the Medco Medicare formulary and plan design as the basis. Any SPONSOR plan design shall conform to all applicable requirements including those related to actuarial equivalence.

3. **ENROLLMENT AND ELIGIBILITY** – The parties understand and agree that SPONSOR, or at SPONSOR's option a Vendor contracted in writing by SPONSOR wherever indicated herein, shall perform the services outlined in this Section 3.

3.1 **Definitions** – For purposes of this Section 3, the following definitions will apply:

3.1.1 **“Application Status Code”** means an internal code assigned by Medco to the enrollment record in Medco system based on the Transaction Reply Code received by Medco from CMS or based on Medco's internal determination of enrollment transaction status.

- 3.1.2 **“Centers for Medicare and Medicaid” or “CMS”** means a federal agency that administers Medicare program including Prescription Drug Program (s) offered by Medco.
- 3.1.3 **“Health Insurance Claim Number”** means a number assigned by the Social Security Administration or Railroad Retirement Board to an eligible Medicare beneficiary under which beneficiary is entitled to Medicare benefit (s).
- 3.1.4 **“Enrollment File”** means SPONSOR’s electronic maintenance file which contains the listing of SPONSOR’s Medicare retirees SPONSOR provides to Vendor with a specific disposition on the enrollment, demographic change or disenrollment that is applicable to the Eligible Person.
- 3.1.5 **“Enrollment Record Layout”** means Medicare Part-D Enrollment Record Layout & Processing Information-Employer PDP and Enhanced PDP document supplied by Medco to SPONSOR.
- 3.1.6 **“Enrollment Transactions”** means an enrollment, disenrollment, or change transaction submitted by Vendor to Medco on the Enrollment File.
- 3.1.7 **“Low Income Subsidy” or “LIS”** means resource information received from CMS and passed by Medco on the weekly enrollment report and monthly subsidy report .
- 3.1.8 **“Transaction Reply Code” (“TRC”)** means a disposition code transmitted by CMS to Medco on the daily enrollment file – (Transaction Reply Report (“TRR”)) and passed by Medco to Vendor on the PDP Report.
- 3.1.9 **“Retroactive Enrollment Transactions”** means an enrollment, disenrollment, and/or maintenance transaction that due to special circumstances, as defined by applicable CMS guidelines – requires special processing for the retroactive effective date of such a transaction.
- 3.1.10 **“PDP Report”** means a summary and member detail level file which will include all SPONSOR retirees enrolled, and terminated retirees. under SPONSOR prescription drug program plan administered by Medco.

3.2 **Parties’ Obligations**

- 3.2.1 Medco will work with SPONSOR to ensure that the enrollment data and layout support CMS requirements and enrollment into the Medco Enhanced PDP. Medco (or its vendor) will interface with CMS to verify eligibility, process enrollment transitions in accordance with CMS applicable guidelines .
- 3.2.2 The parties understand and agree that should an Eligible Person be submitted to CMS for verification as Covered Retiree but be denied by CMS, SPONSOR shall be responsible for any and all claims incurred by Eligible Person up to the date the enrollment denial is communicated to Medco (or its agent) by CMS.
- 3.2.3 SPONSOR agrees to use the layouts provided by Medco (or its agent), or a mutually agreed upon customized version thereof. SPONSOR is responsible for sending the enrollment information to Medco (or its agent) on the 950 byte maintenance enrollment file (or custom layout) specifically designed for Medicare that meets CMS enrollment requirements. SPONSOR does not need to solicit or retain paper enrollment forms from their Eligible Persons in accordance with applicable CMS employer waivers allowing group enrollment into Medco Enhanced plan, however SPONSOR is responsible for collecting all information

required for completion of an enrollment request such as Health Insurance Claim Number "HICN"), eligible person last name, first name, date of birth and gender in order to consider enrollment request to be complete. HICN is a required field on the enrollment file and it is SPONSOR's responsibility to obtain the member's correct HICN. SPONSOR is responsible for participating in the testing process to verify the integrity of the file and for the training of its customer service employees as appropriate to respond to enrollment and disenrollment questions.

- 3.2.4** SPONSOR shall transmit the enrollment file timely on an as needed basis for their Eligible Persons in accordance with CMS and Medco's policy.
- 3.2.5** Once CMS responds to the enrollment requests on a daily and/or weekly basis, Medco (or its Vendor) shall be responsible for accepting those responses from CMS and updating the Eligible Person's enrollment and eligibility whenever appropriate. SPONSOR shall be responsible for reviewing the PDP Report provided by Medco (or its Vendor) on a weekly basis, correcting members' data, making updates to the SPONSOR's enrollment record to ensure data accuracy and integrity and re-submitting enrollment requests when applicable.
- 3.2.6** Based on the CMS response, Medco shall send all CMS-required exhibit letter to the Eligible Person in order to notify Eligible Person of enrollment, disenrollment LIS and LEP event that requires notification per CMS applicable guidelines. Medco (or its vendor) shall manage the mailing process for CMS required enrollment, LIS and LEP Exhibit letters as applicable to EGWP groups and mail Exhibit letters within CMS required turnaround time
- 3.2.7** Medco (or its Vendor) shall be responsible for creating the PDP Report that is sent to SPONSOR weekly. The report will indicate to SPONSOR the CMS responses received during the particular reporting week for Eligible Persons and will include any and all updates made by Medco (or its vendor) to correct enrollment on behalf of the SPONSOR or updates transmitted to Medco by CMS in order for the SPONSOR to synchronize their files. This report will be available on SPONSOR Website.
- 3.2.8** In the event of a conflict between the information provided by SPONSOR and CMS, regarding any data whatsoever applicable to this Section 3 (Enrollment and Eligibility), and Section 4 (Premium Billing and Reconciliation) including TRR data, the parties hereto understand and agree that Medco (or its vendor) shall rely exclusively on CMS-provided data (unless applicable CMS guidelines specifically indicate that sponsor data prevails over CMS'). Medco shall not be liable to SPONSOR or Eligible Persons for the consequences, if any, that result from Medco's reliance on CMS data.
- 3.2.9** Data discrepancies that remain unresolved as a result of the monthly reconciliation will result in disenrollment by Medco (or its vendor) of the applicable individuals on the next available effective disenrollment date. In the event the SPONSOR or Medco has been unable to provide an update to resolve the enrollment discrepancy within thirty (30) days after the TRR is received, the member's record will be moved to a closed status.
- 3.2.10** SPONSOR shall ensure that accurate member address information is provided to Medco initially thirty (30) days prior to the beginning of the Plan Year and shall update and forward corrected information to Medco on the enrollment file. In order to enable Medco to comply with CMS' applicable best effort requirement to ascertain member address information for returned mail, Medco shall provide SPONSOR with an eligibility file containing incorrect member name and/or addresses and SPONSOR shall review and correct member addresses on their routine enrollment file and forward same to Medco.
- 3.2.11** Medco shall have no responsibility for any claims, delays, fines, penalty, or damages resulting from incorrect data provided by SPONSOR to Medco.

3.2.12 SPONSOR is required to complete the attestations listed in the Schedules attached hereto and made a part hereof.

3.3 **File Transmission And Process**

3.3.1 **Pre-Enrollment Activities** – SPONSOR or Vendor shall conduct the outreach to the SPONSOR Medicare retirees to obtain pertinent information including Health Insurance Claim Number (“HICN”) required to process enrollment transaction with CMS. The information shall be collected from eligible SPONSOR retirees within seven (7) business days from the date the beneficiary is entitled to receive Medicare benefits under SPONSOR Prescription Drug Program offered by the SPONSOR and administered by Medco.

3.3.2 **Enrollment File Transmission** – SPONSOR or Vendor shall provide Medco with the enrollment records of the SPONSOR Medicare Part D membership via the Medicare Part D Enrollment Maintenance File (“Enrollment File”). Vendor shall: (i) transmit the Enrollment File to Medco via the media type mutually agreed upon by Medco and the SPONSOR as specified in the “Medicare Part-D Enrollment Record Layout & Processing Information-Employer PDP and Enhanced PDP” document supplied by Medco; (ii) populate enrollment transactions on the Enrollment File pursuant to the transactions processing rules included in the in the Enrollment Record Layout; (iii) include all required data elements in the 950 byte file format specified in the Enrollment Record Layout; (iv) transmit to Medco all enrollment transactions within seven (7) business days from the date transaction was completed by SPONSOR or Vendor; and (v) transmit the Enrollment File to Medco with the frequency agreed upon between Medco and SPONSOR.

3.3.3 **Pre-Edit Processing and Reporting** – Medco shall provide SPONSOR or Vendor with the Pre-Edit processing rules and the Pre-Edit Report (“Report”) generated at the point the of the Enrollment File upload into the Medco system. Vendor shall: (i) review the Report within twenty four (24) hours from the receipt of the Report; (ii) correct and re-submit 99% of enrollment transactions rejected during the Pre-Edit process and listed on the Report in accordance with guidance provided by Medco in the Enrollment Record Layout within seven (7) business days from the receipt of the Report. The 1% of enrollment transactions rejected during the Pre-Edit process shall be submitted by SPONSOR to Medco within fourteen (14) business days from the receipt of the Report.

3.3.4 **Weekly PDP Report Processing** – On a weekly basis, Medco shall provide SPONSOR or Vendor with the Weekly PDP Report (“PDP Report”). The PDP Report is a snapshot of SPONSOR membership in Medco system. SPONSOR or Vendor shall: (i) review the PDP Report within seven (7) business days from the report receipt; (ii) correct and re-submit 99% of enrollment transactions rejected by CMS due to the demographic errors including but not limited to: rejection due to incorrect Health Claim Insurance Number (“HICN”), beneficiary last name, first name, date of birth, gender. Provided, however, that in the event SPONSOR appoints Medco or its agent to correct and resubmit enrollment transaction, then Medco or its agent will correct and re-submit the transaction The correction to the enrollment transaction shall be based on the disposition code - Transaction Reply Code (“TRC”) – and Application Status Code supplied by CMS and/or Medco and supplied by Medco on the PDP Report and TRR and/or Application code processing guidance provided by Medco. The 1% of enrollment transactions rejected by the CMS shall be submitted within fourteen (14) business days from the receipt of the Report; (iii) update SPONSOR’s enrollment system accordingly based on the disposition provided by Medco on the PDP Report to ensure that SPONSOR enrollment date is in synch with SPONSOR enrollment data in Medco and CMS system. The corrections to the enrollment transactions shall be submitted in the format as specified in the Enrollment Record Layout; and (iv) apply LIS information received from Medco on the PDP Report to members’ enrollment record in SPONSOR system.

- 3.3.5 **Enrollment Issue Resolution** – SPONSOR or Vendor shall collaborate with Medco on resolving enrollment issues that relate to retiree’s enrollment status under the SPONSOR’s Prescription Drug Program sponsored by Medco. SPONSOR or Vendor shall resolve 99% of member issues pertaining to retiree’s enrollment and/or eligibility status within seven (7) business days from the date an issue was referred to SPONSOR or Vendor by Medco for resolution. The 1% of enrollment issues shall be resolved within fourteen (14) business days from the date eligibility issue was referred to SPONSOR or Vendor by Medco for issue resolution.
- 3.3.6 **Retroactive Enrollment Transaction Processing** – SPONSOR or Vendor shall collaborate with Medco on processing retroactive enrollment transactions. Medco shall provide SPONSOR or Vendor with the processing guidelines “Retroactive Enrollment Processing Guidelines” developed based on the applicable policy (s) established by CMS and/or CMS Vendor to whom CMS delegated the processing of retroactive enrollment transactions function in behalf of CMS. SPONSOR or Vendor shall be responsible for supplying Medco with required documentation as defined in the “Retroactive Enrollment Processing Guidelines” to support retroactive enrollment request. SPONSOR or Vendor shall provide supporting documentation within fourteen (14) business days from the receipt of supporting documentation request from Medco.
- 3.3.7 **Quarterly Reconciliation** — Within fourteen (14) business days after the end of each year quarter SPONSOR or Vendor shall supply Medco with SPONSOR’s membership snapshot in a file format mutually agreed by both parties.
- 3.3.8 Within fourteen (14) business days from the receipt of the snapshot Medco shall compare enrollment information provided on the snapshot to the corresponding enrollment in the: (i) Medco Enrollment system; (ii) Medco Eligibility System; (iii) CMS Enrollment System as received by Medco on the CMS enrollment files. Medco shall provide SPONSOR or Vendor with the reply file (“Reconciliation File”) which will indicate the enrollment status of each retiree listed on the snapshot as reflected in Medco and/or CMS enrollment system.
- 3.3.9 Within fourteen (14) business days from the receipt of Reconciliation File from Medco Vendor shall reconcile enrollment information supplied on the file against enrollment information in Vendor and/or SPONSOR system to identify and correct enrollment discrepancies. Vendor shall: (i) apply information provided by Medco on the Reconciliation File to synchronize enrollment information in Vendor’s and/or the SPONSOR’s system with corresponding enrollment information in Medco and CMS system; (ii) present enrollment discrepancies to Medco in the mutually agreed format for the resolution and correction pursuant to applicable procedures described Section 3.3.6, Retroactive Enrollment Transaction Processing, of the contract.

4. **PREMIUM BILLING AND RECONCILIATION SUPPORT**

- 4.1 Medco shall coordinate with CMS the EGWP PDP CMS activities that pertain to billing, reconciliation, and reporting of Covered Retirees including:
- 4.1.1 **Reconciliation of CMS Subsidies** – Receipt and reconciliation of CMS subsidies for the standard benefit, low income subsidy, and low income subsidy payments.
- 4.1.2 **Government Reinsurance - Government** reinsurance for utilization above the applicable catastrophic threshold in Covered Retiree TrOOP (applies to calendar year only plans) on an annual basis. The catastrophic threshold is defined and adjusted by CMS annually (e.g., \$4,700 in 2012);

- 4.1.3 **Low Income Premium Subsidies (LIPS) for Eligible Members (monthly as received by CMS)** – The LISPS shall be provided for Covered Retirees who qualify for low income benefits as defined by CMS and the Social Security Administration.
 - 4.1.4 **Low Income Cost Sharing Subsidies (LICS) (annually)** – Based on final reconciliation with CMS, the LICS shall be payable to SPONSOR and shall be reconciled within ninety (90) days following the final reconciliation with CMS based on actual experience.
 - 4.1.5 Subsidies will ONLY be received on behalf of members approved by CMS as eligible for the PDP. Any Member rejected by CMS will not be eligible for any of the subsidies outlined above. Members not approved by CMS may be covered under the benefit at the SPONSOR discretion on a fee for service basis under the Sponsor’s commercial benefit.
 - 4.1.6 SPONSOR is responsible for billing and collecting the member’s contribution to the premium, less any Low Income Premium Subsidy received from CMS for eligible members, and ensuring that the low income members are billed the appropriate monthly member premium. Medco provide SPONSOR a monthly list of low-income subsidy eligibles. SPONSOR must refund the premium to the beneficiary within forty-five (45) days of receipt of the low income premium subsidy payment amount.
 - 4.1.7 **TrOOP Reporting** – Comply with CMS reporting requirements related to rebates, network access, TrOOP, clinical program management, claims administration, operational compliance, and other reports required by CMS.
- 4.2 SPONSOR and Medco shall coordinate the following activities:
- 4.2.1 SPONSOR shall be responsible for monthly premium billing and collection for Covered Retirees, unless this service is delegated to Medco .
 - 4.2.2 Medco shall provide CMS Low Income premium subsidy information for Covered Retirees to SPONSOR on a monthly basis. SPONSOR shall pass the CMS Low Income premium subsidy to all applicable Covered Retirees.
 - 4.2.3 SPONSOR shall retain all responsibility for the implementation of the non-payment of premium policy including required CMS letters.
 - 4.2.4 SPONSOR shall retain all Covered Retiree records and supporting documentation in accordance with CMS’ applicable ten (10) year, plus contract year record retention requirements.
- 4.3 SPONSOR and Medco shall collaborate to implement the Late Enrollment Penalty (“LEP”) as follows:
- 4.3.1 The SPONSOR agrees to comply with the applicable CMS requirements of the LEP and shall comply with Medco’s LEP policy, including participation with Medco in the following process.
 - 4.3.2 SPONSOR has an option to: (i) provide an attestation to Medco to attest to a creditable coverage for all of its Eligible Persons’ upon the initial installation process or (ii) provide an attestation to Medco to attest to a creditable coverage for its Eligible Persons’ listed on the LEP report during the post installation timeframe.
 - 4.3.3 Medco shall mail an attestation to each Eligible Person that has gap in coverage as defined by CMS for whom the SPONSOR did not provide attestation upon the initial attestation process.

- 4.3.4 If the SPONSOR attests to creditable coverage on behalf of its members, the SPONSOR will provide Medco with the Attestation attached as Schedule F of this Agreement, and a file listing of all the members included in the Attestation.
- 4.3.5 If the SPONSOR will not attest on behalf of its members, SPONSOR shall provide Medco with the file listing all members for whom SPONSOR was unable to attest.
- 4.3.6 SPONSOR's response is expected to be received within five (5) business days from the receipt of LEP prospect report;
- 4.3.7 Medco collects responses to the Attestations from SPONSOR or Eligible Persons and submits member uncovered months' information to CMS for processing and determination of applicable LEP.
- 4.3.8 CMS calculates LEP amount and transmits LEP amount to Medco on the daily TRR file. SPONSOR has an option to opt either to absorb or to charge Eligible Persons the LEP Amount This election must be made prior to the beginning of the Plan Year and be applied consistently by SPONSOR until the end of the Plan Year.
- 4.3.9 Payment of Coverage Gap discounts – Medco is responsible to collect the manufacturer discounts from the participating manufacturers and pass back the funds to the SPONSOR
- 4.3.10 **Additional Services for Non-Responders** – For an additional fee (on a per call basis) Medco (or its agent) will conduct telephonic outreach to Eligible Persons who have not responded.

5. **ELIGIBILITY STATUS CHANGES, AND TROOP UPDATES**

- 5.1 **Best Available Evidence** (“BAE”) – a policy established by CMS, where a PDP Sponsor is obligated to reflect appropriate cost sharing levels based on evidence defined by CMS in situations where LIS levels is not correctly reflected in the CMS system and Medicare beneficiary is eligible for a subsidy.
- 5.2 **Best Available Evidence** (“BAE”) – SPONSOR and Medco will comply with CMS best available evidence requirements as follows:
 - 5.2.1 Medco will rely on the updates to Member's LICS level information from CMS and communicate the changes to SPONSOR.
 - 5.2.2 In situation where Eligible Person is eligible for LIS and CMS system does not correctly reflect appropriate cost sharing levels Medco will collect best available evidence provided by an Eligible Person, Eligible Person representative or a pharmacy in accordance with CMS applicable rules will update LIS levels accordingly within 48-72 hours of the receipt of BAE documentation that meets CMS guidelines.
 - 5.2.3 SPONSOR shall notify Medco immediately if a member provides documentation that demonstrates they are low income subsidy eligible or claims to be eligible for a subsidy. Medco's Participating Pharmacy contracts will require the Participating Pharmacies that collect best available evidence of a Member's LICS level information to communicate promptly such information to SPONSOR, and to Medco. This information should be routed to Medco immediately through the SPONSOR's account management contact,.

- 5.3 **TrOOP** – Medco will track member true-out-of-pocket expenses (TrOOP) in accordance with CMS requirements for the enhanced PDP, including delivery or required reporting and data feeds to communicate TrOOP balances to members.
- 5.4 **Copay Collection** – Medco shall adjudicate claims and copayment in accordance with member eligibility information provided by SPONSOR via the updated eligibility file. In the event the copayment collected is incorrect due to information contained in the SPONSOR's eligibility file, or any third party's information not affiliated with or a subcontractor of Medco, Medco shall reprocess such claims at SPONSOR's direction and SPONSOR shall be responsible for (i) the cost of processing claims, and (ii) any other fees agreed upon by the parties. In the event a change in status results in the need to collect additional member copayment, SPONSOR shall bear responsibility for collection.
6. **CMS REPORTING** – Medco will develop and transmit applicable files to CMS as part of program administration (e.g., network, pricing). Areas of reporting may include utilization management, medication therapy management, enrollment, rebates, grievances, and appeals. The specific reporting requirements will be a function of the waivers approved by CMS.
7. **AUDIT SUPPORT** – Medco will cooperate with CMS audit requests in accordance with CMS regulations. Any audit by SPONSOR may be conducted once annually, concurrently with the audit for the services of the PBM Agreement, at no charge, upon adequate prior written notice, and during regular business hours. Audits under this Article shall otherwise be subject to the provisions of the PBM Agreement. SPONSOR shall maintain all Covered Persons' enrollment and disenrollment records including CMS Letter Exhibits No. 17 through 20.
8. **COVERED RETIREE COMMUNICATIONS** – Medco will deliver EOBs during every month in which a prescription is dispensed. Medco will provide mail service customer service, that is in compliance with CMS call handling requirements and corresponding CMS-required reporting; Medco will provide sixty (60) day formulary notice, transition letters, and enrollment and disenrollment letters.
9. **CLINICAL SERVICES, PRIOR AUTHORIZATION, MEDICATION THERAPY MANAGEMENT, FORMULARY MANAGEMENT** – Medco will establish and maintain a CMS-approved Formulary (Part D Formulary) and P&T Committee support for the Part D Formulary. Medco will provide clinical management, including applicable CMS-required appeals and prior authorization, edits and coverage reviews. Medco shall provide identification, enrollment, and administration of Covered Retirees eligible for the Medication Therapy Management (MTM)¹ program. Medco will provide Part D Formulary management and change notification communications. Retrospective Drug Utilization Review (RDUR) is included in the foregoing services as required by CMS.
10. **CUSTOMER SERVICE, GRIEVANCES, AND APPEALS** – Medco will provide services that address applicable CMS requirements for Customer Service, Grievances, and Appeals.
11. **PART D COMMUNICATIONS** – Medco will develop Covered Retiree communication templates, customer service scripting, and other communication tools. Medco will be responsible for submission of the materials to CMS for review, in accordance with applicable guidelines and waivers. Medco will also provide standard web site development and maintenance consistent with CMS regulations.
12. **CLINICAL PROGRAMS** – MTM, Transition Supply, 60 day notice, High Utilization, B/D Coverage determination, Copay / Administrative Appeals, Refill too Soon, RDUR, and CDUR are required by CMS and shall be included in the base administration fee. The following clinical programs have been filed by Medco as part of its 2012 formulary submission with CMS and are also included:

¹ Available for beneficiaries that have multiple chronic diseases, multiple Part D medications, and are likely to incur annual costs for covered Part D drugs that exceed \$3,000.

- Dispensing Quantity Limits
 - Quantity Dose Duration
 - Prior Authorization Rules
 - RationalMed®, Polypharmacy, and any other clinical programs not filed by Medco as part of its formulary submission to CMS will be quoted upon request.
 - Additional Clinical Programs will be quoted upon request.
 -
13. **COVERAGE GAP DISCOUNT PROGRAM** – Medco shall administer the coverage Gap Discount Program on behalf of SPONSOR in accordance with all applicable CMS regulations and guidance.
14. **MEMBER RECOVERY NOTIFICATION PROCESS** – Medco shall administer a member recovery notification process, in accordance with CMS 45 day turnaround time.
15. **Medicaid Subrogation Service** – Medco will process claims in accordance with the Medicaid subrogation guidelines and the fee for this service is included in the Administrative Fee set forth in Schedule B. No attestation is required under this section due to the fact that this Agreement serves as the attestation because the subrogation fees are included in the Administrative Fee.

B. ADDITIONAL OPTIONAL SERVICES

The following services are available and subject to additional fees, as provided in Schedule B hereto.

1. **CUSTOMIZATION OF CO-BRANDED SPONSOR COLLATERALS RELATED TO THE MEDCO EMPLOYER GROUP WAIVER PDP PLAN** – In accordance with applicable CMS regulations, PDPs are required to mail welcome kits and ID cards (“Welcome Kits”) to members within seven (7) days of a member being approved for enrollment by CMS. Welcome Kits under this agreement shall include the SPONSOR’s logo and specific customer service 800 number, as well as the SPONSOR’s specific plan design and other applicable customizations. The standard Welcome Kit components include for the coming benefit year: Cover Letter, ID Card, Summary of Benefits, Table of Contents, Privacy Policy, Evidence of Coverage, Medco by Mail Order Form, HAQ, Direct Claim Form, Abridged Formulary, and Pharmacy Guide. The Welcome kit may be modified upon mutual agreement between SPONSOR and Medco, to the extent permitted under applicable regulation. The parties hereto agree as follows:
- 1.1. **SPONSOR’s Responsibilities** – Welcome Kits will be customized to support SPONSOR’s specific benefit design. The SPONSOR shall be responsible for providing benefit design, reviewing and approving Welcome Kit materials to Medco timely, as required by Medco’s marketing department. SPONSOR shall provide training to SPONSOR’s staff and customer service vendors, if any.
- 1.2. **Medco’s Responsibilities** – Medco shall create and mail the Welcome Kit/ID cards to applicable Covered Retirees, who are verified by CMS, within seven (7) days in accordance with CMS requirements. Medco shall make changes to the Welcome Kit/ID cards as necessary to remain compliant, on an ongoing basis. Medco shall provide customer service training, post said materials to the web, and fulfill additional requests by Covered Retirees.
2. **COMMUNICATIONS** – Communications to Covered Retirees regarding their ability to opt-out of the Medco Employer Group Waiver PDP plan, in compliance with CMS regulations.

3. **ANNUAL NOTICE OF CHANGE** – Medco shall develop and submit the Annual Notice of Change (“ANOC”) to SPONSOR for prior review and timely approval. The ANOC shall be mailed to all renewing members. The Annual Notice of Change is a CMS approved mailing sent to all current members of the SPONSOR on a mutually agreed upon date based on the clients open enrollment requirements. . It contains the annual notice of change, a summary of benefits, and current abridged formulary.

4. **AD HOC OPTIONAL SERVICES**

• Development of Part D web-related services	Quoted upon request
• Additional member requested materials.	Billed at Cost plus postage
• SPONSOR requested customization, re-issuance or replacement of any Member Communication Materials, Formulary materials, or Identification Cards on a group-wide or company-wide basis	Billed at Cost plus postage
• Subsequent member communications describing the benefit or changes to the benefit	Quoted upon request
• Customized, targeted member or physician mailings	Quoted upon request
• Bulk mailings direct to employer or plan location	Billed at cost plus postage
• Additional mailings required by changes in CMS guidance between open enrollment and until the end of the benefit year	Billed at cost plus postage
• Customized web or other communications development	Quoted upon request
• Premium Billing	Quoted upon request
• Such other additional services as agreed to between the parties	Quoted upon request
• EGWP Commercial Wrap	\$1.50 per member per month. See Schedule G
EOB development for Spanish and Braille materials	Billed at cost plus postage
Material development for Spanish and Braille – A Aldighere to outline	Quoted upon request
Material development to comply with CMS requirements – check other sections of the agreement	Quoted upon request

SCHEDULE B

PRICING TERMS

SPONSOR shall pay Medco for Services under this Agreement, for the January 1 to December 31, 2014 period as follows:

1. **CLAIMS BILLING AND PDP ADMINISTRATIVE FEES** – SPONSOR shall pay Medco for the Employer Group Waiver PDP Covered Drugs dispensed and submitted under this Agreement under both the Retail Pharmacy and Mail Order Programs plus a Medicare Monthly Administrative Fee as set forth below under the Retail Pharmacy Program and the Mail Order Pharmacy Program. The Medicare Monthly administrative Fee shall be in addition to the core PBM administrative fee if any. Medco shall bill SPONSOR as follows:

- 1.1 **Billing Of Incurred Claims (Ingredient Cost).**

- 1.1.1 **Claims for Covered Drugs** – Medco shall bill SPONSOR for the Covered Drug claims incurred by Covered Retirees that are submitted and dispensed under the SPONSOR-chosen Employer Group Waiver PDP plan design. Billing will be based on the rate set forth in this Schedule B for both Part D drugs, and the non Part D drugs, if any, that SPONSOR directs Medco to administer as covered.

- 1.1.2 **Claims for Vaccines** – Consistent with CMS regulations, services set forth in this Amendment shall include coverage for Part D-covered, provider-administered vaccines. Billing will include (i) an applicable fixed vaccine inoculation not to exceed \$20 when charged by the administering physician, if any, for all vaccines covered under Part D, and (ii) a third party vendor fee as charged to Medco not to exceed \$4 per paid claim. Claims for vaccines are excluded from rebates.

- 1.2 **Monthly Administrative Fee** – Medco shall charge (i) a per Covered Retiree per month fee for administering the benefit in accordance with this Schedule B, and (ii) specific charges per piece for certain required communications as follows.

- 1.2.1 **Med D Core Services** - Medco's administrative fee covers the core services costs, outlined below, associated with the administrative aspects of both the standard and enhanced portions of the benefit and is: \$8.69 per Covered Retiree per month for Employer Group Waiver Plan services (not including the total cost of the Welcome Kit, or Annual Notice of Non Coverage (ANOC), as defined, below plus postage) These charges are applicable to every fulfilled applicant, regardless of final CMS status verification.

- 1.2.2 **PBM Core Services** – Medco's administrative fee covers the core PBM services costs, outlined below, associated with the administrative aspect of both the standard and enhanced portions of the benefit and is \$3.00 per Covered Retiree per month. These charges are applicable to every fulfilled applicant, regardless of final CMS status verification.

- 1.2.3 **Pre Notification** – Required for all new retirees as they are group enrolled into the benefit on at the onset of the plan. Medco will provide the SPONSOR with a print ready pdf for this purpose. If the SPONSOR requests Medco to mail the notifications, additional cost and postage fees will apply. The SPONSOR is responsible for notifying Covered Retirees who age into the plan, post installation. SPONSOR has the

responsibility to notify Covered Retirees at least 21 days prior to their enrollment into the plan to allow ample time for members to assess their opt out privileges.

1.3 Clinical Programs – MTM, Transition Supply, sixty (60) days’ notice, High Utilization, B/D Coverage determination, Copay / Administrative Appeals, Refill too Soon, RDUR and CDUR are required by CMS and shall be included in the base administration fee. The following clinical programs have been filed by Medco as part of its 2012 formulary submission with CMS and are also included:

1.3.1 Dispensing Quantity Limits

1.3.2 Quantity Dose Duration

1.3.3 Prior authorization Rules

1.3.4 Additional Clinical Programs not quoted above, will be quoted upon request.

2. RETAIL PHARMACY NETWORK – SPONSOR shall participate in Medco’s PDP Retail Networks illustrated below.

2.1 Network – The Parties anticipate using the current pricing applicable under the existing retail pharmacy network.

MEDCO’S PDP NETWORK		
	Up to a 31-day supply	32 to 90 days supply
Brand Pricing	Average annual brand discount of AWP minus (-) 13.70%.	Average annual brand discount of AWP minus (-) 18.30%.
Generic Pricing ²	Average annual generic discount of AWP minus (-) 74.0% (2012-2013) and 75.0% (2014)	Average annua generic discount of AWP minus (-) 74.0% (2012-2013) and 75.0% (2014)
Dispensing Fees	Estimated average \$1.25 (2012 and 2013) and \$1.20 (2014)	Estimated average \$1.00

3. MEDCO BY MAIL PHARMACY SERVICE PRICING – The pricing applicable to the Medco Mail Service is as follows:

MEDICARE PART D	
Brand Pricing	Average annual brand discount of AWP minus (-) 24%.
Generic Pricing ²	Average annual generic discount of AWP minus (-) 79.0% (2012 and 2013) and 80.0% (2014)
Dispensing Fees	\$0.00

The specialty pricing list is also included in the attached Schedule B-1.

If carrier rates (i.e., U.S. mail and/or applicable commercial courier services) increase during the term of this Agreement, the Dispensing Fee will be increased to reflect such increase(s).

² Generic Pricing is applicable to generic drugs that are available in sufficient supply from multiple manufacturers, consistent with the provisions of the PBM Agreement.

4. **HOME INFUSION AND LTC SERVICE PRICING**

MEDICARE PART D LONG TERM CARE AND HOME INFUSION NETWORKS PASS THROUGH PRICING		
	Long-Term Care Pharmacies	Home Infusion Pharmacies
Brand Pricing	Lowest of U&C, MAC, or contracted AWP discount of AWP minus (-) 10.54%.	Lowest of U&C, MAC, or contracted AWP discount of AWP minus (-) 12.62%.
Generic Pricing	Lowest of U&C, MAC, or contracted AWP discount of AWP minus (-) 10.54%.	Lowest of U&C, MAC, or contracted AWP discount of AWP minus (-) 12.62%.
Dispensing Fees	Estimated average Dispensing Fee of \$4.00	Estimated average Dispensing Fee of \$1.00

Note: For non-infused or non-injected Part D Covered Drugs dispensed by these pharmacies, the claim will price according to the Medco PDP base agreement at AWP minus (-) 11.58% and a \$2.00 Dispensing Fee.

Note: Medco shall ensure that network home infusion pharmacies provide delivery of home infusion drugs within twenty-four (24) hours of discharge from an acute setting, or later if so prescribed.

5. **INDIAN TRIBUNAL URBAN (ITU)/INDIAN TRIBUNAL AUTHORITY (ITA)**

INDIAN TRIBUNAL URBAN (ITU)/INDIAN TRIBUNAL AUTHORITY (ITA) CONTRACT ARRANGEMENTS		
	Single Source Brand	Multi-Source Brand
Source/AWP	Average reimbursement equal to AWP minus (-) 11.58%	Generic: Average reimbursement equal to lower of pharmacy's U&C, MAC, or AWP minus (-) 15.00%. Brand: Average reimbursement equal to AWP minus (-) 11.58%.
Dispensing Fees	Estimated average of \$2.00	Estimated average of \$2.00

6. **MEDCO SPECIALTY BENEFIT MANAGEMENT SERVICE** – Notwithstanding anything to the contrary in Section 3 above and elsewhere in the Agreement, SPONSOR will pay Medco for those Covered Drugs designated as Specialty Drugs in Schedule B under the Mail Order Pharmacy Program on a separate ingredient cost basis (provided in Schedule B-1) plus applicable Dispensing Fee (provided in Schedule B-1), subject to the Copayment/Coinsurance in the applicable Plan Design.

Under the Retail Pharmacy Program, SPONSOR will pay Medco for the Specialty Drugs in Schedule B according to the pricing set forth in Section 2 of Schedule B.

Medco will be the exclusive administrator of Specialty Drugs to SPONSOR while this Agreement is in effect. Specialty Drugs may be provided by Medco or other third-party specialty pharmacy that has a written arrangement with Medco. Medco may add or delete products, or modify pricing terms, in Schedule B-1 on written notice to SPONSOR. Specialty Drugs are excluded from calculations, guarantees, credits, and payments regarding Total Rebates under the Mail Order Pharmacy Program and the Retail Pharmacy Program set forth in this Agreement. The terms and pricing set forth in this Section 6 and in Schedule B-1 apply only to SPONSOR's pharmacy benefit and not to SPONSOR's medical benefit.

Services for Specialty Drugs under the Mail Order Pharmacy Program consist of:

- Clinical support that provides, according to Medco's procedures:
 - Eligible Person tele-counseling from specially trained pharmacists and nurses
 - Care management, including information and support directly to the Eligible Person
 - Coordination of care with the Eligible Persons case manager and/or home care agency

- Specialty Drug educational materials and product information
 - Standard communications notifying Eligible Persons of changes in plan coverage
 - Personalized mailings and outbound phone calls by Medco Special Care Pharmacy to Eligible Persons purchasing, at retail pharmacies, Specialty Drugs that are clinically appropriate for maintenance use
- Toll-free telephone line for Eligible Persons using Specialty Drugs
- Express delivery to physician's office or Eligible Person's home
 - Standard two (2) day delivery
 - Overnight delivery as physician required (excluding Sundays)
- Logistics coordination of delivery to Eligible Person's home or physician's office
- Analysis of integrated pharmacy and medical claims databases to identify utilizers, if applicable and agreed upon
- Ancillary supplies provided with each self-injectable medication
- Drug Utilization Review applied to specialty pharmacy related prescription claims and, when available from Medco, medical claims
- Enhanced Physician services, consisting of communication materials, forms and informational hotline

Additional communications to Eligible Persons or physicians beyond these listed above will be quoted upon request.

7. **MEDCO PASS THROUGH OF CMS PAYMENT COMPONENTS**

7.1 Medco will pass through to SPONSOR 100% of the following CMS payment components:

- 7.1.1 **Risk-Adjusted Direct Per Member Per Month Subsidy (monthly)** – The risk-adjusted Direct per member per month subsidy will be based on the CMS-provided National Average subsidy, provided in August or early September of each year. These payments shall be made within fifteen (15) days after the end of the month.
- 7.1.2 **Annual Reinsurance Payments for Catastrophic Coverage (annually)** – The reinsurance payments for catastrophic coverage will equal 80% of the net cost of claims incurred after the member reaches the CMS catastrophic coverage threshold (adjusted annually) in True Out of Pocket Spend, adjusted for rebates. For purposes of the annual true-up of annual reinsurance payments, only Covered Retirees and Medicare-covered drugs shall be included.
- 7.1.3 **Low Income Cost Sharing Subsidies (LICS) (annually)** – Based on final reconciliation with CMS, the LICS shall be payable to SPONSOR and shall be reconciled within ninety (90) days following the final reconciliation with CMS based on actual experience.
- 7.1.4 **Low Income Premiums Subsidies (LIPS) for Eligible Members (monthly as received by CMS)** – The LIPS will be provided for Covered Retirees who qualify for low income benefits as defined by CMS and the Social Security Administration.
- 7.1.5 **Coverage Gap Discount Program (CGDP) (quarterly)** – Based on quarterly reconciliation with CMS and participating Pharmaceutical Manufacturers, the CGDP shall be payable to SPONSOR and shall be reconciled within 45 days following receipt of the funds by Medco.
- 7.1.6 Subsidies will ONLY be received on behalf of members approved by CMS as eligible for the PDP. Any Member rejected by CMS will not be eligible for any of the subsidies outlined above. Members not approved by CMS may be covered under the benefit at the SPONSOR discretion in accordance with the

terms of your SPONSOR's commercial Integrated Prescription Drug Program Agreement.

- 7.1.7 SPONSOR is responsible for billing and collecting the member's contribution to the premium, less any Low Income Premium Subsidy received from CMS for eligible members, and ensuring that the low income members are billed the appropriate monthly member premium. Medco will provide SPONSOR a monthly list of low-income subsidy eligibles. SPONSOR must refund the premium to the beneficiary within forty-five (45) days of receipt of the low income premium subsidy payment amount.
- 7.2 Plan sponsors shall receive a bi-weekly claim, and monthly administrative electronic invoices via a File Transfer Protocol (FTP) consistent with the current commercial invoice billing schedule, if any, applicable in the Agreement. Both the claims fees and the monthly administrative fee will appear on the SPONSOR invoice. The monthly per member payment charge shall be made to Medco Containment Insurance Company of New York or Medco Containment Life Insurance Company, as applicable in accordance with the instruction included in the Medco invoice. The CMS components listed above that Medco receives from CMS on behalf of SPONSOR will appear as a credit on the subsidy statement. These reports will be available on SPONSOR website.
- 7.3 To the extent required to inform CMS, Medco agrees to update any prescription drug pricing standard for reimbursement of network pharmacies based on the cost of a drug used by the Part D SPONSOR on (i) January 1 of each contract year; and (ii) Not less frequently than once every seven (7) days.
- 7.4 State-to-Payer/Payer-to-Payer Reconciliations – SPONSOR will be responsible for any claims paid by the PDP as part of the State-to-Payer and/or Payer-to-Payer reconciliations.

**SCHEDULE B-1
SPECIALTY DRUG PRICING FROM THE
MEDCO SPECIAL CARE PHARMACY**

Only drugs that are considered by CMS to be Part D covered drugs will be offered through the standard EGWP program. This list is subject to change at CMS discretion. Drugs in the specialty drug pricing list are not necessarily on the specialty drug pricing tier.

Therapy	Drug	Per Diem & Nursing Service Charges	AWP Discount	Dispensing Fee
Anemia	ARANESP		12.6190%	\$0.00
Anemia	EPOGEN		12.6190%	\$0.00
Anemia	PROCRIT		12.6190%	\$0.00
Anemia	SOLIRIS		11.5788%	\$0.00
Cancer	ABRAXANE		12.6190%	\$0.00
Cancer	ADCETRIS		11.5788%	\$0.00
Cancer	AFINITOR		11.5788%	\$0.00
Cancer	ARRANON		12.6190%	\$0.00
Cancer	ARZERRA		12.6190%	\$0.00
Cancer	AVASTIN		12.6190%	\$0.00
Cancer	DACOGEN		12.6190%	\$0.00
Cancer	ELIGARD		12.6190%	\$0.00
Cancer	ERBITUX		12.6190%	\$0.00
Cancer	FIRMAGON		11.5788%	\$0.00
Cancer	FOLOTYN		11.5788%	\$0.00
Cancer	GLEEVEC		12.6190%	\$0.00
Cancer	HALAVEN		12.6190%	\$0.00
Cancer	HERCEPTIN		12.6190%	\$0.00
Cancer	HYCAMTIN ORAL		12.6190%	\$0.00
Cancer	ISTODAX		12.6190%	\$0.00
Cancer	IXEMPRA		12.6190%	\$0.00
Cancer	JEVTANA		12.6190%	\$0.00
Cancer	LEUPROLIDE		19.9008%	\$0.00
Cancer	LUPRON DEPOT		12.6190%	\$0.00
Cancer	MOZOBIL		12.6190%	\$0.00
Cancer	NEXAVAR		12.6190%	\$0.00
Cancer	OCTREOTIDE ACETATE		12.6190%	\$0.00
Cancer	OFORTA		12.6190%	\$0.00
Cancer	PROLEUKIN		12.6190%	\$0.00
Cancer	REVLIMID		11.5788%	\$0.00
Cancer	RITUXAN		12.6190%	\$0.00
Cancer	SANDOSTATIN (all forms and strengths)		12.6190%	\$0.00
Cancer	SPRYCEL		11.5788%	\$0.00
Cancer	SUTENT		12.6190%	\$0.00
Cancer	SYLATRON		12.6190%	\$0.00
Cancer	TARCEVA		12.6190%	\$0.00
Cancer	TASIGNA		12.6190%	\$0.00
Cancer	TEMODAR		12.6190%	\$0.00
Cancer	THALOMID		12.6190%	\$0.00

Therapy	Drug	Per Diem & Nursing Service Charges	AWP Discount	Dispensing Fee
Cancer	TORISEL		12.6190%	\$0.00
Cancer	TREANDA		12.6190%	\$0.00
Cancer	TYKERB		12.6190%	\$0.00
Cancer	VANTAS		12.6190%	\$0.00
Cancer	VECTIBIX		12.6190%	\$0.00
Cancer	VELCADE		12.6190%	\$0.00
Cancer	VIDAZA		12.6190%	\$0.00
Cancer	VOTRIENT		11.5788%	\$0.00
Cancer	XALKORI		12.6190%	\$0.00
Cancer	XELODA		12.6190%	\$0.00
Cancer	XGEVA		12.6190%	\$0.00
Cancer	YERVOY		12.6190%	\$0.00
Cancer	ZELBORAF		11.5788%	\$0.00
Cancer	ZOLADEX		12.6190%	\$0.00
Cancer	ZOLINZA		12.6190%	\$0.00
Cancer	ZYTIGA		12.6190%	\$0.00
Crohn's Disease	CIMZIA		12.6190%	\$0.00
DVT/Anticoagulation	ARIXTRA		12.6190%	\$0.00
DVT/Anticoagulation	ENOXAPARIN SODIUM		12.6190%	\$0.00
DVT/Anticoagulation	FONDAPARINUX SODIUM		12.6190%	\$0.00
DVT/Anticoagulation	FRAGMIN		12.6190%	\$0.00
DVT/Anticoagulation	INNOHEP		12.6190%	\$0.00
DVT/Anticoagulation	IPRIVASK		12.6190%	\$0.00
DVT/Anticoagulation	LOVENOX		12.6190%	\$0.00
Growth Stimulating Agents	GENOTROPIN		12.6190%	\$0.00
Growth Stimulating Agents	HUMATROPE		12.6190%	\$0.00
Growth Stimulating Agents	INCRELEX		7.4178%	\$0.00
Growth Stimulating Agents	NORDITROPIN (all forms and strengths)		12.6190%	\$0.00
Growth Stimulating Agents	NUTROPIN (all forms and strengths)		12.6190%	\$0.00
Growth Stimulating Agents	OMNITROPE		12.6190%	\$0.00
Growth Stimulating Agents	SAIZEN		12.6190%	\$0.00
Growth Stimulating Agents	SEROSTIM		12.6190%	\$0.00
Growth Stimulating Agents	TEV-TROPIN		12.6190%	\$0.00
Growth Stimulating Agents	ZORBTIVE		12.6190%	\$0.00
Hemophilia	ADVATE		19.9008%	\$0.00
Hemophilia	ALPHANATE		21.9813%	\$0.00
Hemophilia	ALPHANINE SD		21.9813%	\$0.00
Hemophilia	BEBULIN		5.3373%	\$0.00
Hemophilia	BENEFIX		12.6190%	\$0.00
Hemophilia	CORIFACT		19.9008%	\$0.00
Hemophilia	FEIBA		24.0618%	\$0.00
Hemophilia	HELIXATE (all forms and strengths)		21.9813%	\$0.00
Hemophilia	HEMOFIL M		24.0618%	\$0.00
Hemophilia	HUMATE-P		19.9008%	\$0.00
Hemophilia	KOATE (all forms and strengths)		24.0618%	\$0.00
Hemophilia	KOGENATE		24.0618%	\$0.00
Hemophilia	MONOCLATE P		24.0618%	\$0.00
Hemophilia	MONONINE		21.9813%	\$0.00

Therapy	Drug	Per Diem & Nursing Service Charges	AWP Discount	Dispensing Fee
Hemophilia	NOVOSEVEN RT		21.9813%	\$0.00
Hemophilia	PROFILNINE (all forms and strengths)		24.0618%	\$0.00
Hemophilia	RECOMBINATE		21.9813%	\$0.00
Hemophilia	RIASTAP		7.4178%	\$0.00
Hemophilia	STIMATE		11.5788%	\$0.00
Hemophilia	WILATE		19.9008%	\$0.00
Hemophilia	XYNTHA(all forms and strengths)		19.9008%	\$0.00
Hepatitis	COPEGUS		12.6190%	\$0.00
Hepatitis	INCIVEK		12.6190%	\$0.00
Hepatitis	INFERGEN		12.6190%	\$0.00
Hepatitis	INTRON A (all forms and strengths)		12.6190%	\$0.00
Hepatitis	PEGASYS		12.6190%	\$0.00
Hepatitis	PEG-INTRON (all forms and strengths)		12.6190%	\$0.00
Hepatitis	REBETOL		12.6190%	\$0.00
Hepatitis	RIBASPHERE		42.7863%	\$0.00
Hepatitis	RIBAVIRIN		42.7863%	\$0.00
Hepatitis	VICTRELIS		12.6190%	\$0.00
Hereditary Tyrosinemia	ORFADIN		Plus 4.0250%	\$0.00
HIV	EGRIFTA		12.6190%	\$0.00
HIV	FUZEON		12.6190%	\$0.00
Homocystinuria	CYSTADANE		12.6190%	\$0.00
Immune Deficiency	ACTIMMUNE		12.6190%	\$0.00
Immune Deficiency	ADAGEN		Plus 4.0250%	\$0.00
Immune Deficiency	CARIMUNE NF	**	13.6593%	\$0.00
Immune Deficiency	CYTOGAM	**	13.6593%	\$0.00
Immune Deficiency	FLEBOGAMMA	**	13.6593%	\$0.00
Immune Deficiency	GAMASTAN	**	13.6593%	\$0.00
Immune Deficiency	GAMMAGARD	**	13.6593%	\$0.00
Immune Deficiency	GAMMAGARD LIQUID	**	11.5788%	\$0.00
Immune Deficiency	GAMMAPLEX	**	13.6593%	\$0.00
Immune Deficiency	GAMUNEX	**	13.6593%	\$0.00
Immune Deficiency	HIZENTRA	**	12.6190%	\$0.00
Immune Deficiency	HYPERRHO S/D	**	16.7800%	\$0.00
Immune Deficiency	MICRHOGAM	**	13.6593%	\$0.00
Immune Deficiency	OCTAGAM	**	13.6593%	\$0.00
Immune Deficiency	PRIVIGEN	**	12.6190%	\$0.00
Immune Deficiency	RHOGAM	**	13.6593%	\$0.00
Immune Deficiency	RHOPHYLAC	**	13.6593%	\$0.00
Immune Deficiency	VIVAGLOBIN	**	12.6190%	\$0.00
Immune Deficiency	WINRHO (all forms and strengths)	**	21.9813%	\$0.00
Infertility	BRAVELLE		12.6190%	\$0.00
Infertility	CETROTIDE		12.6190%	\$0.00
Infertility	CHORIONIC GONADOTROPIN		12.6190%	\$0.00
Infertility	FOLLISTIM AQ		12.6190%	\$0.00
Infertility	GANIRELIX ACETATE		12.6190%	\$0.00
Infertility	GONAL-F (all forms and strengths)		12.6190%	\$0.00

Therapy	Drug	Per Diem & Nursing Service Charges	AWP Discount	Dispensing Fee
Infertility	LUVERIS		12.6190%	\$0.00
Infertility	MENOPUR		12.6190%	\$0.00
Infertility	NOVAREL		12.6190%	\$0.00
Infertility	OVIDREL		12.6190%	\$0.00
Infertility	PREGNYL		12.6190%	\$0.00
Infertility	REPRONEX		12.6190%	\$0.00
Metabolic Disorder	ALDURAZYME	**	7.4178%	\$0.00
Metabolic Disorder	BERINERT		12.6190%	\$0.00
Metabolic Disorder	CARBAGLU		5.3373%	\$0.00
Metabolic Disorder	CEREZYME	**	12.6190%	\$0.00
Metabolic Disorder	ELAPRASE	**	12.6190%	\$0.00
Metabolic Disorder	FABRAZYME	**	6.3775%	\$0.00
Metabolic Disorder	FIRAZYR		13.6593%	\$0.00
Metabolic Disorder	LUMIZYME	**	10.5385%	\$0.00
Metabolic Disorder	MYOZYME	**	11.5788%	\$0.00
Metabolic Disorder	NAGLAZYME	**	12.6190%	\$0.00
Metabolic Disorder	V-PRIV	**	12.6190%	\$0.00
Multiple Sclerosis	AMPYRA		11.5788%	\$0.00
Multiple Sclerosis	AVONEX		12.6190%	\$0.00
Multiple Sclerosis	BETASERON		12.6190%	\$0.00
Multiple Sclerosis	COPAXONE		12.6190%	\$0.00
Multiple Sclerosis	EXTAVIA		12.6190%	\$0.00
Multiple Sclerosis	GILENYA		12.6190%	\$0.00
Multiple Sclerosis	MITOXANTRONE		12.6190%	\$0.00
Multiple Sclerosis	NOVANTRONE		12.6190%	\$0.00
Multiple Sclerosis	REBIF		12.6190%	\$0.00
Multiple Sclerosis	TYSABRI		10.5385%	\$0.00
Neutropenia/Thrombocytopenia	LEUKINE		12.6190%	\$0.00
Neutropenia/Thrombocytopenia	NEULASTA		12.6190%	\$0.00
Neutropenia/Thrombocytopenia	NEUMEGA		12.6190%	\$0.00
Neutropenia/Thrombocytopenia	NEUPOGEN		12.6190%	\$0.00
Neutropenia/Thrombocytopenia	NPLATE		12.6190%	\$0.00
Ophthalmics	LUCENTIS		12.6190%	\$0.00
Ophthalmics	MACUGEN		12.6190%	\$0.00
Ophthalmics	OZURDEX		12.6190%	\$0.00
Ophthalmics	RETISERT		6.3775%	\$0.00
Osteo-Arthritis	EUFLEXXA		12.6190%	\$0.00
Osteo-Arthritis	HYALGAN		12.6190%	\$0.00
Osteo-Arthritis	ORTHOVISC		12.6190%	\$0.00
Osteo-Arthritis	SUPARTZ		12.6190%	\$0.00
Osteo-Arthritis	SYNVISC		12.6190%	\$0.00
Osteoporosis	FORTEO		12.6190%	\$0.00
Osteoporosis	PROLIA		12.6190%	\$0.00
Other Specialty Agents	ACTHAR GEL		12.6190%	\$0.00
Other Specialty Agents	APOKYN		12.6190%	\$0.00
Other Specialty Agents	ARCALYST		12.6190%	\$0.00
Other Specialty Agents	ATRYN		12.6190%	\$0.00
Other Specialty Agents	CYTOVENE		12.6190%	\$0.00

Therapy	Drug	Per Diem & Nursing Service Charges	AWP Discount	Dispensing Fee
Other Specialty Agents	DYSPORT		12.6190%	\$0.00
Other Specialty Agents	EXJADE		11.5788%	\$0.00
Other Specialty Agents	GANCICLOVIR		12.6190%	\$0.00
Other Specialty Agents	KRYSTEXXA		12.6190%	\$0.00
Other Specialty Agents	LUPRON DEPOT PED		12.6190%	\$0.00
Other Specialty Agents	MAKENA		12.6190%	\$0.00
Other Specialty Agents	NULOJIX		12.6190%	\$0.00
Other Specialty Agents	PRIALT		11.5788%	\$0.00
Other Specialty Agents	PROMACTA		12.6190%	\$0.00
Other Specialty Agents	QUTENZA		11.5788%	\$0.00
Other Specialty Agents	SABRIL		11.5788%	\$0.00
Other Specialty Agents	SAMSCA		12.6190%	\$0.00
Other Specialty Agents	SENSIPAR		12.6190%	\$0.00
Other Specialty Agents	SOMATULINE DEPOT		12.6190%	\$0.00
Other Specialty Agents	SOMAVERT		12.6190%	\$0.00
Other Specialty Agents	SUPPRELIN LA		12.6190%	\$0.00
Other Specialty Agents	VIVITROL		12.6190%	\$0.00
Other Specialty Agents	XENAZINE		12.6190%	\$0.00
Other Specialty Agents	XEOMIN		5.3373%	\$0.00
Phenylketonuria (PKU)	KUVAN		12.6190%	\$0.00
Psoriasis	AMEVIVE		12.6190%	\$0.00
Pulmonary	ARALAST	**	11.5788%	\$0.00
Pulmonary	GLASSIA	**	11.5788%	\$0.00
Pulmonary	PULMOZYME		12.6190%	\$0.00
Pulmonary	TOBI		12.6190%	\$0.00
Pulmonary	XOLAIR		12.6190%	\$0.00
Pulmonary	ZEMAIRA	**	11.5788%	\$0.00
Pulmonary Hypertension	ADCIRCA		12.6190%	\$0.00
Pulmonary Hypertension	EPOPROSTENOL SODIUM	**	Plus 4.0250%	\$0.00
Pulmonary Hypertension	FLOLAN	**	Plus 4.0250%	\$0.00
Pulmonary Hypertension	LETAIRIS		12.6190%	\$0.00
Pulmonary Hypertension	REMODULIN	**	Plus 4.0250%	\$0.00
Pulmonary Hypertension	REVATIO		12.6190%	\$0.00
Pulmonary Hypertension	TRACLEER		12.6190%	\$0.00
Pulmonary Hypertension	TYVASO	**	Plus 4.0250%	\$0.00
Pulmonary Hypertension	VELETRI	**	Plus 4.0250%	\$0.00
Pulmonary Hypertension	VENTAVIS	**	Plus 4.0250%	\$0.00
Respiratory Syncytial Virus	SYNAGIS		12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	ACTEMRA		7.4178%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	BENLYSTA		12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	ENBREL		12.6190%	\$0.00

Therapy	Drug	Per Diem & Nursing Service Charges	AWP Discount	Dispensing Fee
Rheumatoid Arthritis and other autoimmune conditions	HUMIRA		12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	KINERET		12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	ORENCIA		10.5385%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	REMICADE		12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	ORENCIA SC		10.5385%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	SIMPONI		12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	STELARA		12.6190%	\$0.00
Rheumatoid Arthritis and other autoimmune conditions	XIAFLEX		10.5385%	\$0.00

1. If carrier rates (i.e., U.S. mail and/or applicable commercial courier services) increase during the term of this Agreement, the Dispensing Fee will be increased to reflect such increase(s).

2. Charges for nursing visits and costs of supplies, equipment (e.g., pumps), and clinical monitoring required to administer certain Specialty Drugs indicated with ** above will be billed through Duke University's medical carrier at rates that have been agreed between Medco and the medical carrier.

SCHEDULE C
PREMIUM COLLECTION AND REQUIRED
CMS 800 SERIES CONTRACT PROVISION

1. PREMIUM COLLECTION AND CMS ACTIVITIES

- 1.1** SPONSOR will be solely responsible for performing premium collection activities from Covered Retirees which collection activities will be in compliance with CMS and Section A below. Notwithstanding the foregoing, SPONSOR warrants and represents that it will not invoice or collect from Covered Retirees a premium of more than (i) \$45.70 for that portion of the premium attributable to the Standard Benefit and (ii) \$86.69 for that portion of the premium attributable to the Enhanced Benefit. SPONSOR will provide to Medco an authorized attestation that SPONSOR (a) will not and has not invoiced or collected premium from Covered Retirees as part of the Standard Benefit in an amount greater than \$45.70, (b) will not and has not invoiced or collected premium from Covered Persons as part of the Enhanced Benefit an amount greater than \$86.69, and (c) SPONSOR will pass back to each applicable Covered Retiree within forty-five (45) days of receipt of the low income premium subsidy payment amount, any monies received by SPONSOR attributable to such Covered Retiree qualifying for the low income premium subsidy, and provide Medco with a certification in the form substantially similar to Schedule D attached hereto and made a part hereof. In the event the low income premium subsidy amount is greater than the actual premium associated with the standard portion of the benefit, Medco will assist SPONSOR in returning the overpayment to CMS.

If Medco does not or cannot directly bill a SPONSOR, CMS will permit Medco to directly refund the amount of the low-income premium subsidy to the LIS beneficiary. This refund must meet the above requirements concerning beneficiary premium contributions; specifically, that the amount of the refund not exceed the amount of the monthly premium contribution by the Covered Retiree and/or the SPONSOR. In addition, the SPONSOR must refund these amounts to the beneficiary within a reasonable time period. However, under no circumstances may this time period exceed forty five (45) days from the date that Medco receives the low-income premium subsidy amount payment for that beneficiary from CMS.

Medco agrees it shall obtain written agreements from each SPONSOR that provide that the SPONSOR may determine how much of a Covered Retiree monthly beneficiary premium it will subsidize, subject to the restrictions set forth in this section. Medco agrees to retain these written agreements with SPONSOR, including any written agreements, and must provide access to this documentation for inspection or audit by CMS (or its designee) in accordance with the requirements of 42 CFR §§423.504(d) and 423.505(d) and (e)

- 1.2** Medco will provide SPONSOR on a monthly basis an electronic file via File Transfer Protocol (FTP) that contains the amount of the adjusted premium that can be invoiced and collected from each Covered Retiree who qualifies for the low income premium subsidy. These reports will be posted to SPONSOR website. SPONSOR agrees to bear the risk of loss due to non-payment of premium amounts from its Covered Retirees. The foregoing standard and enhanced premiums are estimates that reflect SPONSOR data. SPONSOR bears sole responsibility for (i) the accuracy of the premiums, (ii) the impact, if any, on utilization, and (iii) ensuring that the premium charges, if any, applicable to members, are limited to permissible charges under CMS guidelines. Any remedy in law and equity available to Medco under this Agreement, including injunction and indemnification, shall apply in the event of a breach of this provision by SPONSOR.

- 1.2.1** The parties recognize and agree that the provisions of this Section 1 are required to be incorporated into this Agreement by virtue of Medco's application to CMS. To the extent applicable, the parties agree as follows:

- 1.2.1.1 The SPONSOR can subsidize different amounts for different classes of Covered Retirees in the SPONSOR-only group PDP provided such classes are reasonable and based on objective business criteria, such as years of service, date of retirement, business location, job category, and nature of compensation (e.g., salaried versus hourly). Different classes cannot be based on eligibility for the Low Income Subsidy. The parties recognize that SPONSOR does not intend to provide any subsidy.
- 1.2.1.2 The SPONSOR cannot vary the premium subsidy for individuals within a given class of Covered Retirees. The parties recognize that SPONSOR does not intend to provide any subsidy.
- 1.2.1.3 The SPONSOR cannot charge a Covered Retiree for prescription drug coverage provided under the plan more than the sum of his or her monthly beneficiary premium attributable to basic prescription drug coverage and 100% of the monthly beneficiary premium attributable to his or her supplemental prescription drug coverage (if any). The parties recognize that SPONSOR does not intend to provide any subsidy.
- 1.2.1.4 For all Covered Retirees eligible for the Low Income Subsidy, the low income premium subsidy amount will first be used to reduce the portion of the monthly beneficiary premium attributable to basic prescription drug coverage paid by the Covered Retiree, with any remaining portion of the premium subsidy amount then applied toward the portion of the monthly beneficiary premium attributable to basic prescription drug coverage paid by the SPONSOR.
- 1.2.1.5 If the low income premium subsidy amount for which a Covered Retiree is eligible is less than the portion of the monthly beneficiary premium paid by the Covered Retiree, then the SPONSOR should communicate to the Covered Retiree the financial consequences for the beneficiary of enrolling in the SPONSOR-only group PDP as compared to enrolling in another Part D plan with a monthly beneficiary premium equal to or below the low income premium subsidy amount.
- 1.2.1.6 Medco will be solely responsible for communicating and coordinating with CMS. Medco will coordinate with CMS all activities relating to the Enhanced PDP Services including eligibility, premium and subsidy billing, reconciliation, and reporting obligations under the program. Such activities may include but not be limited to:
 - 1.2.1.6.1 Receipt and reconciliation of CMS premiums for the standard benefit, low income subsidy, and low income subsidy payments;
 - 1.2.1.6.2 Government reinsurance for utilization above \$4,700, adjusted annually by CMS, in Covered Retiree TrOOP on an annual basis;
 - 1.2.1.6.3 Low income subsidies on a prospective, monthly basis; and
 - 1.2.1.6.4 Compliance with CMS reporting requirements related to retail pharmacy network access, rebates, utilization management, medication therapy management, TrOOP, clinical program management, claims administration, operational compliance, grievances, and appeals, and other such reports as may be required by CMS.
- 1.2.1.7 SPONSOR must comply with Medco's policies and procedures (including

enrollment and disenrollment); provided however, that, to the extent agreed upon by the parties and consistent with Applicable Law, SPONSOR may apply its own compliant policies (e.g., nonpayment of premium) instead of Medco's, with Medco's prior approval of the policy.

SCHEDULE D
CERTIFICATION OF INFORMATION RELATING TO
LOW INCOME SUBSIDY REQUIREMENT
FOR PART D EMPLOYER GROUP HEALTH PLAN

Pursuant to the contract(s) between the Centers for Medicare & Medicaid Services (“CMS”) and **Medco Containment Insurance Company of New York S5983**, and **Medco Containment Life Insurance Company S5660** (collectively, the “PDP Organization”), governing the operation of the contract between the PDP Organization and City of Bridgeport (“SPONSOR”), the PDP Organization hereby requests from SPONSOR a certification concerning certain low income subsidy payment to the Part D beneficiaries enrolled under the contract with SPONSOR (“Enrollees”).

1. **CMS REQUIREMENT** – Under applicable CMS Part D regulations, 42 CFR 423.800, and guidance as may be amended from time to time, employers and unions such as SPONSOR who enroll groups of beneficiaries into Medicare prescription drug coverage must pass back to each applicable Enrollee any monies received by SPONSOR attributable to such Enrollee qualifying for the low income premium subsidy. PDP Organization will provide SPONSOR a monthly basis an electronic file (“File”) that contains the amount of the adjusted premium that must be invoiced and collected from each Enrollee who qualifies for the low income premium subsidy. The File will indicate the amount of the pass backs. SPONSOR will pass back to each applicable Enrollee any monies received by SPONSOR attributable to such Enrollee qualifying for the low income premium subsidy.
2. **CERTIFICATION** – The File will enable SPONSOR to (i) make applicable payments to designated Enrollees throughout the Plan Year, (ii) issue said payments timely, within the meaning of CMS directive, and (iii) attest to PDP Organization that the payment were made. Timely means no later than within forty-five (45) days of receipt by PDP Organization of the TRR from CMS.
3. **FREQUENCY** – SPONSOR agrees to provide PDP Organization with a substantially similar Certification on the first day of each quarter throughout the Calendar Year. PDP Organization shall retain such Certifications and provide them and/or related documentation upon CMS’ request. SPONSOR agrees to inform PDP Organization immediately in the event payments under this Certification are inaccurate, untimely, or otherwise inconsistent with CMS directives.

In providing said Certification, SPONSOR acknowledges that the information directly affects the calculation of CMS payments to the PDP Organization and/or SPONSOR or additional benefit obligations of the PDP Organization and that misrepresentations to CMS about the accuracy of such information may result in Federal civil action and/or criminal prosecution.

Based on best knowledge, information, and belief, as of the date indicated below, all information submitted to PDP Organization in this report is accurate, complete, and truthful.

Name: _____

Title: _____
on behalf of SPONSOR

Date: _____

**SCHEDULE E
EMPLOYER/UNION SPONSORED RETIREE GROUP
WAIVER PLANS (EGWP)
ATTESTATION
CONTRACT NUMBER: S5660 & S5983**

_____, 2012

I. PURPOSE

In order to meet CMS' statutory definition of an employer group health plan (and to take advantage of employer-group specific waivers/modifications and ensure enrollments into these types of Medicare Advantage (MA) and Part D plans are valid), the PDP Sponsor or MA organization (MAO) must ensure that they are contracting with an employer, labor organization, or the trustees of a fund established by one or more employers or labor organizations (or combination thereof) that is furnishing benefits to the entity's employees, former employees (or combination thereof) or members or former members (or combination thereof) of the labor organizations. See 42 USC Section 1395w— 27 (i) for MAOs and 42 USC Section 1395w — 132 (b) for PDPs.

The statute and the implementing regulations that apply to PDP sponsors also require that employer group waivers (EGWP) may only be utilized for employment-based retiree coverage (i.e., no active employees may be enrolled in these kinds of employer sponsored group plans when they are deemed active "working aged" in a group with 20 or more employees under Medicare as Secondary Payer laws). The statute and implementing regulations for Part D note that **employer group plans can include ERISA plans, governmental plans, church plans and collectively bargained plans** (not all employer group plans will be governed by ERISA, for example). (See 42 CFR § 423.454, 423.882 and Note* below)

II. ATTESTATION

_____, plan sponsor of the prescription drug plan ("the Plan"), attests to the following:

1. For those employer/union groups for which the Plan will be the entity responsible for providing, or providing access to, beneficiary coverage and/or communications, the Plan hereby represents that it is qualified as an EGWP under the applicable CMS standards described in Section I above.

BY: _____

NAME: _____
Authorized Representative Name (printed)

TITLE: _____

DATE: _____

* NOTE: "The statutory definition [of Group Health Plan], incorporated in the proposed regulations, also specifically includes plans maintained for their employees by the Federal Government, plans maintained by State or local governments, and church plans exempt from Federal taxes, even if they are not subject to ERISA or COBRA requirements. [...]"

“For the purposes of subpart R, the term group health plan will mean plans that meet the definition of group health plan in ERISA Section 607(1), 29 U.S.C. 1167(1), including plans established or maintained for its employees by the Government of the United States, by the government of any State or political subdivision, or by an agency or instrumentality of the foregoing; plans established or maintained under or pursuant to one or more collective bargaining agreements; and plans established or maintained for its employees (or their beneficiaries) by a church or by a convention of churches which is exempt from tax under Section 501 of the Internal Revenue Code. Provided they meet the definition of group health plan in ERISA Section 607(1), those arrangements are treated as group health plans even if the plans are not subject to ERISA or COBRA. [...]”

“[. . .] a participant is presumed to not be a retiree if the person is receiving health coverage based on current employment status as determined under the Medicare Secondary Payer (MSP) rule (§ 411.104 of this chapter) (regardless of whether such rules apply to the sponsor). We believe this approach gives reasonable flexibility to sponsors in terms of defining who is a retiree or dependent for purposes of the subsidy provisions.”

Preamble to Part D regulations, comment on Section 423.882, 70 Fed Reg 4194-01 at 4402-4403 (January 28, 2005).

SCHEDULE F
**CERTIFICATION OF INFORMATION RELATING TO CREDITABLE
COVERAGE REQUIREMENT AND LATE ENROLLMENT PENALTY
FOR PART D EMPLOYER GROUP WAIVER PLAN**

Pursuant to the contract(s) between the Centers for Medicare & Medicaid Services (“CMS”) and **Medco Containment Insurance Company of New York S5983**, and **Medco Containment Life Insurance Company S5660** (collectively, the “PDP Organization”), governing the operation of the contract between the PDP Organization and City of Bridgeport (“SPONSOR”), an Employer Group Waiver Plan (EGWP), the PDP Organization hereby requests from SPONSOR a certification concerning the creditable coverage maintained for the Part D beneficiaries enrolled under the contract with SPONSOR (“Enrollees”).

CMS REQUIREMENT - Under applicable CMS Part D regulations, 42 CFR 423, CMS Manual Chapter 4, and related guidance as may be amended from time to time: plans, “using the Batch Eligibility Query (BEQ), [must] determine whether the beneficiary was either enrolled in a Part D plan or was covered by an employer receiving the retiree drug subsidy (RDS) since the IEP end date. If the beneficiary was enrolled in a Part D Plan or by an employer receiving RDS or in an employer-sponsored plan providing coverage at least as good as the standard Medicare part D plan since the end of the IEP, such that there is no gap in creditable coverage of sixty-three (63) or more days, [the plan must] report to CMS that the beneficiary had zero (0) uncovered months.” This coverage is deemed to be continuous “creditable coverage.”

Under the same guidance, plans may secure an attestation from employers and unions such as SPONSOR, who enroll groups of retirees into Medicare prescription drug coverage. The attestation must provide that employer/SPONSOR has been maintaining continuous creditable coverage for each applicable retiree for the time during which the retiree was enrolled through SPONSOR.

DETERMINATION OF UNCOVERED MONTHS – PDP Organization has identified certain Enrollees who appear to have had a gap(s) in creditable coverage for at least sixty-three (63) days and has determined the number of uncovered months for these Enrollees pursuant to the CMS applicable guidelines. The number of uncovered months is listed below. SPONSOR is requested to (i) verify whether each listed Enrollee had uncovered months or creditable (continuous) coverage during the months indicated in this document and (ii) complete this Attestation by affixing its signature at the bottom of the document.

Attestation

SPONSOR attests by affixing its signature below that all Enrollees submitted by the SPONSOR to Medco for enrollment under an Enhanced Plan were either enrolled under another Prescription Drug Plan or had other creditable coverage as defined by the CMS applicable guidelines prior to their coverage under Enhanced Plan

ACCURACY – In providing said Certification, SPONSOR acknowledges that the information directly affects the calculation of CMS payments to the PDP Organization and/or SPONSOR or additional benefit obligations of the PDP Organization and that misrepresentations to CMS about the accuracy of such information may result in Federal civil action and/or criminal prosecution.

RESPONSIBILITY – SPONSOR will indemnify and hold Medco harmless from claims or causes of action asserted against Medco arising from misrepresentation of information provided in this Attestation by SPONSOR.

APPEAL – Medco shall not be responsible for appealing CMS’ determination of Enrollees’ creditable coverage status, however, Medco shall honor the final disposition of appeals that are filed by SPONSOR.

AGREEMENT – This Attestation supplements and is made a part of the Agreement in effect between Medco and SPONSOR.

Based on best knowledge, information, and belief, as of the date indicated below, SPONSOR is attesting that all information submitted to PDP Organization in this report is accurate, complete, and truthful.

HICN	Name	Number of Uncovered Months	Uncovered Months	Verify Information By Adding Correct Number Of Uncovered Months (If Applicable)	For Each Enrollee with 0 Uncovered Months, Verify Information by Indicating "Creditable Coverage"
123456789A	John, Sample	6	6/1/2007-12/31/2007		
1234XXXA	John, Sample	6	6/1/2007-12/31/2007		
1234YYYYA	John, Sample	6	6/1/2007-12/31/2007		
1234AAAA	John, Sample	6	6/1/2007-12/31/2007		
12345BBBB	John, Sample	6	6/1/2007-12/31/2007		

Name: _____

Title: _____
on behalf of SPONSOR

Date: _____

SCHEDULE G

EGWP COMMERCIAL WRAP

Sponsor will provide its Part D Covered Retirees with self-insured, commercial (non-part D) wrap-around coverage that supplements the Medco EGWP PDP benefit during the Coverage Gap (the "Commercial Wrap"). As part of its Commercial Wrap, Sponsor seeks reimbursement of certain amounts it paid to Medco PDP network pharmacies for prescription drugs dispensed to its Covered Retirees in accordance with the Medicare Coverage Gap Discount Program.

Medco will assist Sponsor with certain services related to offering the Commercial Wrap to Sponsor's Covered Retirees and administering Sponsor's Commercial Wrap consistent with applicable requirements.

4.1 PBM Services

Medco will provide certain PBM Services (including but not limited to, claims processing, member services and grievance & appeals) as necessary to implement the Commercial Wrap in accordance with the terms and conditions set forth in the Integrated Prescription Drug Program Agreement ("PBM Agreement").

4.2 Processing Parameters

4.2.1 Medco will adjudicate Commercial Wrap claims for prescription drug benefits at the point-of-sale ("POS") in accordance with Medco's TelePaid System. At the POS, Medco will coordinate the Commercial Wrap benefit with the Medco EGWP PDP benefit so that Sponsor's Covered Retirees may access their Commercial Wrap benefit in "one transaction" by presenting a single Identification Card to a Medco PDP network pharmacy.

4.2.2 Medco will adjudicate Commercial Wrap claims subject to coverage management and plan rules as agreed to by the parties.

4.2.3 Medco will identify and submit to CMS, or its designee, claims eligible for the Medicare Coverage Gap Discount Program.

4.2.4 Medco will coordinate collection from CMS or its designee any amounts payable under the Medicare Coverage Gap Discount Program and deliver such funds to Sponsor. (CMS has not published the timeline for payment of these funds for 2011. Once the timeline is communicated by CMS, Medco will amend this Exhibit to define the timeframe for payment of these funds to Sponsor.)

4.2.5 Medco will facilitate the necessary reconciliations for Sponsor in the event that CMS or its designee advises Medco of any rejection or denial of any claims under the Coverage Gap Discount Program. Reconciliation will take place on an annual basis.

4.3. Reporting

4.3.1 Medco will provide reporting of amounts billed to and paid by CMS or its designee on behalf of Sponsor on a quarterly basis.



City of Bridgeport, Connecticut
**DEPARTMENT OF CENTRAL GRANTS AND
COMMUNITY DEVELOPMENT**

999 Broad Street
Bridgeport, Connecticut 06604
Telephone (203) 332-5662
Fax (203) 332-5657

ANDREW J. NUNN
CAO

BILL FINCH
Mayor

COMM. #159-11 Referred to ECD&E Committee on 11/05/2012 **ALEXANDRA B. MCGOLDRICK**
Acting Director
Office of Central Grants

October 15, 2012

To: City Clerk

From: Alexandra McGoldrick, Acting Director, Central Grants Office

Re: Resolution - State of Connecticut Dept. of Energy and Environmental Protection
319 NPS Grant Program

Attached, please find a resolution and grant summary for referral to the ECDE Subcommittee of the City Council.

Grant: City of Bridgeport application to the State of Connecticut Dept. of Energy and Environmental Protection for the 319 NPS Grant Program

RECEIVED
OFFICE OF CENTRAL GRANTS
2012 OCT 31 A 4: 50
DIRECTOR'S OFFICE



GRANT SUMMARY

PROJECT TITLE: State of Connecticut Department of Energy and Environmental Protection-319 NPS Grant

RENEWAL NEW

DEPARTMENT SUBMITTING INFORMATION: Central Grants

CONTACT NAME: Alexandra B. McGoldrick

PHONE NUMBER: 203-332-5665

PROJECT SUMMARY/DESCRIPTION:

The City has applied to the State of Connecticut Department of Energy and Environmental Protection in the amount of \$75,000 to support the Department of Public Facilities in coordinating the implementation and construction of a Stream Edge Buffer and Riparian Restoration and Water Quality Treatments at Knowlton Park.

Project Period: Upon Approval – September 1, 2014.

PROJECT GOALS AND PROCEDURES: The City of Bridgeport will work through its Department of Public Facilities to provide construction of a Stream Edge Buffer and Riparian Restoration and Water Quality Treatments at Knowlton Park.

IF APPLICABLE

FUNDING SOURCES (include matching/in-kind funds):	FUNDS REQUESTED
Federal:	Salaries/Benefits:
State: \$75,000	Supplies:
City: \$50,000	
Other:	

WHEREAS, the State of Connecticut Department of Energy and Environmental Protection (DEEP) is authorized to extend financial assistance to municipalities in the form of grants; and

WHEREAS, this funding has been made possible through a grant through 319 NPS Grant Program; and

WHEREAS, funds under this grant will be used to support the improved stormwater management for waters entering the Pequonnock River at Knowlton Park; and,

WHEREAS, it is desirable and in the public interest that the City of Bridgeport, Department of Public Facilities, submit an application to the State of Connecticut Department of Energy and Environmental Protection in the amount of \$75,000 to support the Department of Public Facilities in coordinating the implementation and construction of a Stream Edge Buffer and Riparian Restoration and Water Quality Treatments at Knowlton Park; and,

Now therefore, be it hereby RESOLVED BY THE CITY COUNCIL:

1. That it is cognizant of the City's grant application to and contract with the State of Connecticut Department of Energy and Environmental Protection for funds to support the Department of Public Facilities in stormwater management for waters entering the Pequonnock River; and
2. That it hereby authorizes, directs and empowers the Mayor or his designee to execute and file such application with the State Department of Energy and Environmental Protection for the 319 NPS Grant Program and to provide such additional information and to execute such other contracts, amendments, and documents as may be necessary to administer this program.



City of Bridgeport, Connecticut
OFFICE OF PLANNING & ECONOMIC DEVELOPMENT
MARGARET E. MORTON GOVERNMENT CENTER
999 BROAD STREET
BRIDGEPORT, CONNECTICUT 06604
TELEPHONE: (203) 576-7221
FAX: (203) 332-5611

BILL FINCH
Mayor

DAVID M. KOORIS
Director

Comm. #160-11 Referred to ECD&E Committee on 11/05/2012

November 1, 2012

Honorable Bridgeport City Council
c/o Office of the City Clerk
Bridgeport City Hall
45 Lyon Terrace – Room #204
Bridgeport, CT 06604

RE: Resolution of the City Council Regarding the
Extension of the Duration of Controls of the
East Side NDP Area No. 1 Urban Renewal Plan

RECEIVED
CITY CLERK'S OFFICE
2012 NOV - 1 P 11:10

Dear Honorable Councilpersons:

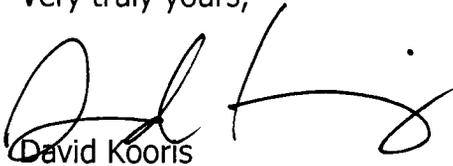
The East Side NDP Area No. 1 Urban Renewal Plan ("Plan") will expire on December 31, 2012. The City of Bridgeport ("City") and the BRA desire to extend its duration for an additional ten (10) year period to December 31, 2022. These controls are necessary to continue redevelopment activities within the Plan's boundaries.

To this end, the City acting through its Office of Planning & Economic Development ("OPED"), had scheduled a meeting of the Bridgeport Redevelopment Agency (BRA) on Monday October 26, 2012. Due to the historic weather event, the BRA meeting has been postponed until Monday November 5, 2012, at which time the BRA is expected to request the Bridgeport City Council's approval of the attached resolution that seeks to extend the duration of controls of the East Side NDP Area No. 1 Urban Renewal Plan for an additional ten (10) year period. No other changes to this Plan are being proposed at this time.

OPED staff will be available at your next Council Committee meeting when this item will be discussed. In the interim, should you have any questions, please feel free to contact David Kooris or Steve Tyliczszak by email at David.Kooris@bridgeportct.gov, Stephen.Tyliczszak@bridgeportct.gov or by phone at 203-576-7221.

Thank you in advance for your consideration of this resolution.

Very truly yours,

A handwritten signature in black ink, appearing to read 'D. Kooris', written over a circular stamp.

David Kooris
Director

Attachment: (1)

Pc: Bill Finch – Mayor (w/ attachment)
Andy Nunn – CAO (w/ attachment)
Stephen J. Tyliszczak – OPED
Ron Pacacha – Office of the City Attorney (w/ attachment)

**RESOLUTION OF THE BRIDGEPORT CITY COUNCIL
REGARDING THE EXTENSION OF THE DURATION OF CONTROLS
OF THE
EAST SIDE NDP AREA NO. 1 URBAN RENEWAL PLAN**

WHEREAS, the City of Bridgeport ("City") adopted the East Side NDP Area No. 1 Urban Renewal Plan ("Plan") on January 19, 1970 in order to facilitate a staged program for the rehabilitation and redevelopment of the lower East Side neighborhood; and

WHEREAS, the Bridgeport Redevelopment Agency ("BRA") and the City Council has from time to time considered and approved various amendments to the Plan, the most recent of which was on January 24, 2007; and

WHEREAS, in the forty (40) plus years that the Plan has been in existence, the BRA has utilized the powers of the Plan to make tangible improvements in the lower East Side neighborhood and there are several redevelopment efforts on-going within the jurisdiction of said Plan; and

WHEREAS, the "Duration of Controls" of this Plan are set to expire on December 31, 2012; and

WHEREAS, the BRA conducted a public hearing on _____, 2012 and subsequently approved the extension of the duration of controls to December 31, 2022; and

WHEREAS, the BRA considered the proposed extension of the duration of controls and found that its adoption would not adversely harm any property owner or redeveloper; and

WHEREAS, all affected redevelopers within the East Side Neighborhood Development Plan were notified in writing of the proposed extension of the duration of controls and in addition, a public notice was published in the Connecticut POST newspaper on _____, 2012 and _____, 2012 and a public hearing was held on _____, 2012 in accordance with Connecticut law; and

WHEREAS, the Bridgeport Planning & Zoning Commission ("P&ZC") found that the requested extension of the duration of controls of this Plan to be in compliance with the City's *Master Plan of Conservation & Development* and subsequently issued a C.G.S. Section 8-24 "**favorable**" report on this proposed action at their meeting on November 26, 2012; and

WHEREAS, the continuation of this Plan's objectives and powers supports and will be in the best interests of the City, redevelopers and these on-going redevelopment efforts.

NOW, THEREFORE, BE IT RESOLVED that the Bridgeport City Council hereby acknowledges the value of this Plan to the redevelopment efforts of the lower East Side neighborhood and approves the extension of the duration of controls of the East Side NDP Area No. 1 Urban Renewal Plan and this resolution to extend the duration of controls for a period of ten (10) years to December 31, 2022.

BE IT FURTHER RESOLVED that the Mayor or his designee are authorized to execute any and all documentation, take all actions and do all things necessary to implement the intent of the resolution of the Bridgeport City Council.



City of Bridgeport, Connecticut
OFFICE OF PLANNING & ECONOMIC DEVELOPMENT
MARGARET E. MORTON GOVERNMENT CENTER

999 BROAD STREET
BRIDGEPORT, CONNECTICUT 06604
TELEPHONE: (203) 576-7221
FAX: (203) 332-5611

BILL FINCH
Mayor

DAVID M. KOORIS
Director

Comm. #161-11 Referred to ECD&E Committee on 11/05/2012

October 31, 2012

Honorable City Council
c/o Frances Ortiz
Assistant City Clerk
45 Lyon Terrace
Bridgeport, CT 06604

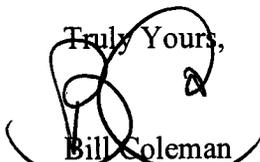
Re: Resolution Authorizing a "PILOT" for real property at 1336 Railroad Avenue

Dear Honorable City Council:

Attached please find for your consideration a resolution authorizing the establishment of a 15-year, \$250,000 annual "PILOT" to support the development of the Bridgeport Fuel Cell Park, a 15 megawatt fuel cell power plant to be built at 1336 Railroad Avenue. This proposal is for referral to the Economic and Community Development and Environment Committee. Should the Committee choose to approve the resolution, it should be given a public hearing before the full Council prior to a final vote.

Should you have any questions or need any additional information, please do not hesitate to ask. A representative of our office will be at the Committee meeting to discuss this matter.

Truly Yours,


Bill Coleman
Director of Neighborhood Development

C: David Kooris, Director
Ron Pacacha, Associate City Attorney

RECEIVED
CITY CLERK'S OFFICE
OCT 31 2012 11:38 AM
CITY CLERK

**A Resolution by the Bridgeport City Council
Authorizing the
Establishment of an annual Payment in Lieu of Taxes
on Real Property at 1336 Railroad Avenue
Bridgeport Fuel Cell Park**

WHEREAS, on August 4, 1997, the Bridgeport City Council authorized the City's Director of the Office of Planning and Economic Development to negotiate and execute agreements to transfer properties in the West End Municipal Development Plan Area for the purposes of industrial and commercial development; and

WHEREAS, the City wishes to transfer an approximately 2-acre parcel of land at 1336 Railroad Avenue to Bridgeport Fuel Cell Park LLC, (or its successor entity), so that it may be developed as a 15 megawatt Fuel Cell Power Plant (the "Project"); and

WHEREAS, at the time of its scheduled construction, the proposed Fuel Cell Power Plant would be the largest fuel cell installation in the world; and

WHEREAS, the Fuel Cell Power Plant represents an approximately \$65 million investment in the City's West End; and

WHEREAS, the private capital to be attracted to the Project will require a favorable rate of return over a fifteen year period; and

WHEREAS, the City's review of the Project's financial model using the services of the City's consultant, the National

Development Council (“NDC”), indicates that the Project cannot provide the required rate of private investor return if it is taxed at full assessment; and

WHEREAS, the establishment of a fixed annual PILOT of \$250,000 over a fifteen year period will allow the project the predictable cash flow it needs to attract the required capital; and

WHEREAS, the property is to be sold at appraised value; and

WHEREAS, the City currently receives no taxes from this property; and

WHEREAS, the property is a brown-field and it is the City’s policy to support the cleaning of brown-fields and the development of renewable energy facilities; and

WHEREAS, the Office of Planning and Economic Development has determined that the proposed project is eligible for consideration under the City’s Tax Incentive Development Program as per Chapter 3.20 of the Bridgeport Municipal Code and as per Section 7-498 of the Connecticut General Statutes;

NOW, THEREFORE, BE IT RESOLVED, that the Mayor or the Director of the Office of Planning and Economic Development or their designee is authorized to enter into a PILOT Agreement substantially in accord with this resolution.

BE IT FURTHER RESOLVED THAT the Mayor or the Director of the Office of Planning and Economic Development or their designee is authorized to negotiate and execute such other agreements and take such other necessary or desirable actions in furtherance of the Project and consistent with this resolution as they may deem to be in the best interests of the City.



City of Bridgeport, Connecticut
OFFICE OF PLANNING & ECONOMIC DEVELOPMENT
MARGARET E. MORTON GOVERNMENT CENTER
999 BROAD STREET
BRIDGEPORT, CONNECTICUT 06604
TELEPHONE: (203) 576-7221
FAX: (203) 332-5611

BILL FINCH
Mayor

DAVID M. KOORIS
Director

COMM. #162-11 Ref'd to Ordinance Committee on 11/05/2012.

November 1, 2012

Honorable Bridgeport City Council
c/o Office of the City Clerk
Bridgeport City Hall
45 Lyon Terrace – Room #204
Bridgeport, CT 06604

RE: Resolution of the City Council
Regarding A Proposed Ordinance
For Renewable Energy Source Projects

Dear Honorable Councilpersons:

Pursuant to the authority given in Section 29-263 (c) of the Connecticut General Statutes, this department requests the Council to consider a proposed ordinance (copy attached) that will exempt Class I renewable energy source projects from payment of building permit fees.

OPED staff will be available at your next Council Committee meeting when this item will be discussed. In the interim, should you have any questions, please feel free to contact David Kooris or Steve Tyliczszak by email at David.Kooris@bridgeportct.gov, Stephen.Tyliczszak@bridgeportct.gov or by phone at 203-576-7221.

Thank you in advance for your consideration of this request.

Very truly yours,

David M. Kooris
Director

Attachment: (1)

Pc: Bill Finch – Mayor (w/ attachment)
Andy Nunn – CAO (w/ attachment)
Stephen J. Tyliczszak – OPED (w/attachment)
Ron Pacacha – Office of the City Attorney (w/ attachment)

RECEIVED
OFFICE
2012 NOV -2 A 12:09
CITY CLERK

RESOLUTION

By Councilmember(s): John W. Olson

Co-Sponsor: M. Evette Brantley

District: 132nd

Introduced at a meeting
of the City Council, held:
November 5, 2012

Signage Honoring Bishop T. Walter Plummer by including his name on the street sign at the intersection of Beechwood Avenue and ~~Northwood Street~~.

(SEE ATTACHED)

Amended by Council (OFF THE FLOOR) "At the Intersection of Beechwood Avenue to Iranistan Avenue".

Referred To: ~~Resolution 163-11~~
Changed to IMMEDIATE CONSIDERATION on 11/05/2012 (OFF THE FLOOR)

Attest: 
City Clerk

Referrals Made:

Approved: _____
Mayor

RES. #163-11 Ref'd to ~~Public Safety & Transportation Committee~~ on 11/05/2012.
Changed to IMMEDIATE CONSIDERATION on 11/05/2012 (OFF THE FLOOR) by Council

Resolution

By Council Members John Olson and M. Evette Brantley, 132nd District.

For introduction at the meeting of the City Council to be held on November 5, 2012

For referral to the Committee on Public Safety and Transportation

Resolution to Honor Bishop T. Walter Plummer by including his name on the street sign at the intersection of Beechwood Avenue and ~~Norman Street~~ Iranistan Avenue.
As Amended on 11/05/2012 (OFF THE FLOOR) by the City Council.

Whereas, Bishop Plummer broke barriers as the first Affirmative Action officer in the City of Bridgeport and has steadfastly promoted the cause of justice and equal opportunity throughout the City, the State of Connecticut, and across the United States.

Whereas, the lives of thousands of socioeconomically disadvantaged people have been touched through Bishop Plummer's hard work and dedication to his community.

Whereas, in retiring as Pastor of the Full Gospel Pentecostal Church of God in Christ Bishop Plummer's contributions to the promotion of social equality will be missed.

Be it resolved that his service to the City of Bridgeport and the community be honored by adding his name to the street sign at the intersection of Beechwood Avenue and Norman Street, near the church that he has faithfully served for more than 46 years.

John Olson and M. Evette Brantley

Date

RECEIVED
CITY CLERK'S OFFICE
2012 NOV - 2 A 3:22
CITY CLERK

CITY OF BRIDGEPORT
OFFICE OF THE CITY ATTORNEY

999 Broad Street
Bridgeport, Connecticut 06604-4328

CITY ATTORNEY
Mark T. Anastasi

DEPUTY CITY ATTORNEY
Arthur C. Laske, III

ASSOCIATE CITY ATTORNEYS

Gregory M. Conte
Betsy A. Edwards
Richard G. Kascak, Jr.
Russell D. Liskov
John R. Mitola
Ronald J. Pacacha
Lisa R. Trachtenburg



ASSISTANT CITY ATTORNEYS

Salvatore C. DePiano
R. Christopher Meyer
Edmund F. Schmidt
Eroll V. Skycrs

Telephone (203) 576-7647
Facsimile (203) 576-8252

COMM. #164-11 Ref'd to Budget & Appropriations Committee on 11/05/2012(OFF THE FLOOR).
November 12, 2012

Ms. Fleeta C. Hudson
City Clerk
City of Bridgeport
45 Lyon Terrace
Bridgeport, CT 06604

Re: Proposed Amendment to the Funding Agreement with the Bridgeport Port Authority
Resolution No. 164-11

Dear Ms. Hudson:

At the City Council meeting of Monday, November 5, 2012 I submitted the above-proposed resolution on behalf of the CAO's Office. Copies of the resolution were submitted at that time to your staff and the stenographer.

As you know, this matter is pending before the Budget & Appropriations Committee.

Very truly yours,

Mark T. Anastasi
Mark T. Anastasi
City Attorney

Cc: Andrew Nunn, CAO
Frances Ortiz, Asst. City Clerk

RECEIVED
CITY ATTORNEY'S OFFICE
2012 NOV 14 P 008

DRAFT City of Bridgeport RESOLUTION

Be it Resolved: That the City Council of the City of Bridgeport ("City") hereby authorizes, empowers and directs the City's Mayor to enter into appropriate and reasonably necessary agreements with the Bridgeport Port Authority ("Port Authority"), including but not limited to a certain Funding Agreement (2012 Amendment), in a form acceptable to the City's bond counsel, City Attorney and Finance Director, to: (1) provide additional funding from the City to the Port Authority in an amount not to exceed \$1,500,000, (2) secure all past and future City funding to the Port Authority, and (3) provide a proper mechanism for repayment by the Port Authority of all City funding.

Rev. of 11/5/12 FUNDING AGREEMENT (2012 Amendment)

WHEREAS, the Bridgeport Port Authority ("Port Authority"), an entity created pursuant to Bridgeport City Council ("City Council") Resolution 314-91 and as authorized by CGS Sections 7-329a to 329u adopted and ratified a resolution, in accordance with its by-laws, on the 16th day of July, 1998 authorizing the Executive Director or the Chairman, subject to the action taken by the City Council described in the next recital, to acquire in the name of the Port Authority, by purchase or condemnation, the property known as the Carpenter Technology Company site within the port district;

WHEREAS, the City Council, pursuant to CGS Section 8-128, approved the exercise by the Port Authority of its condemnation powers and authorized the Mayor of the City of Bridgeport ("City") or his designee to take any and all actions necessary to provide funding for the condemnation or acquisition of such property through grants or loans to the Port Authority;

WHEREAS, in 2006 the City Council and Port Authority entered into a certain Funding Agreement (Exhibit A) whereby the City agreed to transfer the sum of \$2,700,000.00 for the purposes of acquiring title and funding acquisition and closing costs of the Port Authority for the property known as the Carpenter Technology Company site within the port district to be developed by the Port Authority in accordance with the City's Master Plan of Development and the Port Authority's statutory authority;

WHEREAS, the 2006 Funding Agreement acknowledges and agrees that certain additional City funding to the Port Authority for development may be necessary and that proper and specific arrangements for repayment over time to the City for funding to the Port Authority will be formalized;

WHEREAS, the Port Authority has entered into a certain Loan Agreement pursuant to a certain mortgage and mortgage note with a lender Titan-LB, LLC in the principal sum of \$900,000.00 with a maturity date of May 31, 2013, as extended and modified (Exhibit B)) and upon which an extension fee of \$11,250.00 is due unless full repayment is made on or before December 1, 2012;

CITY RECEIVED
2012 NOV -6 P 9:2
CITY CLERK OFFICE

WHEREAS, the purpose of the Titan-LB Loan was to reimburse the Port Authority for preliminary funding for construction of a parking garage to be sited adjacent to the Port Authority's Ferry Terminal located at 330 Water Street, Bridgeport, when the Port Authority became unable to access a bank loan or the bond market due to the aforementioned pending federal litigation and the absence of a City guarantee;

WHEREAS, Connecticut General Statutes, Section 7-329c (16) provide that the Port Authority has the power and authority to "Use the officers, employees, facilities and equipment of the town, with the consent of the town, and to pay a proper portion of the compensation or cost;

WHEREAS, the Port Authority now asserts that it requires additional financial assistance from the City in order to timely satisfy its Titan Loan obligations and for funding legal expenses (including those related to defense and resolution of a certain ferry tariff rate lawsuit filed by the Bridgeport Port Jefferson Ferry Company against the Port Authority and a related passenger fee class action also against the Port Authority) and continuing operations directly and pursuant to Connecticut General Statutes, Section 7-329c (16);

WHEREAS, the Port Authority is prepared to make appropriate repayment arrangements for all funding (past and present) from the City at this time;

WHEREAS, the City acknowledges and agrees that additional City funding is reasonably necessary for the Port Authority and is desirous of completing a full repayment arrangement with the Port Authority;

NOW THEREFORE, the City and Port Authority pursuant to the foregoing commitments and authorizations, hereby mutually agree as follows:

1. The City will continue periodically to provide reasonable and necessary resources to the Port Authority pursuant to C.G.S. Sec. 7-329c (16) in amounts as determined by the Mayor and the Port Authority Executive Director and as budgeted and appropriated by the City Council.
2. The City will provide additional funds to the Port Authority in an amount not to exceed \$1,500,000.00.
3. The City and the Port Authority shall enter into appropriate loan documentation agreements necessary and sufficient to secure all past and future City funding to the Port Authority, and to provide a proper mechanism for repayment in forms acceptable to the City's bond counsel, City Attorney and Finance Director.

IN WITNESS WHEREOF, the City and the Port Authority have hereunto set their hands and seals this _____ day of November, 2012.

CITY OF BRIDGEPORT

By: _____

Bill Finch, Its Mayor, duly authorized

BRIDGEPORT PORT AUTHORITY

By: _____

Andrew Nunn, Its Acting Executive Director, duly authorized

Amendment of Funding Agreement between the City of Bridgeport and the Bridgeport Port Authority.

Report
of
Committee
on
Contracts

Submitted: January 3, 2006 (OFF THE FLOOR)

Notified on 1/13/2006
~~Mark T. Anastasi, City Attorney~~
Honorable John M. Fabrizi, Mayor
Mr. Andres Ayala, City Council President
Charles M. Carroll, Chief of Staff
Michael E. Feeney, CAO
Nancy Hadley, Dir. OPED
Raymond Rizzio, Esq.

Adopted: _____

Attest: *Shirley S. Williams*
City Clerk

Approved *John W. Talaviz*

Mayor

OFFICE OF THE CLERK
CITY OF BRIDGEPORT



City of Bridgeport, Connecticut

To the City Council of the City of Bridgeport.

The Committee on Contracts begs leave to report; and recommends for adoption the following resolution:

***29-05 OFF THE FLOOR**

RESOLVED, That the attached Amendment of the Funding Agreement between The City of Bridgeport and The Bridgeport Port Authority, be and it hereby is, in all respects, approved, ratified and confirmed.

**ESPECTFULLY SUBMITTED,
THE COMMITTEE ON CONTRACTS**

Richard M. Paoletto, Jr., Co-chair

Thomas A. Mulligan, Co-chair

Angel M. dePara, Jr.

Elaine Pivrotto

Leticia Colon

Keith Rodgerson

Donna M. Curran
Not present at meeting

City Council Date: 1/3/06 (OFF THE FLOOR)

FUNDING AGREEMENT

WHEREAS, the Bridgeport Port Authority, an entity created pursuant to Bridgeport City Council Resolution 314-91 and as authorized by CGS Sections 7-329a to 329f, adopted and ratified a resolution, in accordance with its by-laws, on the 16th day of July, 1998 authorizing the Executive Director or the Chairman, subject to the action taken by the Bridgeport City Council described in the next recital, to acquire in the name of the Bridgeport Port Authority, by purchase or condemnation, the property known as the Carpenter Technology Company site within the port district;

WHEREAS, the Bridgeport City Council, pursuant to CGS Section 8-128, approved the exercise by the Bridgeport Port Authority of its condemnation powers and authorized the Mayor of the City of Bridgeport or his designee to take any and all actions necessary to provide funding for the condemnation or acquisition of such property through grants or loans to the Bridgeport Port Authority;

WHEREAS, copies of the final versions of the resolutions memorializing the foregoing are attached hereto;

NOW THEREFORE, the City of Bridgeport ("City") and the Bridgeport Port Authority ("Port Authority") pursuant to the foregoing authorizations, hereby agree as follows:

1. The City hereby agrees to transfer to the Port Authority the sum of \$2,700,000.00 for the purposes of acquiring title and funding acquisition and closing costs of the Port Authority, including, without limitation, payment into court of the condemnation market value, and to fund legal, design and other fees. The Port Authority agrees to provide the City with a budget setting forth how said funds shall be expended within 45 days of execution of this Agreement.
2. The Port Authority agrees to proceed to develop the property in accordance with the City's Master Plan of Development and the Port Authority's statutory authority. The Port Authority will enter into written agreements in connection therewith only upon receiving the written consent of the Mayor (within 30 days of written request therefor from the Port Authority, or thereafter such consent shall be deemed granted) as to the following: (a) name of proposed developer(s), (b) nature of the use, (c) extent of land to be used, (d) amount of funds to be expended, (e) whether development shall be of leasehold or fee interest and names of tenants or purchasers thereunder, and (f) other such

- factors as the Mayor and/or Port Authority deem relevant, particularly with regard to the development of the peninsula to the west of the Carpenter Technology site, which development is known as Harbour Place, including relocation of current occupants of the Steel Point area to the Carpenter Technology site, together with such other development of the property consistent with water-dependent uses and the Project Development Plan prepared for the Port Authority dated July 16, 1998.
3. The City and the Port Authority acknowledge and agree that further funding from the City to the Port Authority for the development described in Paragraph 2 may be necessary, and that proper and specific arrangements for repayment over time to the City for the within funding and future funding will be formalized. Such repayment obligations shall be represented by promissory notes consistent with that note described in Paragraph 5 hereof, or any other reasonable and proper repayment arrangements, provided the Port Authority shall be the entity having title to the real estate and operational responsibility therefor.
 4. In consideration for the initial advance the Port Authority shall grant to the City the option to purchase the property for an amount equal to the sum paid by the Port Authority to condemn and improve the property. Said option shall be in writing and for a term not to exceed seven (7) years. The Mayor, as determined in his sole and absolute discretion, shall have the right to release said option or a portion thereof from time to time as he and/or the City deem fit. The proceeds of any sale to the City shall first be applied to the repayment of any funds borrowed by the Port Authority from the City pursuant to Paragraphs 3 and 5 hereof.
 5. The initial advance shall be evidenced by a promissory note, payable on demand, with interest accruing at the rate of 6% per annum. Said loan shall be due and payable within 180 days from receipt of written demand by the City. A copy of such note is attached hereto.
 6. The Port Authority agrees that if the source of the funds advanced by the City are grants from the federal and/or state government, that the Port Authority will agree to, and abide by, all conditions imposed by the federal or state government on the City and/or subgrantees of the City. The Port Authority also agrees to any and all conditions imposed on the Port Authority by the City for the purpose of maintaining the tax-exempt status of any bonds, the proceeds of which are used to fund the amounts advanced by the City to the Port Authority.
 7. The City agrees that repayment of all funds advanced by the City as contemplated herein shall be based solely upon the asset value or revenue

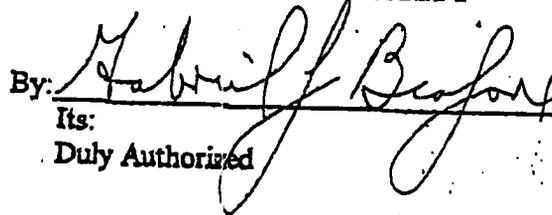
derived from the Carpenter Technology site and shall not be a lien, charge or claim upon any other assets or revenues of the Port Authority.

IN WITNESS WHEREOF, the City and the Port Authority have hereunto set their hands and seals this 13th day of January, 1999.

CITY OF BRIDGEPORT

By: 
Its: _____
Duly Authorized

BRIDGEPORT PORT AUTHORITY

By: 
Its: _____
Duly Authorized

NOTE

\$2,700,000.00

Fairfield, Connecticut
January 13, 1999

ON DEMAND, FOR VALUE RECEIVED, the undersigned promises to pay to the order of the CITY OF BRIDGEPORT, a municipal corporation with an office at 45 Lyon Terrace, Bridgeport, Connecticut the sum of TWO MILLION SEVEN HUNDRED THOUSAND (\$2,700,000.00) DOLLARS with interest accruing at the rate of SIX (6.00%) PERCENT PER ANNUM. Principal, together with all interest accrued on the outstanding balance, shall be due and payable One Hundred Eighty (180) days subsequent to the Maker's receipt of written notice of demand by Holder.

Together with all taxes which may be assessed upon said sum against said Holder of this note; and upon default in the payment of any installment of principal or interest of this Note, or a breach by the Maker of the Funding Agreement dated January _____, 1999 ("Funding Agreement") between the Holder and Maker of this Note at the option of the holder hereof, the entire amount of principal and interest remaining unpaid shall immediately become due and payable without notice; and if, upon default as aforesaid, the holder hereof shall employ an attorney at law to collect any sums due hereon or then the undersigned promise and agree to pay, in addition to all other sums due hereon, all court fees and costs as well as a reasonable sum for attorney's fees.

The maker may make payments in advance at any time and in any amount with no penalty. The Holder agrees that repayment of all funds advanced pursuant to this Note by the Holder shall be based solely upon the asset value or revenue derived from the Carpenter Technology site as referred to in the Funding Agreement and shall not be a lien, charge or claim upon any other assets or revenues of the Port Authority.

THE BRIDGEPORT POST AUTHORITY

By: _____

j:\jtk\misc\bridgeport.not

TITAN-LB, LLC

Direct Private Lender

19 Ludlow Road, Suite 301
Westport, CT 06880
(203) 454-1300
(203) 454-8921 – Fax

845 Third Ave, 20th Floor
New York, NY 10022
(212) 888-0004
(212) 888-0005 – Fax

SIXTH NOTE AND MORTGAGE EXTENSION AND MODIFICATION AGREEMENT

May 30, 2012

Mr. Andrew Nunn
Acting Executive Director
Bridgeport Port Authority
330 Water Street
Bridgeport, Connecticut 06604

Borrower: Bridgeport Port Authority
Lender: Titan - LB, LLC
Loan Amount: \$900,000.00
Date Closed: May 31, 2005
Premises: 330 Water Street, Bridgeport, Connecticut 06604

Dear Mr. Nunn:

Pursuant to your request Lender, by the signature set forth below, has agreed to further extend the maturity date of the Loan from May 31, 2012 to May 31, 2013 (the "Extended Period"). In consideration therefore Borrower hereby agrees:

- (1) The maturity date of the Loan is further extended from May 31, 2012 to May 31, 2013.
- (2) To represent and warrant to Lender that there is now due Lender pursuant to the Mortgage and Mortgage Note, without offset, defense and/or counterclaim, the principal sum of \$900,000.00.
- (3) In consideration for the foregoing extension, Borrower shall pay Lender an extension fee of \$22,500.00, representing two and a half points (2.50%) on the outstanding principal balance of \$900,000.00 for one year. Borrower shall pay Lender one-half of the extension fee, \$11,250.00, on or before July 31, 2012. Borrower shall then pay Lender the outstanding extension fee balance of \$11,250.00 on or before December 1, 2012. IF THE LOAN IS PAID IN FULL ON OR BEFORE DECEMBER 1, 2012, LENDER AGREES TO WAIVE THE BALANCE OF THE EXTENSION FEE.

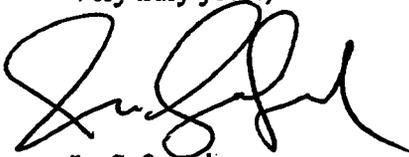


(4) To pay Lender, during the Extended Period of June 1, 2012 through May 31, 2013, as interest due under the Mortgage Note (the "Note") and the Mortgage (the "Mortgage"), the fixed annual interest rate of Eleven (11.00%) percent per annum.

(5) Except as otherwise expressly modified herein, all terms and conditions of the Mortgage, the Mortgage Note, and all other Loan documents shall remain in full force and effect in accordance with their tenor.

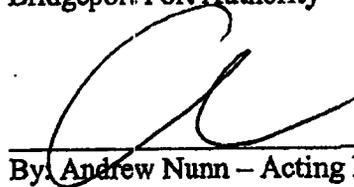
"Fax" of "PDF" signatures hereupon shall serve as originals.

Very truly yours,



Ira Saferstein
Manager

Agreed To:
Bridgeport Port Authority



By: Andrew Nunn – Acting Executive Director

***142-11(PHO) Consent Calendar**

Public Hearing Ordered for November 19, 2012: re
Disposition of City Owned Properties to Habitat for
Humanity.

**Report
of
Committee
on
CEA & Environment**

Submitted: November 5, 2012

Adopted: _____

Fleeta S. Hudson

Attest: _____

City Clerk

Approved _____

Mayor



City of Bridgeport, Connecticut

To the City Council of the City of Bridgeport:

The Committee on **ECD and Environment** begs leave to report;
and recommends for adoption the following resolution:

***142-11(PHO) Consent Calendar**

BE IT RESOLVED, that a Public Hearing be held before the City Council on Monday evening, November 19, 2012 beginning at 7:00 p.m. in the City Council Chambers, City Hall, 45 Lyon Terrace, Bridgeport, Connecticut, relative to the Disposition of City Owned Properties to Habitat for Humanity.

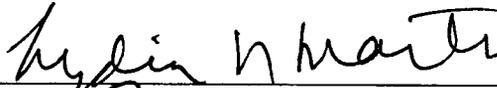
• 148-154 Laurel Ave.	Vacant Res Lot	1132-27	Sell
• 983 Kossuth St.	Vacant Res Lot	1622-09	Sell
• 560 Bishop Ave.	Vacant Res Lot	1836-19A	Sell
• 526-528 Norman Ave	Vacant Res Lot	1132-14	Sell
• 71 Whitney Ave.	Vacant Res Lot	2103-22	Sell
• 860 Platt St.	Vacant Res Lot	2422-17	Sell
• 751-757 Kossuth St.	Vacant Res Lot	1644-07	Sell
• 1023 Reservoir Ave.	Vacant Res Lot	2744-14A	Sell
• 1856 Stratford Ave.	Vacant Res Lot	0643-01	Sell
• 117 Princeton St.	Vacant Res Lot	0235-32	Sell
• 708-710 Shelton St.	Vacant Res Lot	1743-21	Sell
• 31 Clifton Pl.	Vacant Res Lot	2739-18A	Sell
• 548 Gregory St.	Vacant Res Lot	0405-05	Sell
• 196 East Ave.	Vacant Res Lot	1834-02	Sell
• 206 East Ave.	Vacant Res Lot	1834-01	Sell
• 848 Maplewood Ave.	Vacant Res Lot	1208-01	Sell
• 1752 Barnum Ave.	Vacant Res Lot	1834-46	Sell



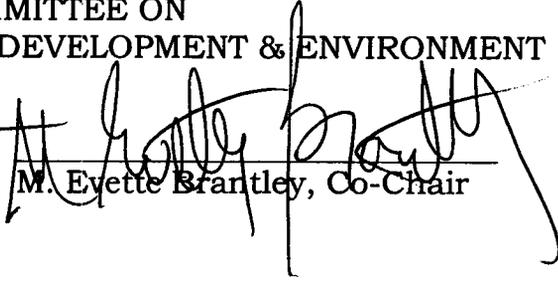
Report of Committee on ECD and Environment
***142-11 Consent Calendar**

-2-

RESPECTFULLY SUBMITTED,
THE COMMITTEE ON
ECONOMIC AND COMMUNITY DEVELOPMENT & ENVIRONMENT



Lydia N. Martinez, Co-Chair



M. Evette Brantley, Co-Chair



Warren Blunt

Robert P. Curwen, Sr.



Michelle A. Lyons

Martin C. McCarthy

***148-11 Consent Calendar**

Grant Submission: re State Department of Public Health for 2012-2013 Per Capita Grant.

**Report
of
Committee
on
ECB & Environment**

Submitted: November 5, 2012

Adopted: _____

Fleeta C Hudson

Attest: _____

City Clerk

Approved _____

Mayor



City of Bridgeport, Connecticut

To the City Council of the City of Bridgeport:

The Committee on **ECD and Environment** begs leave to report; and recommends for adoption the following resolution:

***148-11 Consent Calendar**

WHEREAS, the State of Connecticut Department of Public Health is authorized to extend financial assistance to municipalities in the form of grants; and

WHEREAS, this funding has been made possible through a grant through the Per Capita Grant; and

WHEREAS, funds under this grant will be used to support the Department of Health and Social Services in various health and wellness initiatives; and

WHEREAS, it is desirable and in the public interest that the City of Bridgeport, Department of Health and Social Services, submit an application to the State of Connecticut Department of Public Health in the amount of \$170,338.90 to support the Department of Health and Social Services in various health and wellness initiatives; Now, therefore be it

RESOLVED BY THE CITY COUNCIL:

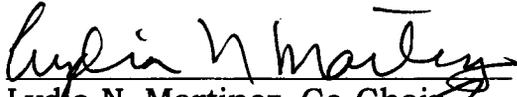
1. That it is cognizant of the City's grant application to and contract with the State of Connecticut Department of Public Health for funds to support the Department of Health and Social Services in various health and wellness initiatives; and
2. That it hereby authorizes, directs and empowers the Mayor or his designee to execute and file such application with the State Department of Public Health for Per Capita Grant and to provide such additional information and to execute such other contracts, amendments and documents as may be necessary to administer this program.

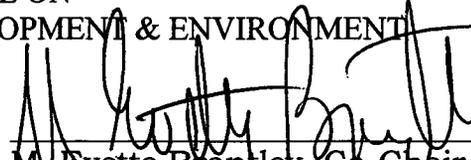


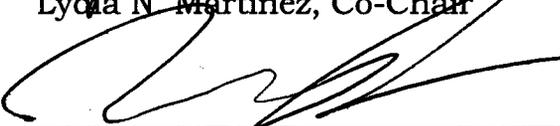
Report of Committee on ECD and Environment
***148-11 Consent Calendar**

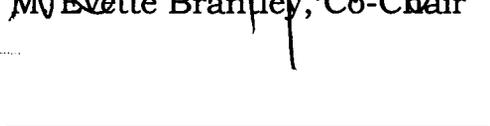
-2-

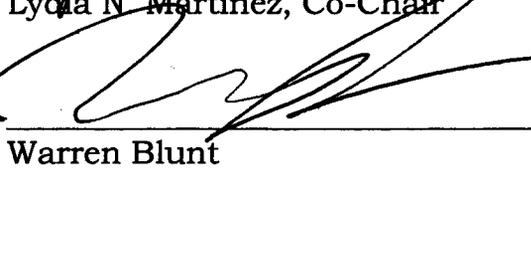
RESPECTFULLY SUBMITTED,
THE COMMITTEE ON
ECONOMIC AND COMMUNITY DEVELOPMENT & ENVIRONMENT


Lyda N. Martinez, Co-Chair


M. Evette Brantley, Co-Chair


Warren Blunt


Robert P. Curwen, Sr.


Martin C. McCarthy


Michelle A. Lyons

Council Date: November 5, 2012

***149-11 Consent Calendar**

Request concerning modification of Development Agreement with M.O.V.E. Yacht Club in connection with its relocation from SteelPoint to Waterview Avenue.

**Report
of
Committee
on
CEA & Environment**

Submitted: November 5, 2012

Adopted: _____

Attest: _____

Fleeta C. Hudson
City Clerk

Approved _____

Mayor



City of Bridgeport, Connecticut

To the City Council of the City of Bridgeport.

The Committee on **ECD and Environment** begs leave to report; and recommends for adoption the following resolution:

***149-11 Consent Calendar**

RESOLUTION

WHEREAS, the City Council previously approved in July 2011 that certain agreement with MOVE Yacht Club, Inc. (“**MOVE**”) entitled “148-220 Waterview Avenue Development Agreement”, executed by October 4, 2010 (“**Development Agreement**”), which provided for MOVE to relocate from the Steel Point Peninsula to Waterview Avenue NO LATER THAN February 31, 2011 (sic) (“**Exit Date**”); and

WHEREAS, the City Council has further agreed to extend the Exit Date in writing to provide that MOVE would vacate the Steel Point Peninsula NO LATER THAN November 30, 2011 (“**New Exit Date**”); and

WHEREAS, the City has been recently involved in remediating certain environmental contamination at the new Waterview Avenue site and MOVE has therefore been unable to begin the construction of its new facility; and

WHEREAS, MOVE has requested that the New Exit Date be extended again in order to accommodate MOVE’s construction of its new facility; and

WHEREAS, due to the delays in MOVE’s relocation to the Waterview Avenue site resulting from the City’s environmental remediation work since the Development Agreement was executed, construction costs have increased substantially; and

WHEREAS, in order to facilitate MOVE’s relocation in a timely manner and to permit it to complete its new facility, the City wishes to increase the payment to MOVE under the Development Agreement in order to facilitate its orderly relocation and to add the funds necessary to ensure completion pursuant to MOVE’s contract with its builder; and

WHEREAS, in consideration of the above, the City and MOVE have agreed that MOVE will vacate Steel Point by a date certain based on the construction schedule, which extension of the exit date will be secured by MOVE’s agreement to enter into a stipulated judgment before the Bridgeport Housing Court, with the understanding that the City will refrain from evicting MOVE until sixty (60) days after its contractor obtains a certificate of occupancy for its new facility should MOVE fail to vacate in accordance with such stipulated judgment; and



Report of Committee on ECD and Environment
*149-11 Consent Calendar

-2-

WHEREAS, because the City's remediation contractor is no longer working at the Waterview Avenue site, certain of its work is yet to be completed but can only be completed while MOVE's contractor is building its new facility; and

WHEREAS, because MOVE's contractor will be present on the Waterview Avenue site, it will be more effective and efficient for the City to pay MOVE's contractor to complete the balance of the remediation work, which is the City's responsibility; Now, therefore be it

RESOLVED, that the City hereby extends the Exit Date to a date that is sixty (60) days after a certificate of occupancy for MOVE's new facility is issued ("**Final Exit Date**") in exchange for MOVE's entry into a stipulated judgment; and

RESOLVED, that the City hereby authorizes the contribution of up to an additional \$260,000 ("**Additional Contribution**") to the construction of MOVE's new facility with any additional construction costs of whatever kind and nature above the City's total contribution being MOVE's sole responsibility; and

RESOLVED, that, in further consideration for the City's agreement to the Final Exit Date and making the Additional Contribution, MOVE agrees to permit limited public access from Waterview Avenue to the waterfront on this City-owned property, but not access to MOVE's building, parking lot, docks and slips on such terms and conditions, including days and hours of access, permitted uses, rules for use by the public and the like mutually agreed to between the City and MOVE, which agreement as to public access shall be separate and apart from and not a precondition for MOVE's adherence to the Final Exit Date; and

RESOLVED, that in consideration of the above, the City and MOVE agree to secure MOVE's relocation by the Final Exit Date by the entry of a stipulated judgment in the Bridgeport Housing Court ("**Stipulated Judgment**"), the execution of which the City will refrain from enforcing in writing until sixty (60) days after the Final Exit Date has passed and MOVE has not vacated Steel Point; and

RESOLVED, that as a condition to granting of the Final Exit Date and the making of the Additional Contribution as described herein, the City will require MOVE to execute a general release to the City of all obligations with respect to relocating MOVE from Steel Point to the new Waterview Avenue site and such general release will be held in escrow until the Final Exit Date;



Report of Committee on ECD and Environment
*149-11 Consent Calendar

-3-

RESOLVED, that the City is hereby authorized to pay MOVE's contractor (from funds the City previously reserved to complete the remediation work) the sum of approximately \$175,000.00 on a not-to-exceed or lump sum basis to complete the City's remediation work at the Waterview Avenue site; and

RESOLVED that the Mayor or the Director of the Office of Planning and Economic Development are each hereby authorized to execute all necessary documents, undertake all actions and do all things necessary to accomplish the intent of this resolution in the best interests of the City.

RESPECTFULLY SUBMITTED,
THE COMMITTEE ON
ECONOMIC AND COMMUNITY DEVELOPMENT & ENVIRONMENT

Lydia N. Martinez Co-Chair

M. Eyette Brantley Co-Chair

Warren Blunt

Robert P. Curwen, Sr.

Michelle A. Lyons

Martin C. McCarthy

***150-11 Consent Calendar**

Resolution regarding Disposition of City Owned
Property, 2836 Fairfield Avenue, Black Rock Bank &
Trust Building.

**Report
of
Committee
on
ECB & Environment**

Submitted: November 5, 2012

Adopted: _____

Fleeta C. Hudson

Attest: _____

City Clerk

Approved _____

Mayor



City of Bridgeport, Connecticut

To the City Council of the City of Bridgeport:

The Committee on **ECD and Environment** begs leave to report; and recommends for adoption the following resolution:

***150-11 Consent Calendar**

A Resolution by the Bridgeport City Council Regarding the Disposition of 2836 Fairfield Avenue

WHEREAS, the City of Bridgeport (“City”) took possession of 2836 Fairfield Avenue, historically known as the Black Rock Bank & Trust Building, and hereinafter referred to as the Property, via eminent domain in 2002; and

WHEREAS, after a number of years being leased to a non-profit arts group, the Property has been vacant for some time; and

WHEREAS, it is in the best interest of the City to facilitate reinvestment in the Property and return it to the City’s property tax roll in a manner consistent with the City’s Master Plan and the Black Rock Neighborhood Plan; and

WHEREAS, the City, acting through its Office of Planning & Economic Development (OPED), has issued two separate Requests for Proposal (RFP) for the redevelopment of the Property (in August 2009, and January 2010, respectively), neither of which resulted in a satisfactory response; and

WHEREAS, subsequent to these RFP processes, OPED has continuously and publicly marketed the Property; and

WHEREAS, in response to this public marketing, Nial O’Neil LLC (the “Developer”) has proposed a redevelopment plan for the Property that is consistent with the Master Plan and consistent with the character of the neighborhood; and

WHEREAS, the Developer is a partnership of individuals with extensive and applicable real estate development experience; and

WHEREAS, OPED has recommended to the Mayor and City Council that the Developer be given the opportunity to purchase and redevelop the property subject to the terms and conditions generally outlined in the attached Contract of Sale; Now, therefore be it

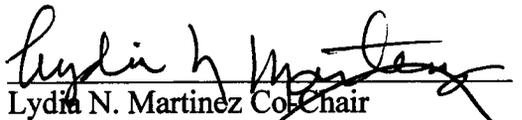


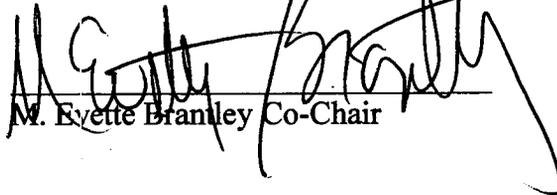
Report of Committee on ECD and Environment
*150-11 Consent Calendar

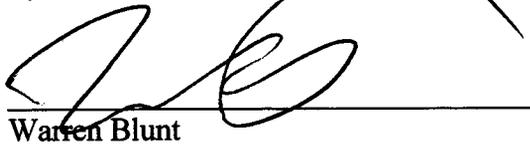
-2-

RESOLVED, That the Bridgeport City Council authorizes the Mayor or the Director of OPED or their designee to negotiate the specific terms of a Contract of Sale/Disposition Agreement with the Developer or a commonly owned entity, to sell and develop the Property substantially in accord with the attached Contract of Sale; and to execute all other documents, take all other actions, including modifying or discontinuing the relevant Municipal Development Plan, and do all other things necessary in furtherance of this resolution in the City's best interests.

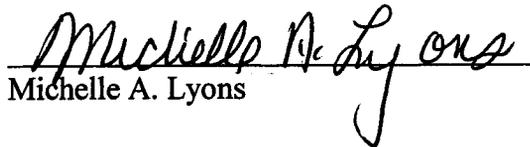
RESPECTFULLY SUBMITTED,
THE COMMITTEE ON
ECONOMIC AND COMMUNITY DEVELOPMENT & ENVIRONMENT


Lydia N. Martinez Co-Chair


M. Evette Brantley Co-Chair


Warren Blunt

Robert P. Curwen, Sr.


Michelle A. Lyons

Martin C. McCarthy

***151-1.1(PHO) Consent Calendar**

Public Hearing Ordered for November 19, 2012: re
Disposition of City Owned Property.

**Report
of
Committee
on
CEA & Environment**

Submitted: November 5, 2012

Adopted: _____

Attest: _____

Fleeta C. Hudson
City Clerk

Approved _____

Mayor



City of Bridgeport, Connecticut

To the City Council of the City of Bridgeport:

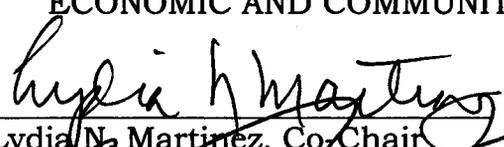
The Committee on **ECD and Environment** begs leave to report;
and recommends for adoption the following resolution:

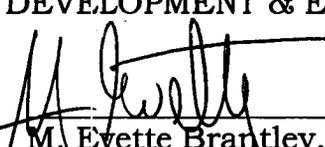
***151-11(PHO) Consent Calendar**

BE IT RESOLVED, That a Public Hearing be held before the City Council on Monday evening, November 19, 2012 beginning at 7:00 p.m. in the City Council Chambers, City Hall, 45 Lyon Terrace, Bridgeport, Connecticut, relative to the Disposition of City Owned Property.

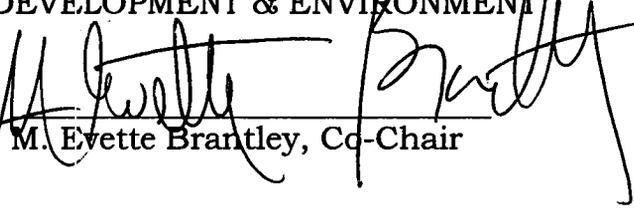
- 1163 Main Street

RESPECTFULLY SUBMITTED,
THE COMMITTEE ON
ECONOMIC AND COMMUNITY DEVELOPMENT & ENVIRONMENT


Lydia N. Martinez, Co-Chair


M. Evette Brantley, Co-Chair


Warren Blunt


Robert P. Curwen, Sr.


Michelle A. Lyons


Martin C. McCarthy

Council Date: November 5, 2012

***154-11 Consent Calendar**

Approval of Consultant to Develop City's 2013-2018 Consolidated Plan for Housing & Community Development.

**Report
of
Committee
on
CEA & Environment**

Submitted: November 5, 2012

Adopted: _____

Attest: Fleeta C. Hudson
City Clerk

Approved _____

Mayor



City of Bridgeport, Connecticut

To the City Council of the City of Bridgeport.

The Committee on **ECD and Environment** begs leave to report;
and recommends for adoption the following resolution:

***154-11 Consent Calendar**

RESOLUTION

WHEREAS, the U.S. Department of Housing & Urban Development (“HUD”) mandates that each participating municipality develop and submit, at regular five (5) year intervals, an appropriate strategic plan (aka Consolidated Plan for Housing & Community Development) in order to qualify for access to federal formula funding; and

WHEREAS, the City of Bridgeport (“City”) has in the past been a participating municipality for such HUD funding, including for the following programmatic activities: Community Development Block Grant Program, HOME Investment Partnership, Emergency Solutions Grant and Housing Opportunities for Persons with AIDS Program funding; and

WHEREAS, the City is desirous of continuing as a HUD participating municipality; and

WHEREAS, in order to continue as a participating municipality, the city now must develop and submit an updated consolidated strategic plan (“Plan”) to cover the period from July 1, 2013 through June 30, 2018; and

WHEREAS, the Plan is due to HUD on or before May 15, 2013; and

WHEREAS, the City has identified the need for consultant services to assist it in the drafting of the Plan;

WHEREAS, the consultant will amongst other functions, perform the following tasks: engage the local community, collect pertinent data, outline the City’s goals and objectives for the proposed usage of HUD funding to improve the lives of the City’s low and moderate income residents; and

WHEREAS, the City issued a Request for Proposals (“RFP”) soliciting consultant services for this project;

WHEREAS, the City’s Selection Committee recommended Ernest Swiger Consulting, Inc (“Swiger”) as the preferred proposer for this engagement; and

WHEREAS, the City’s Board of Public Purchases approved the selection of Swiger at its October 10, 2012 meeting; and



Report of Committee on ECD and Environment
*154-11 Consent Calendar

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WHEREAS, Swiger recently has performed similar professional services for such clients as Albuquerque, NM and San Bernardino, CA; and

WHEREAS, Swiger is appropriately equipped to draft the City's Plan in concert with HUD's new electronic tools which the City recently purchased for this effort; and

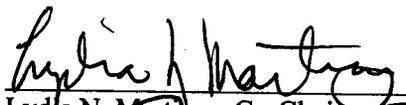
WHEREAS, the proposed cost for Swiger's consulting services is \$36,330; and

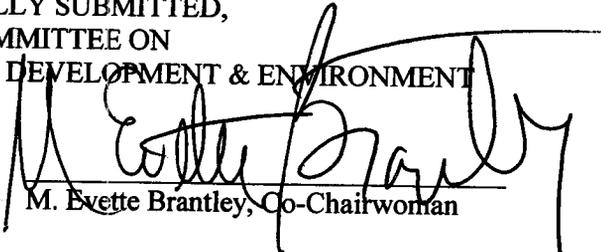
WHEREAS, the City is proposing to allocate an additional \$5,000 for Swiger (upon City authorization) to draft an updated Analysis of Impediments to Fair Housing Choice on the same timeline; and

WHEREAS, the proposed expenditure is within the City's existing \$50,000 Plan development budget; Now, therefore be it hereby

RESOLVED, that the City Council for the City of Bridgeport hereby authorizes, approves and directs that the City Administration, acting by and through Mayor Bill Finch and/or his designee(s), to execute all appropriate professional services contracts, agreements and other documents upon substantive terms consistent with the RFP, and in a form provided for by the RFP and acceptable to the City Attorney; and to take such other actions as reasonably appropriate and necessary to implement the retention of Swiger to provide the professional services identified herein, specifically to draft the aforementioned Plan(s) for timely submittal to HUD and consistent with HUD guidelines and objectives contained in the RFP (copy attached).

RESPECTFULLY SUBMITTED,
THE COMMITTEE ON
ECONOMIC AND COMMUNITY DEVELOPMENT & ENVIRONMENT


Lydia N. Martinez, Co-Chairwoman


M. Evette Brantley, Co-Chairwoman


Warren Blunt

Robert P. Curwen, Sr.


Michelle A. Lyons

Martin C. McCarthy

Council Date: November 5, 2012

Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

DEPARTMENT OF PUBLIC PURCHASES
Margaret E. Morton Government Center
999 Broad Street
Bridgeport, CT 06604

REQUEST FOR PROPOSALS

CDB317139– RFP – Consolidated
Plan Consistent with HUD guidelines
2013 – 2018

Proposal Due Date: September 19, 2012

No later than 2:00 P.M.

LOCATION: Department of Public Purchases
Margaret E. Morton Government Center
999 Broad Street
Bridgeport, CT 06604

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Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

CONSOLIDATED PLAN RFP SUMMARY AND TIMELINE

PROJECT: Consolidated Plan 2013-2018 for the City of Bridgeport, CT

DESCRIPTION: The City of Bridgeport, acting through its Department of Housing and Community Development, is seeking proposals for the development of a Consolidated Plan consistent with HUD guidelines and objectives contained in the RFP. The Consolidated Plan will cover the period from July 1, 2013 to June 30, 2018. A draft Plan must be completed by December 31, 2012. The approved Consolidated Plan is due to HUD by May 15, 2013.

PROPOSAL DUE DATE: Proposals (one original and four copies) shall be submitted to the Department of Public Purchases, City of Bridgeport, Margaret E. Morton Government Center, 999 Broad Street, Bridgeport, CT 06604 and must be received by **2:00pm, Friday, September 19, 2012** and then, at said office, be publicly opened.

COST INFORMATION: Approximately \$50,000 is available for services rendered under this contract as a result of this RFP. Proposers are asked to submit a breakdown of costs by each service/deliverable identified in the RFP. The Department will negotiate with the successful proposer on the addition or deletion of tasks to arrive at a final contract amount.

CONTRACT FOR PROFESSIONAL SERVICES: The selected proposer will be expected to enter into a Contract for Professional Services with the City of Bridgeport. A sample of the contract with specific insurance requirements is provided as **Exhibit B**.

PROJECT MANAGER:

Tyler Fairbairn
Acting Deputy Director, Department of Housing and
Community Development
City of Bridgeport
Department of Housing and Community Development
999 Broad Street
Bridgeport, CT 06604
203.337.1326/203.576.8144
email address: tyler.fairbairn@bridgeportct.gov

THE FOLLOWING SCHEDULE MAY BE ALTERED AT ANY TIME WITHOUT PRIOR NOTIFICATION.

Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

The RFP submission deadline is absolute. Proposals not received in the City of Bridgeport's Purchasing Department, 999 Broad Street, Bridgeport, CT by the date and time specified **WILL NOT BE ACCEPTED.**

<u>Activity</u>	<u>Date</u>	<u>Point of Contact Person/Phone</u>	<u>Location</u>
RFP Released	September 2, 2012	Kathryn Cullen	
RFP Submission Deadline	September 19, 2012	Buyer, Purchasing	
Evaluation of Proposals Completed	September 21, 2012		
Notice of Intent to Award and Mail Notification of Proposed Award and Denial(s)	October 2012		
Anticipated Contract Start Date and Completion Date	Start October 2012 (after City Council Review and Approval)/ Complete draft by December 31, 2012	Tyler Fairbairn 203.337.1326	City of Bridgeport, CT Dept. Of Housing and Community Development 999 Broad Street Bridgeport, CT 06604

Section I: INTRODUCTION

A. Background

In late 1994, the U.S. Department of Housing and Urban Development (HUD) created the requirement for the Consolidated Plan (CP), a comprehensive planning document of the local government and application for funding under any of the Community Planning and Development formula grant programs. The formula grant programs are Community Development Block Grant (CDBG) program, HOME Investment Partnerships (HOME) program and the Emergency Shelter Grant (ESG) program. HUD requires that the jurisdiction receiving funds, directly from HUD, have an approved Consolidated Plan or that the application is consistent with the HUD-approved Consolidated Plan.

The Consolidated Plan is designed to be a collaborative process whereby a community establishes a unified vision for community development actions. The Consolidated Plan must identify a jurisdiction's housing and community development needs, set priorities, and describe how HUD resources will be used for activities designed to meet needs. With the Consolidated Plan, local jurisdictions are encouraged to shape the various housing and community development programs into effective, coordinated neighborhood and community development strategies. The Consolidated Plan also creates the opportunity for strategic planning and citizen participation to take place in a comprehensive context. The statutes for the formula grant programs set forth three basic goals against which the plan and the jurisdiction's performance under the plan will be evaluated by HUD. Each jurisdiction must state how it will pursue these goals for all community development programs, as well as all housing programs. These statutory goals are: decent housing, a suitable living environment, and expanding economic opportunities, all principally for persons of low and moderate income.

Consolidated Plan regulations are found at Part 24 of the Code of Federal Regulations (CFR) in Section 91. The introduction to the Consolidated Plan regulations is in the Federal Register of January 5, 1995, Vol. 60, No. 3. CDBG regulations can be found at Part 24 of the CFR, but in Section 570. HUD has issued guidelines for preparing the Consolidated Plan which can be found on HUD's website (http://www.hud.gov/offices/cpd/about/conplan/cp_guidance.cfm).

The City of Bridgeport, Connecticut prepared their most recent Consolidated Plan for the period covering July 1, 2008 through June 30, 2013. The new Plan will cover the period from July 1, 2013 to June 30, 2018.

The Department administers the CDBG, ESG, HOME and HOPWA Programs and coordinates the application and reporting for all of the programs. The Annual Action Plan fiscal year begins July 1 and ends on June 30 the following year.

Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

B. Purpose

The Department is seeking a consultant to develop a five-year Consolidated Plan for the City of Bridgeport, Connecticut for fiscal years 2013 through 2018 consistent with HUD guidelines. The Department is requesting proposals from qualified firms and individuals with proven experience to develop a Consolidated Plan or similar planning documents. The Department intends to submit the Consolidated Plan and accompanying first year Action Plan to HUD by its due date on May 15, 2013.

In addition to meeting the federal requirements and deadline for a Consolidated Plan, the Department is interested in encouraging meaningful public participation in the Consolidated Plan process, especially by low and moderate income people. Additionally, the Department is interested in a broad consultation process with public and private agencies providing housing, health and social services. The Consolidated Plan should provide a direct link between community goals and objectives and priority needs and should provide clear direction for future One-Year Action Plans. To the extent possible, processes and products (i.e., data research) may be used in the development of the Consolidated Plan. To date, the City has developed a survey and drafted a schedule of public meetings both focused on the Consolidated Plan itself and as part of agendas for other public meetings engaging agencies and residents - particularly low and moderate income residents of the City.

Please note the City of Bridgeport has an approved Master Plan, BGreen 2020 Sustainability Plan, Parks Master Plan, Bridgeport Community Allied to Reach Health Equity (CARES) assessment and is part of the federal Sustainable Communities Initiative grant planning consortium covering southern Connecticut and portions of New York. All of the above documents are available to assist in the development of the Consolidated Plan.

Section II: SCOPE OF SERVICES

A. Objectives

The following objectives should be considered in the development of the Consolidated Plans:

1. The plan should meet HUD's requirements and deadline for a Consolidated Plan;
2. Development of the plan should use existing data to help determine housing, homeless, special population, community development, and human development needs as required by HUD;

Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

3. Development of the plan should build upon the participatory process drafted by the City at the lowest levels especially with low and moderate income persons with barriers to participation;
4. Documents presented in community forums should be readable (e.g., avoid technical jargon) and easy to understand;
5. Development of the plan should involve consultation with a broad sector of public and private agencies for collaboration and collective problem solving in determining needs, objectives, goals and priorities. The City has drafted a list and schedule which the consultant may wish to add to as the Plan development moves forward;
6. The plan should consider all community needs and resources available to meet those needs;
7. Based on identified community needs, the strategic plan portion of the Consolidated Plan should
 - Indicate general priorities for allocating funds to the various housing and community development needs identified in the plan;
 - Indicate the basis or reason behind the priority level (and relative priority) given to each category of priority need;
 - Identify any obstacle to meeting underserved needs;
 - Summarize specific objectives for meeting the needs in each priority area describing funds that are reasonably expected to be made available;
 - For each specific objective, identify quantifiable proposed accomplishments.
8. The plan should report on specific items required by HUD, such as reducing the number of families living in poverty and removing barriers to affordable housing;
9. The plan should be structured to serve as a basis for annual funding allocations and for assessing performance on an annual basis.

B. Services/Deliverables

1. The services to be performed under the proposal include, but are not limited to:
 - (a) Statistical and informational data collection and preparation of charts and narrative to prepare a housing and homeless needs assessment, (24 CFR § 91.205) and housing market analysis (§91.210);
 - (b) Consultation with public and private agencies as outlined in 24 CFR §91.100, including those that provide assisted housing, health services and social

Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

- services; state or local health and child welfare agencies regarding lead based paint hazards; adjacent units of local government, including planning agencies; public housing authorities; and agencies receiving HOPWA funds within the eligible City of Bridgeport statistical area;
- (c) Citizen participation activities such as publishing information; coordinating meetings, focus groups and hearings; summarizing and responding to public comment as outlined in 24 CFR §91.100;
 - (d) Using needs information obtained through data collection, consultation and citizen participation to make recommendations for a Strategic Plan as outlined in § 91.215 and for any policy issues;
 - (e) Presenting the draft Consolidated Plans to the public for comment and to the governing entity for comment and for approval; City Council of the City of Bridgeport with applicable graphics, maps, community information handouts and photographs;
 - (f) Producing thorough and complete documents that consolidate all elements in a format and organization structure that meets the federal regulation, guidelines and notifications. The Consolidated Plan team must approve final format.
 - (g) Summarizing recommendations of the Consolidated Plan into reader-friendly Executive Summaries using graphs, tables, pictures, and charts.

2. The consultant will be responsible for providing the following products:

- Five original paper copies of the Consolidated Plan that includes:
 - Source documentation and data;
 - Interim reports, memorandums, addendums, etc.;
 - Public announcements as published (or script if broadcast);
 - Information packets, surveys, questionnaires, materials handed out at public meetings;
 - Formalized notes from and/or descriptive narrative of events;
 - Copies of written public comments, summaries of verbal comments, and responses;
 - Final, print-ready Consolidated Plan and four copies. The four copies do not need to contain the above source documentation and data, etc.
- Five paper copies of Executive Summary of the Consolidated Plan
- One electronic copy in Word format and one in PDF format
 - Consolidated Plan (including indexes, tables, attachments, etc.)
 - Executive Summary of the Consolidated Plan
- Presentation materials for community meetings, public hearings, and governing body hearings.

Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

- Any other materials that are substantially relevant to the Consolidated Plan or development process.
- Should HUD not approve the Consolidated Plan, the Consultant **must** bring the document(s) to an acceptable level within the HUD designated time frame.

C. Implementation Timelines

The consultant shall provide sufficient staffing to accomplish the work described in this RFP within the mandated timeframe. The consultant shall be available as needed to provide the services described herein. In order for the Department to meet the HUD submission deadline of **May 15, 2013**, the consultant must meet the following estimated implementation timelines:

THE FOLLOWING SCHEDULE MAY BE ALTERED AT ANY TIME WITHOUT PRIOR NOTIFICATION.

Contract Start Date	October 2012
Completion of Draft Consolidated Plan	December 31, 2012
Draft Consolidated Plan Available for Public Review	January 1 to May 1 2013
Formal presentation to City Council's ECDE Committee	April, 2013
City Council Action	May, 2013
Submission to HUD via overnight carrier	May 14, 2013
Due in the HUD office	May 15, 2013

D. Department Responsibilities

The Department Point of Contact (POC) person will be available on a limited and negotiated basis to coordinate activities with the consultant. At a minimum, the POC person or the Department's Consolidated Plan team will be available for monthly meetings with the contractor to review progress, discuss policy issues, and coordinate activities. Members of the team include Department staff with responsibility for the CDBG Program, HOME Program, ESG Programs, community development implementation, enterprise zone coordination, federal applications, housing authority activities, the homeless and administers of HOPWA programs. The Department may supply support to the consultant activities such as helping to coordinate public meetings and public and private agency consultations; identifying available information, data and resources; and consulting with elected public officials. Through its work, the Department coordinates with a variety

Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

community groups and members in low- and moderate-income communities. The proposal (see Section IV below) should specifically describe any assumptions with regard to the Department's role.

Section II. RULES AND CONDITIONS

A. General Information

- 1. Whom to Contact for Information** – Please direct all inquiries concerning this RFP to:

Tyler Fairbairn
Department of Housing and Community Development
City of Bridgeport
999 Broad Street
Bridgeport, CT 06604
203.337.1326/203.576.8144
Email address: tyler.fairbairn@bridgeportct.gov

There will not be a pre-proposal conference. Proposers should contact only the individual identified above for meetings, conferences, or technical discussions related to the RFP.

- 2. Who May Submit Proposals** – Proposals are invited from all parties with a demonstrated experience in developing approved Consolidated Plans or other similar long-range plans and strategies. Proposers should have a thorough knowledge of the federal requirements for the Consolidated Plan.

Note: Please refer to 24 CFR 85.36 for conflict of interest provisions. Essentially, this provision prohibits employees of the City of Bridgeport or agents of the Department from participating in the selection, award or administration of a contract that might go to their direct relatives or anyone in business with them or their direct relatives.

- 3. Term of Contract** – The anticipated term of any resultant contract is from October, 2012 to June 30, 2013. However, the date of final execution of the contract shall be the governing factor as to the date of commencement of work. Work after the submission of the Consolidated Plans to HUD will be contingent on HUD's satisfaction with the Plan.
- 4. Budgeted Funding and Contract Award**- Approximately \$50,000 is available for services rendered under this contract as a result of this RFP. Although, the City has an idea through its affiliation with the National Community Development Association (NCDA) how much the contract price should be compared with other communities as it relates to population size and funding allocation.
- 5. Interpretations and Addenda** – The City reserves the right to amend, alter, or

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change the rules and conditions contained in this RFP prior to the deadline for submission of proposals. Any revisions to the RFP will be accomplished through addenda or supplements to the RFP and shall become part of the RFP. All addenda will be sent to all persons and entities to which the Department sent copies of this RFP.

6. **Proposer's Cost of Developing Proposal** – Costs of developing and submitting proposals are entirely the responsibility of the proposer and shall not be chargeable in any way to the Department.
7. **Confidentiality of Proposals**- The City shall keep all proposals confidential until the evaluation process is completed and a contract has been awarded. Submission of a proposal shall constitute an agreement to public disclosure of the proposal after the award of the contract.
8. **Disposition of Proposals** – All proposals submitted become the property of the City and may be returned upon request, only at the option of the City and at the proposer's expense.
9. **Department Use of Ideas and Concepts** – The City reserves the right to use any and all ideas or concepts in any proposal submitted and /or selected for the award of the contract.

B. Submission of Proposals

1. The original and four copies of the proposal must be enclosed in a sealed envelope with the name and address of the proposer. The lower left corner of the envelope should be plainly marked "**CONSOLIDATED PLAN PROPOSAL**".
2. Proposals **MUST** be submitted either by certified mail or personal delivery to:

Department of Public Purchases
Margaret E. Morton Government Center
999 Broad Street
Bridgeport, CT 06604

Proposals sent to any other office will not be accepted.

3. All proposals must be received by 2:00 p.m. on September 19, 2012 at the address above. Postmarks or facsimile (FAX) transmissions will not be accepted in lieu of this requirement. It is the responsibility of the proposer to ensure the proposal is submitted by the time and date and to the address specified above. The Department will reject any proposal not meeting this RFP requirement timeline.

C. Contract Provisions

1. The successful proposer must agree to all terms and conditions of any consultant contract with the City as a condition of executing the contract.
2. Sample contract documents containing typical provisions are shown in **Attachment 1**, and are included for reference but are subject to modification by the City prior to contract execution. Please read the sample contract carefully and take special note of the provisions related to required insurance coverage and disclosure. The selected consultant must have and continuously maintain insurance as required by the City of Bridgeport.

Section III. PROPOSAL FORMAT AND CONTENT

In order to be considered for an award, the proposer **must** supply all of the information requested in this section of the RFP. A proposal that fails to comply completely with these requirements will be deemed nonresponsive by the City. The City, however, reserves the right to waive any immaterial noncompliance which in the City's judgement does not compromise the overall purpose and intent of the RFP. The proposal **must** include the sections listed below and **must** be submitted in the following format and order.

A. Proposal Format

1. The proposal should be prepared simply and economically providing straightforward and concise delineation of the proposer's capabilities to satisfy the requirements of this RFP. Fancy bindings, colored displays, and promotional materials are neither necessary nor desired. Emphasis in the proposal should be on completeness and clarity of content. The evaluation process will not provide credit for capabilities or advantages that are not clearly shown in the written proposal.
2. All proposals **must** be submitted with an **original and four copies** on standard white paper, 8 ½ by 11 inches in size, typed in number 12 Arial font, double-spaced with each page clearly and consecutively numbered.
3. The proposal must be submitted in the legal entity name of the proposer. The

proposal must be signed by the proposer, a corporate officer, or authorized agent of the proposer.

B. Proposal Cover Letter and Statement of Intent to Meet RFP Requirements

A proposal cover letter and Statement of Intent to Meet RFP requirements must be submitted to the City of Bridgeport with the proposal.

C. Table of Contents

A table of contents **must** be provided which identifies all major sections of the proposal by page number. All exhibits and attachments must also be identified and referenced by page number.

D. Body of Proposal

1. Qualifications and Experience

- (a) Statements describing background, including date established, type of ownership, location of headquarters and offices, and number of employees engaged in planning activities.
- (b) Statements describing work history on similar projects. Samples of current or prior Consolidated Plan or other planning projects may be included with the proposal.
- (c) Statements that demonstrate knowledge and/or experience in development of an **approved** Consolidated Plan and/or other similar long range plans and strategies; in working with federally-funded programs; and in facilitating public input, data collection and statistical analysis.

2. Organizational Structure

The content of this section should describe how the Proposer intends to organize resources, as necessary to complete the project required by this RFP.

For staff working on this project, the Proposer **MUST** provide the following:

- (a) Titles;
- (b) Resume describing their educational background and relevant experience;
- (c) Percentage of time to be devoted to this project; and
- (d) Indicate if the staff is an employee of the Proposer, or if she/he is a

subcontractor.

3. Workplan

The work program portion of your proposal should

- (a) Describe the major activities and processes with timelines (consistent with Section II. C.) necessary to provide the services and products outlined in Section II.B.1 (a) through (g);
- (b) Describe the proposed strategies to meet the objectives as outlined in Section II.A.;
- (c) Be organized by the services outlined in Section II.B. 1. (a) through (g).

The work plan should detail any data and other information expected to be obtained through the Department as well as describe specific portions of work that the Agency will be expected to do.

4. Costs/Bid Sheet

Provide a breakdown of all costs associated with the performance of the Scope of Work as required in this RFP as follows.

- (a) Total costs for the project;
- (b) Total costs for each service/deliverable in Section II.B.1.(a) through (g);
- (c) A breakdown of costs by the following categories: staff and associated overhead; costs related to copying and production, and expenses for travel to meetings and per-travel costs;
- (d) For each staff working on this project, provide the name, title, hourly rate, and status (employee/subcontractor).

5. References

- (a) Proposer must provide three letters of reference from current and/or former clients for whom the proposer has provided services similar to those required herein.
- (b) Letters of reference must include the name, address and telephone number of the individuals who provide the references.

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(c) The Department will contact references. If references cannot be reached, the proposal shall be deemed non-responsive and rejected. If references obtained by the Department are not favorable, the Department may reject the proposal.

(d) References will not be used as an evaluation criterion for scoring proposes.

Section IV. SELECTION PROCESS

A. Evaluation Criteria

For detail on body of proposal requirements, see Section III (D).

<u>Criteria</u>	<u>Maximum Points</u>
Qualifications and Experience	30
Organizational Structure	5
Quality of Workplan	50
Costs	15
Total Possible Points	100

The allocation formula for points for **costs** is as follows:

Lowest Bid amount **divided by** current bid amount being evaluated **times** maximum costs points = points

Percentages will be rounded to the nearest whole number. See below for example:

<u>Bids</u>	<u>Allocation Formula</u>	<u>Points</u>
\$100 (lowest bid)	$\$100/100 \times 15$	15
\$150	$\$100/150 \times 15$	10

B. Evaluation Process

Proposals shall be evaluated and contracts awarded in the following manner:

1. All proposals shall be submitted to an Evaluation Committee, which shall evaluate and score the proposals. The Evaluation Committee shall be composed of four to six persons, including but not limited to representatives from the following agencies:
 - Department of Housing & Community Development
 - Chief Administrative Office
 - Greater Bridgeport Area Foundation
 - Representatives from the Bridgeport Community
2. All proposals meeting the requirements of the RFP will be rated using the evaluation criteria identified below. The Evaluation Committee **may** schedule interviews with the top candidates. Proposers will be notified of any additional required information or interviews after written proposals have been evaluated. The Evaluation Committee will make a recommendation based on the highest score to the Board of Public Purchases of the City of Bridgeport and City Council for approval.
3. In the event that an agreement cannot be reached with the selected proposer, the City., at its sole discretion, shall have the right to negotiate with the next ranking proposer until an agreement can be reached.
4. The City reserves the right to reject any or all submittals; request clarification of any submitted information; waive any informalities or irregularities in any submittals or cancel all or any portion of the selection proceedings at any time.
5. Proposals that contain false or misleading statements or which provide a reference that do not support an attribute claimed by the proposer may be rejected. If, in the opinion of the City, such information was intended to mislead the Department in its evaluation, it will be the basis for the rejection of the proposal.

Section V. MBE (Minority Business Enterprises)

In order to receive any award favorable to Minority Business Enterprises (See Ch.3.12.130, City Ordinances) for goods, materials and general services, all MBE firms, for themselves and their sub-contractors, must submit a true copy of their current (no older than 2 years) State of Connecticut certification, other government certification in another City or State, or certification from one of the recognized independent organizations listed on the City's website under "Purchasing" as a minority-owned, or disadvantaged-owned business. The City reserves the right to authenticate such certification."

ATTACHMENT 1
Minority Business Enterprise Ordinance

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Whereas, the City Council approved the Small Business Enterprise Program in the Fall of 2005 in an effort to increase the use of minority-owned, women-owned and other disadvantaged contractors in the City of Bridgeport awarding of contracts;

Whereas, the City Council approved an amendment to the Small Business Enterprise Program on April 3, 2006 to increase the percentage attainable goals for awarding of contracts to such contractors; and

Whereas, the City Council desires to change the name of the Small Business Enterprise Program, to further increase the percentage attainable goals previously established, and to make other necessary changes to the program to better ensure that the program's goals and requirements can be satisfied. **Now, therefore,**

BE IT ORDAINED: By the City Council of the City of Bridgeport that the Bridgeport Municipal Code of Ordinances Chapter 3.12 Equal Opportunity Requirements for Contractors, Section 3.12.130 Small Business Enterprise Program, is hereby substituted in its entirety and replaced with the following ordinance:

3.12.130 Minority Business Enterprise Program.

A. Purpose. The purpose of this chapter is to:

- Recognize the findings of the Disparity Study dated March 2005 conducted at the city's request.
- Implement a race and gender-conscious program to correct historic discrimination in contracting for those groups identified in the Disparity Study;
- Create a sheltered market program to benefit small, Bridgeport-based businesses by providing a pool of contracts for which they can compete on a fair basis; and
- Take steps to reduce or eliminate aspects of the city's bidding and contracting processes that pose the greatest difficulties for Minority Businesses and other small businesses and hinder their participation, prosperity and growth.

B. Definitions. All capitalized terms not defined in this chapter shall have the meanings assigned to them in Section 3.08.070, Purchasing procedure, unless the context otherwise requires.

"African American" means a Black American, including all persons having origins in any of the Black African racial groups not of Hispanic origin.

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"Asian American" means an Asian American, including all persons having origins in any of the countries of the Asian Continent, Southeast Asia, an Asian Pacific American and a Pacific islander.

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"American Indian" means a person having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification.

"Business" means a business defined under "Company".

"Certified" means an MBE, WBE or DBE contractor whose status as a member of a particular minority group classification has been established, certified or accepted for participation in any minority, disadvantaged or small business program by (a) any State of Connecticut agency or quasi-governmental agency, (b) any other State governmental or quasi-governmental agency in another state, and (c) any governmental or quasi-governmental agency of any city, town, county or municipality in Connecticut or any other state, and which Certified contractor otherwise possesses the experience, skills and resources to satisfy a City contract and/or Contract Category.

"City contract" for purposes of this chapter means any contract, purchase order, bid, quote or selection process involving work in the nature of construction (including new construction, rehabilitation, demolition and sitework), architecture and engineering, professional services, non-professional services, or goods.

"Compliance Committee" means a committee established by the Administrator to oversee the implementation of this chapter, compliance with its provisions, interpretations of its meaning and application, hearing and resolution of protests and complaints, and implementation of remedies and penalties, consisting of the Administrator, a representative of the Purchasing Department, a representative of the City Attorney's Office, the City Council's Legislative Director, and a representative from any city consultant engaged for purposes of implementation and/or compliance.

"Compliance reports" means those reports identified in this chapter prepared by the person or department designated or otherwise prepared at the request of the Administrator or his designee, including any city consultant engaged for such purpose, to track all phases of the program established by this chapter, including utilization of Minority Contractors and Bridgeport businesses, compliance by bidders and various participants in the implementation of or compliance with the program, outreach efforts, protests and complaints received and determined, enforcement actions taken, Liquidated Damages assessed, debarments and disciplinary actions recommended, and such other reports as the Administrator may deem necessary or desirable.

"Contracting Category" means contracts for construction, contracts for architecture and engineering, contracts for professional and non-professional services, and goods.

"Company" means a business enterprise, including a corporation, partnership, joint venture, limited liability company, limited liability partnership or sole proprietorship.

"Disadvantaged business enterprise" or "DBE" means an individual having a physical impairment that substantially limits one or more of the major life activities of the individual or who has a record of such an impairment that is Certified.

"Due Diligence Criteria" for purposes of this chapter means a fair and unbiased method by which a Contracting Officer obtains informal quotes when permitted by Chapter 3.08.070 from Companies, including MBEs, WBEs and DBEs, such that bias, prejudice and discretionary practices by a Contracting Officer are minimized and city contracts are awarded in compliance with the requirements of this chapter.

"Evaluation credits" means, in a qualifications-based selection process, the assignment of ten (10) additional points to applicable Target Groups when evaluating their qualifications and/or their proposals, based upon a uniform 100-point scoring system described in this chapter in order to arrive at a short-list of proposers so that Target Groups are not placed at a competitive disadvantage when competing with non-target groups.

"Formal" contracts means those city contracts that exceed \$25,000 and are required to be publicly advertised under Section 3.08.070.

"Good Faith Efforts" means a Prime Contractor's obligations to reach out through various means and methods described in this chapter to Minority Contractors to participate as subcontractors in connection with the Prime Contractor's intention to bid for a city contract, as more particularly described in Section G(5) of this chapter.

"Hispanic American" means a Hispanic American, including all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

"Industry coding" means the Contracting Officer's determination of and the Purchasing Director's agreement with the industry classification codes assigned to a city contract prior to or at the time of bid to facilitate bidding, selection, implementation, compliance, monitoring and enforcement activities.

"Informal" contracts means those city contracts under \$25,000 that are not required to be publicly advertised under Section 3.08.070 of this code.

"Jobs funnel" means a community effort to provide opportunities for Bridgeport residents to receive life-skills training, job training, and job placement with building trades and Companies doing business with the city or in the City of Bridgeport.

"Liquidated Damages" means monetary penalties that can be assessed against a Prime Contractor or a Minority Contractor for violation of the requirements of this chapter, as more particularly described in Section G(3) of this chapter.

"Minority business enterprise", "Minority Contractor" or "MBE" means a minority-owned business, including minority female-owned business enterprises, the latter sometimes referred to herein as a "WMBE" that demonstrates at least 51% percent of the ownership held by a person(s) who is a member of a racial minority group, and who exercises operational authority over the daily affairs of the business, has the power to direct policies and management, and receives beneficial interests of the business that is Certified. In some cases use of the term Minority Contractors or MBEs may include WBEs, WMBEs and DBEs where the context requires.

"Outreach and marketing program" means a city program operated by the Administrator, or his designee, including any city consultant engaged for that purpose, to attract and promote the inclusion of new and existing Minority Contractors into the city bidding and contracting process, including soliciting businesses to bid for city contracts

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and become city contractors, advertising contracting opportunities especially in media outlets sensitive to minority

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interests, hosting open houses, registration and networking events, arranging training opportunities, facilitating partnering with Companies, and identifying agencies and for-profit and not-for-profit organizations interested in fostering the capacity and effectiveness of Minority Businesses, and the like.

"Prime Contractor" means a non-minority contractor that seeks or obtains a city contract.

"Program administrator" or "Administrator" means the city's chief administrative officer or his designee, including any city consultant engaged for implementation purposes or the Compliance Committee.

"Project Labor Agreement" or "PLA" means one (or more) agreements sought for and arranged by the city on appropriate projects or programs such as the new schools construction program to ensure the creation of trade apprenticeships and other job opportunities for Bridgeport residents in accordance with the goals of this chapter.

"Prompt payment directive" means the city's commitment to a prompt payment process developed by the Administrator, Director of Finance and the Director of Information Technology for (a) all Prime Contractors employing Minority Contractors as subcontractors and (b) all Minority Contractors to ensure that the city pays complete invoices in a maximum of thirty (30) days if to a Prime Contractor and a maximum of fifteen (15) days if to a Minority Contractor, except for any portions of such invoices about which there exists a legitimate dispute.

"Self-Perform" means that a Certified MBE, WBE or DBE contractor, whether a Prime Contractor or a subcontractor, performs 30% of the value of its work (exclusive of materials and equipment) using its own forces and resources as determined by monthly payrolls.

"Sheltered market program" means a city program developed by the Administrator or his designee, including any city consultant engaged for that purpose, and the Director of Purchasing that creates a pool of various city contracts for SLBEs in Contracting Categories in which SLBEs are available that ensures fair competition for city contracts taking into account the relative sizes and resources of SLBEs so that SLBEs compete for city contracts against other SLBEs of similar size and resources.

"Small local business enterprise" or "SLBE" means a business enterprise having its principal office in Bridgeport and a business license, and either less than \$5 million in annual sales or fewer than 20 employees.

"Subcontractor substitution" means a Prime Contractor's request to substitute or replace a Minority Contractor listed or identified prior to the time of award and upon which the award was made, which can only be accomplished with the Administrator's, or his designee's, including a city consultant engaged for that purpose, or the Compliance Committee's prior written consent after written notice from the Prime Contractor to the Administrator, with a copy to the subcontractor, both the Prime Contractor and the subcontractor having a right to be heard, and such a substitution must be based on good cause shown in accordance with a process established by the Administrator or the Compliance Committee.

"Target Groups" means those racial or gender groups identified in the Disparity

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Study that experienced historic discrimination in city contracting to such a degree that this chapter provides race and gender-conscious remedies

such as set-asides, percentage attainable goals, Evaluation Credits or other preferences.

"Voluntary programs" mean those program activities described in this chapter and other activities implemented in the future by the Administrator or his designee, including any city consultant engaged for that purpose, that are designed to encourage and develop Minority Contractors and SLBEs, provided that such activities are legally permissible without the need to establish historic discrimination and are essentially neutral as to all types of small business enterprises, including but not limited to the creation of a sheltered market program, the adoption of Project Labor Agreements, the creation of a Jobs Funnel, etc.

"Waiver" means the request for relief from a requirement of this chapter, satisfactory to the Program Administrator or the Compliance Committee, that the Prime Contractor's good faith efforts to identify a Minority Contractor or a Target Group, as required by this chapter, did not result in meeting at least 50% of the requirements or goals of this chapter in spite of the Prime Contractor's good faith efforts to achieve compliance.

"Women business enterprise" or "WBE" means a women-owned business enterprise contractor who is not a member of a racial minority group and whose legal existence has been established for at least one (1) year prior to the time of bid.

C. Guiding Principles

1. It is important to implement the principles and goals of this chapter in a way that encourages the participation of MBE, WBE and DBE contractors in the city contracting process while at the same time being fair and avoiding unreasonable burdens on other contractors that are not members of such groups.

2. It is important to implementation and compliance that participants in the city contracting process, whether Prime Contractors, subcontractors, MBEs, WBEs, DBEs, and city officials, employees and agents, be discouraged in various ways and penalized for non-compliance, efforts to avoid or subvert, or assist others in such efforts, or to appear to be in compliance with the important principles and goals of this chapter by the use of strategies, devices, ploys and other improper means.

3. It is important in the implementation and compliance process to understand that this chapter serves as an important tool in the revitalization of the city's economy, including the encouragement, development and success of Bridgeport companies and the employment of Bridgeport residents.

4. A prime contractor who is a Certified MBE, WBE or DBE and meets the other requirements of this chapter such as the obligation to Self-Perform, is, by definition, in compliance with the principles and goals of this chapter.

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D. Establishment of Race and Gender-Conscious Remedies.

1. Formal Prime Contract Remedies.

a. Competitive Bids. An attainable goal of 30% of the aggregate dollar value of each Formal city contract (goal of 15% of the contract value to MBEs and goal of 15% to WBEs).

b. Qualifications-Based Selections. An attainable goal of 30% of the aggregate dollar value of a city contract is established for Prime Contractor utilization of certain Target Groups during QBS processes. For purposes of this subsection, the Target Groups that should receive Evaluation Credits are:

- i. City contracts for construction professionals: African Americans, Hispanic Americans, MBEs, and minority female and Caucasian female minority business enterprises.
- ii. City contracts for architecture and engineering professionals: Asian Americans, Hispanic Americans, and Caucasian females.
- iii. City contracts for other professional services: Asian Americans, Hispanic Americans, Caucasian females, MBEs, and minority female and Caucasian female minority business enterprises.
- iv. City contracts for goods and nonprofessional services: African Americans, Caucasian females, MBEs, and minority female and Caucasian female minority business enterprises.

2. Informal Prime Contract Remedies.

a. An attainable goal of 30% of the aggregate dollar value of each Informal city contract (goal of 15% of the contract value to MBEs and goal of 15% to WBEs).

b. Since Informal city contracts awarded to Prime Contractors are not usually publicly advertised and tend to be awarded by individual Contracting Officers after informal quotes are obtained, MBEs do not participate sufficiently in city contracts to the extent that they can build experience, become better equipped to provide goods and services to the city, and circulate procurement dollars within the city's tax base. The Administrator and the Director of Purchasing shall implement Due Diligence Criteria for Contracting Officers and standardize the process for identifying, documenting and selecting Target Groups for the award of Informal city contracts to minimize discretionary or prohibited practices.

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For purposes of this subsection, the Target Groups are:

- i. City contracts for construction: African Americans, Hispanic Americans, and MBEs.
- ii. City contracts for architecture and engineering services: Hispanic Americans, Caucasian females, MBEs, and minority female and Caucasian female business enterprises.
- iii. City contracts for professional services: African Americans, Asian Americans, Hispanic Americans, Caucasian females, MBEs, and minority female and Caucasian female minority business enterprises.
- iv. City contracts for goods and nonprofessional services: African Americans, Caucasian females, MBEs, and minority female and Caucasian female minority business enterprises.

3. Disparity in Construction Subcontracting Remedy.

a. In addition to the attainable goal of 30% of the aggregate dollar value for Formal city contracts and the attainable goal of 30% for Informal city contracts, a mandatory subcontracting requirement of 6% of the aggregate dollar value of Formal and Informal construction subcontracts is established for Prime Contractor utilization of Certified African American businesses who Self-Perform and meet the other requirements of the bid. African-American businesses constitute the Target Group for purposes of this subsection.

b. The Administrator or his designee, including any city consultant engaged for this purpose, and the Director of Purchasing will create a registration system that will collect business information, construction trade classification, size, capacity and other characteristics for African American Contractors. City contracts for construction subcontracting reserved for African American Contractors shall be based on such registry and shall be revised on an annual basis to accommodate the registration of new African American Contractors in the construction trades.

c. The inability of a Prime Contractor to meet the mandatory 6% African American requirement of this subsection may be permitted only upon the Administrator's grant of a waiver for good cause shown in accordance with this chapter. If a waiver is not granted, all or portions of the work shall be re-bid if feasible and practical or the Administrator shall assign work in a fair and unbiased manner to Contractors previously identified and participating in the program created by this chapter who are Certified, Self-Perform and meet the other requirements of the bid. This mandatory requirement and a study of the general utilization of Minority Contractors shall be revisited in ten (10) years from the date of the Disparity Study.

4. Sheltered Market Program for SLBEs.

a. An attainable goal of 30% of the aggregate dollar value of city contracts to SLBEs for city contracts determined to be appropriate for the city's Sheltered market program. Such attainable goal shall be implemented without regard to the minority, female or disadvantaged status of any SLBE. The Administrator or his designee, including any city consultant engaged for such purpose, and the Director of Purchasing shall determine in which Contracting Categories SLBEs are available to bid for city contracts and shall bid such contracts to SLBEs in a manner that ensures fair competition, taking into account the relative sizes of available SLBEs so that SLBEs compete for such city contracts against other SLBEs of similar size.

b. This program will enable such SLBEs to build experience, become better equipped to provide goods and services to the city, and circulate procurement dollars within the city's tax base. In order to identify the SLBEs interested in obtaining city contracts, the Administrator or his designee, including any city consultant engaged for such purpose, and the Director of Purchasing will create a registration system that will collect SLBE business information, industry classification, size in terms of annual sales, capacity, workforce size, equipment and other characteristics. The city contracts sought to be awarded to SLBEs in the Sheltered market program shall be based upon such registry and shall be revised on an annual basis to accommodate the registration of new SLBEs. All SLBEs on the registry shall receive procurement notices for the city contracts reserved for the Sheltered market according to each SLBE's Industry coding and according to their availability and their experience, skills and resources to satisfy a City contract and/or Contract Category.

c. SLBEs are not required to meet MBE, WBE or DBE goals established by this chapter for city contracts that are not included in the Sheltered market program, but are nevertheless encouraged to utilize MBE, WBE and DBE subcontractors where possible.

E. Establishment of Best Practices. For purposes of implementing the city's program, the Administrator will ensure that best management practices are employed to improve MBE, WBE and DBE access to and participation in city contracts. The following practices focus on pre-award and post-award efforts and are intended to benefit all Minority Contractors and SLBEs interested in contracting with the city. Best practices include, but are not limited to, the following:

1. Identification of Specific Subcontractors is Required and Substitutions May Not be Made Without Good Cause Shown. Prime Contractors must either identify subcontractors at the time of bid submission or indicate that they intend to meet the goals established for such contract. Following receipt of a notice of intent to award, a Prime Contractor must identify such subcontractors, the dollar value of each subcontractor's work, and those subcontractors may not be substituted without good cause being shown in accordance with this chapter. The Administrator will determine whether good cause has been shown for the substitution of the subcontractor and shall be guided by the principles and goals of this chapter and any applicable industry standards in the Contract Category involved.

2. Creation of a Uniform System for Posting Procurement Notices. The Administrator or his designee, including any city consultant engaged for such purpose, the Director of Purchasing and the Director of Information Technology shall establish a uniform system for posting notices of city contracts that includes posting minority contracting opportunities in the Purchasing Department, providing computer stations available to the public in the Purchasing Department for contracting opportunities, registration, placing bids, etc., placing newspaper notices, website posting, fax notification, email notification and/or any combination thereof with other methods. Sufficient time should be permitted between bid posting and bid opening so that Prime Contractors are able to make good faith efforts to recruit Minority Contractor participation.

3. Unbundling of City Contract Opportunities into Smaller Contracts Where Feasible. Where practical and feasible, Contracting Officers seeking to bid city contracts should make every effort to unbundle contracts into separate parts of the work (including labor, materials, equipment, etc.) in a way that is practical, manageable, efficient and cost-effective, in a way that balances such concerns with the goal of maximizing the ability of MBEs to participate as subcontractors or as prime contractors themselves.

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4. Revising Bonding Requirements. The Administrator and the City Attorney shall develop a policy to reduce or eliminate to the extent practical and feasible the bonding requirements from MBEs, WBEs and DBEs for city contracts, including for example the establishment of a contingency in the budget for the work to cover the costs and consequences of a Minority Contractor's failure to complete, that balances the city's concerns about job completion, risks and potential liabilities, and other legal concerns with this chapter's desire to ensure that bonding requirements do not constitute an unreasonable obstacle to participation, including the creation of a contingency fund in the budget for particular city contracts to cover the cost of complete and consequences resulting from a Minority Contractor's failure to perform.

5. Phased Release of Bonding and Retainage. The Administrator and the City Attorney shall develop a policy and procedure, when practical and feasible, to work with Prime Contractors to permit periodic releases of an MBE's, WBE's or DBE's performance bond, where subcontractor bonds are required by the Prime Contractor, and to release retainage upon satisfactory completion of portions of such subcontractor's work so long as the Prime Contractor is satisfied with the quality and completion of such work. Prime Contractors may not create retainage greater than 5% of the value of a Minority Contractor's portion of the work, but may create retainage up to 10% in other cases according to industry standards and practices not in violation of law. Such policy and procedure shall not include the periodic release of payment bonds, since such bonds are created to protect the interests of other subcontractors or sub-subcontractors.

6. Adopt a Prompt Payment Procedure to Assist MBEs; Prohibition of "Pay When Paid" Clauses in Certain Contracts. The Administrator and the Director of Finance shall develop a prompt payment procedure that prioritizes payments to Minority Contractors and the Prime Contractors for whom they may be working. Such procedure shall provide for the payment of complete invoices to a Prime Contractor that utilizes Minority Contractors in a maximum of thirty (30) days after receipt, elimination of any "pay when paid" clause in the Prime Contractor's contracts with Minority Contractors, and a requirement that Prime Contractors shall pay Minority Contractors within fifteen (15) days of the receipt of complete invoices. In all cases, payments in accordance with this paragraph are not required within such timeframes for invoices or portions thereof about which there exists a legitimate dispute until such dispute is resolved.

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7. Adoption of Protest Procedures. The Administrator and the City Attorney shall develop protest procedures when Contractors, whether Prime Contractors or Minority Contractors, or other persons wish to challenge a bid, contract award, grant or denial of a waiver, release of retainage, and other complaints that may arise in the interpretation, implementation, monitoring and compliance activities of this chapter, and such procedures may be similar to the bid protest procedures adopted by the Board of Public Purchases pursuant to Section 3.08.070 of this code. Such protests shall be heard and determined by the Compliance Committee.

8. Collection of Monthly Records; Preparation of Compliance Reports on a Regular Basis. In order to determine the program's level of success and to address any problems that may result in the implementation of the program described in this chapter, monthly records will be available for review in the Department of Purchasing, and the Administrator or his designee, including any city consultant engaged for such purpose, shall prepare quarterly utilization reports at the end of the months of October, January, April and July in each fiscal year for submission to the Mayor and the Legislative Director of the city council. Such compliance reports shall include reports on Minority Contractor availability and utilization, employment of Minority Contractors, creation of apprenticeships and employment opportunities for Bridgeport residents on projects covered by Project Labor Agreements, nature and results of bid protests, instances of non-compliance by Prime Contractors, Minority Contractors, city employees and others involved in the program.

9. Establishment of Outreach and Marketing Program. The Administrator or his designee, including any city consultant engaged for such purpose, shall develop an outreach and marketing program that includes developing a tag line and print materials for an outreach campaign, creating procedures for distributing forecasts of contracting opportunities, developing arrangements with public and private agencies and organizations to disseminate information about the program described in this chapter, and conducting periodic program monitoring and evaluation as required by this chapter. This program will create a resource listing existing and new Minority Contractors that contains the Contracting Category, minority group affiliation, Target Group membership, experience, resources, size, equipment and other relevant information for each. Such program will also include a notification process to ensure that Minority Contractors and Target Group members obtain a timely notification designed to reach them, and sufficient time and opportunity to submit bids, quotes, qualifications or proposals to Prime Contractors who plan to bid for city contracts.

10. Award of City Contract to Minority Contractor Where It Was Not the Low Bidder. A Minority Contractor may be awarded the city contract even though it was not the low bidder in a competitive bid or competitive proposal when the Prime Contractor has not substantially achieved (i.e., achieved at least 50% of) the goals set forth in this chapter applicable to such contract:

a. In a bid for an Informal contract, if the Minority Contractor's bid is within ten percent (10%) of the low bid submitted by a Prime Contractor or, if greater than 10% of the low bid, the Minority Contractor agrees to accept the city contract for no greater than 10% above the low bid.

b. In a bid for a Formal Contract, if the Minority Contractor's bid is no greater than the percentage above the low bid submitted by a Prime Contractor stated below or, if greater than the percentage of the low bid stated below, the Minority Contractor agrees to accept the city contract for an amount no greater than the percentage above the low bid stated below:

i. If the Minority Contractor's bid is no greater than 10% above the low bid and the low bid is \$100,000 or less;

ii. If the Minority Contractor's bid is no greater than 7% above the low bid and the low bid is \$500,000 or less; or

iii. If the Minority Contractor's bid is no greater than 5% above the low bid and the low bid is \$1,000,000 or less.

c. Notwithstanding anything contained in this paragraph 10 to the contrary, if the bid or proposal requests quotes for base work and quotes for alternate additions or deductions, all bids must be analyzed on a fair and equitable basis without manipulation of the base bid and the alternate bids in such a way that makes the calculation of the low bid suspect or questionable in violation of the principles of this chapter.

11. Uniform Scoring System For QBS Processes. The Administrator and the City Attorney will develop a uniform 100-point system for use in qualifications-based selection processes. Target Groups determined in accordance with this chapter for the Contracting Category involved will be entitled to an additional 10 points above the score that they receive as a result of the 100-point system in determining whether they are part of the short list of contractors arrived at for purposes of making a final selection. The final selection shall then be made in the ordinary course of making a qualifications-based selection.

12. Adoption of Due Diligence Criteria For Informal Bids. In bids for Informal contracts, the Administrator and the Purchasing Director shall develop Due Diligence Criteria for Contracting Officers so that Informal contracts are awarded in a fair and unbiased method. Contracting Officers may only make recommendations to the Purchasing Department for the award of an Informal contract in order to minimize discretionary practices and to ensure that the goals of encouraging awards to Minority Contractors and SLBEs in accordance with this chapter.

F. Priority of Federal and State Minority Business Award Criteria. Often, with regard to federal and state funding of loans and grants, such governments require their own criteria and goals for awarding contracts to MBEs, WBEs and DBEs when federal or state dollars, respectively, are used to procure the goods or services desired. Recipients of federal and state funds are often required to implement measures to ensure equitable minority contracting whether a disparity was found or not. Therefore, notwithstanding anything contained in this chapter to the contrary, any requirements of federal or state governments relating to the award of contracts to SBEs, MBEs, WBEs, MWBEs or DBEs shall govern over any inconsistent provision of this chapter.

G. Compliance; Good Faith Efforts; Penalties; Miscellaneous.

1. Compliance with and good faith adherence to the requirements of this chapter by Prime Contractors, Minority Contractors, city officials and employees, and others involved in the city contracting process is mandatory, except where otherwise provided or permitted by this chapter.

2. No scheme, strategy, ruse, artifice, collaboration, passthrough or other device to make it appear that compliance with this chapter has been achieved or to avoid compliance with this chapter is permitted.

3. Any Prime Contractor, Minority Contractor or other Company involved in city contracting that violates this chapter, avoids, or attempts to avoid the implementation of this chapter or any of its requirements, goals, principles or practices, including implementation plans that may be adopted, shall be subject to debarment under the provisions of Chapter 3.08.090 of this Code. The Administrator or his designee, including any city consultant engaged for such purpose, or the Compliance Committee, with the advice of the City Attorney, may direct that payment to Prime Contractors or Minority Businesses involved in a city contract be withheld until any violation of this chapter has been corrected, or may deduct any monetary penalty from any monies that the city owes to such contractor, without the city incurring any additional cost, charge, interest or other fee from the Company committing the violation. The city may also impose and collect liquidated damages in the amount of \$200/day for each day that a violation has been committed and continues ("Liquidated Damages"), unless the Company proves and the Administrator finds that mitigating or extenuating circumstances to exist, in which case such Liquidated Damages may be reduced in the Administrator's discretion. Such Liquidated Damages may be imposed because of the difficulty and expense of attempting to quantify the value and assess the damage done to the program adopted under this chapter, and all Companies submitted bids or proposals for city contracts shall be deemed to understand and accept the imposition of Liquidated Damages for violations of this chapter. The Administrator shall use Liquidated Damages that are collected to fund outreach and educational efforts under this chapter.

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4. Any city employee deemed by the Administrator or his designee, including any city consultant engaged for such purpose, or the Compliance Committee, with the advice of the City Attorney, to have violated this chapter in an intentional or grossly negligent manner or who has avoided or attempted to avoid, or to have assisted or encouraged a Company to avoid or attempt to avoid, the implementation of this chapter or any of its requirements, goals, principles or practices, including implementation plans adopted, shall be recommended for progressive disciplinary action within such employee's department and if necessary with the involvement of the city Department of Labor Relations, subject to the terms of any collective bargaining agreement that applies.

5. Mandatory Good Faith Efforts; Waivers; Exceptions. A Prime Contractor has the burden to demonstrate at the time of receipt of a notice of intent to award a city contract, and before the contract is awarded, that it is committed to and will be able to achieve the goals and requirements of this chapter. If, however, the Prime Contractor believes that it cannot achieve the goals and requirements of this chapter, it must demonstrate that it has (a) completed good faith effort No. 1 below and has met at least two (2) of good faith efforts Nos. 2 through 7 identified below (collectively, "Good Faith Efforts") to the reasonable satisfaction of the Administrator or his designee, including any city consultant engaged for such purpose, or the Compliance Committee in order to justify a waiver of the requirements of this chapter involved in the particular situation. Good Faith Efforts are:

No. 1— City Website and Newspaper Notice. Publish a notice seeking subcontractors on the City's purchasing website and an advertisement (one column inch minimum) in the Saturday edition of the Connecticut Post, in the public notices section, entitled "Bridgeport Minority Contracting Opportunity" in bold lettering describing the type or types of work, services, equipment, goods or supplies being sought, and the name, address and telephone number of the Prime Contractor's contact person having knowledge of the subcontracting work being sought within a reasonable time prior to the time of submission of each bid, quotation or proposal..

No. 2--Written notices to business associations or agencies. The Prime Contractor shall send written notices to at least two (2) business associations or development agencies, profit or non-profit, that represent or are associated with the interests of Minority Contractors and who disseminate bid opportunities and other information to Minority Contractors, so long as such notices are sent within a reasonable time prior to the deadline for the submission of each bid, quotation or proposal. Such notices shall describe the types of work, services, equipment, goods or supplies being sought, and the name, address and telephone number of the Prime Contractor's contact person having knowledge of the subcontracting work being sought. The Prime Contractor shall make every reasonable effort to respond to the inquiries and information requests of Minority Contractors within a reasonable time prior to the time of submission of each bid, quotation or proposal.

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No. 3--Searching Available Databases and Lists of Minority Contractors. The Prime Contractor shall take steps to identify Minority Contractors in the Contracting Category doing the type of work sought in connection with the city contract from lists available from the Purchasing Department, on the city's purchasing website or other internet websites, or at other locations.

No. 4--Obtaining Quotes From Available Minority Contractors. The Prime Contractor shall obtain written quotes from Minority Contractors that we rejected for good cause because of cost, quality, experience, availability, responsibility, resources, equipment, lack or inadequacy of bonding or insurance, and the like.

No. 5--Attempts to Enter Into Joint Ventures or Other Arrangements with Minority Contractors. The Prime Contractor shall demonstrate its attempts to enter into joint ventures or other business arrangements with Minority Contractors not in violation of this chapter to perform portions of the work, to supply materials, and the like, and shall document all actions taken in that regard, including, where appropriate, the reasons for the failure or rejection of such efforts.

No. 6--Placing Advertisements in Minority Business Media Outlets. The Prime Contractor shall advertise in media outlets associated with or likely to reach Minority Contractors at least 2 times within a reasonable time prior to the date for submission of the bid, quotation or proposal for the city contract involved that includes a reasonable time for Minority Contractors to provide quotes.

No. 7--Other Efforts Particular to the Bid. The Administrator may approve other good faith efforts that can be made in connection with a particular bid.

6. Exemptions; Waivers.

a. The following procurements are exempt from the application of this chapter:

i. Qualified Purchases, Emergency Purchases, or purchases from federal, State, regional or other cooperative bidding arrangements.

ii. Bids that are otherwise exempted from competitive bidding or procurement requirements under the city's purchasing ordinance or city charter, for example, the selection of bond underwriters for the sale of city general obligation bonds.

b. When a Prime Contractor is unable to meet at least 50% of the goal established for a particular city contract, the Administrator or his designee, including any consultant engaged for that purpose, or the Compliance Committee, may grant a waiver if the Prime Contractor can demonstrate either that:

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- i. Its workforce includes 30% Bridgeport residents;
 - ii. It will hire only Bridgeport residents for jobs the Prime Contractor identifies will be created as a result of the city contract;
or
 - iii. That it has a good record of hiring minority contractors in the 2-year period prior to the city bid but has been unable to utilize minority contractors for the city contract for good cause shown..
- c. Other work for which the Administrator determines that there are no Minority Contractors registered, available or qualified to bid on such work.
- d. Any waiver request and all supporting documentation and must be submitted to and accepted by the Administrator prior to the contract being awarded.

7. Prohibition Against Double-Counting. Minority Contractor participation in a city contract may not be double-counted in calculating whether the percentage goal has been met. If, for example, a Minority Contractor is also a minority female contractor, in calculating the Prime Contractor's compliance with the attainable goal, the Minority Contractor's portion of the contract may be calculated only in terms of the aggregate value of its portion of the contract work as a percentage of the total contract work.

8. Implementation Timetable. The Administrator has discretion to determine the applicability of this chapter to city contracts that are close to being awarded and those that will be awarded soon after passage for purposes of feasibility and practicality.

This chapter shall be effective upon publication.

APPROVED BY THE
BRIDGEPORT CITY
COUNCIL ON:

ON:

July 2, 2007

ATTEST:

FLEETA C. HUDSON
CITY CLERK

APPROVED BY MAYOR
JOHN M. FABRIZI

July 2, 2007

ATTEST:

JOHN M. FABRIZI
MAYOR

PUBLISHED IN
CONNECTICUT
POST ON:

July 19, 2007

ATTEST:

FLEETA C. HUDSON
CITY CLERK

ATTACHMENT 2
Non-Collusion Form

NON-COLLUSION AFFIDAVIT OF PRIME BIDDER

(To be included with bid # _____)

State of.....)

County of.....)

_____, being first duly sworn, deposes and says that:

(1) He is _____ of _____
_____, the Bidder that has submitted the attached Bid;

(2) He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such bid;

(3) Such Bid is genuine and is not a collusive or sham Bid;

(4) **Neither the said Bidder nor any of its officers, partners, owners, representatives, employees or parties in interest, including this affidavit, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or of any other Bidder, or to fix any overhead, profit or cost element of the Bid price or the Bid price of any Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the City of Bridgeport, owner, or any person interested in the proposed Contract; and**

(5) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

(Signed)

Consolidated Plan 2013-2018 Request for Proposals
Due Date: September 19, 2012

(Title)

Subscribed and sworn to before me this _____ day of _____, 20____.

_____ (Title)

My Commission Expires:

152-11

Resolution to grant permission to Southwest Community Health Center Inc. and Baldwin Holdings Inc. to construct two on-premises wall signs on the building at 46 Albion Street pursuant to City Ordinance 15.32.090.

Report
of
Committee
on
Miscellaneous Matters

Submitted: November 5, 2012

Adopted: _____

Attest: Fleeta C. Hudson
City Clerk

Approved _____

Mayor



City of Bridgeport, Connecticut

To the City Council of the City of Bridgeport.

The Committee on **Miscellaneous Matters** begs leave to report; and recommends for adoption the following resolution:

152-11

Whereas, Southwest Community Health Center, Inc., in conjunction with Baldwin Holdings, Inc, an affiliate of the Housing Authority of the City of Bridgeport, is constructing a five (5) story mixed use building at 46 Albion Street consisting of medical and dental clinics, administration offices and thirty-five (35) units of public housing, and

Whereas, Southwest and Baldwin Holdings, Inc. recently received a special permit from the Bridgeport Planning & Zoning Commission to construct two (2) on-premises wall signs on the building at 46 Albion Street; and

Whereas, both signs are proposed to be higher than twenty (20) feet above ground level, one to be approximately 36.5 feet above ground level; the other approximately 53.9 feet above ground level; and

Whereas, both signs are intended to identify Southwest's new clinics and offices from I-95 and Fairfield Avenue; and

Whereas, 46 Albion Street is approximately 400 feet from both I-95 and Fairfield Avenue and the height of I-95 is approximately 20 feet higher than Albion Street, the site is not visible, creating a peculiar condition requiring the signs to need to be above 20 feet above ground level to be visible; and

Whereas, both signs comply fully with the City's regulations governing wall signs, including, without limitation, setbacks from property and street lines; Now, therefore be it

Resolved, pursuant to 15.32.090 of the Bridgeport City Ordinance, the Bridgeport City Council grants permission to both Southwest Community Health Center, Inc. and Baldwin Holdings, Inc. for the two wall signs as approved by the Planning and Zoning Commission and as noted above.

(SEE ATTACHED)



Report of Committee on Miscellaneous Matters
152-11

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RESPECTFULLY SUBMITTED,
THE COMMITTEE ON MISCELLANEOUS MATTERS

AmyMarie Vizzo-Paniccia, Co-Chair

Manuel Ayala, Co-Chair

Denese Taylor-Moye

Susan T. Brannelly

Andre Baker

M. Evette Brantley

15.32.090 On-premises signs.

No permit shall be granted for the erection of any on-premises sign which shall be twenty (20) feet in height above ground level unless permitted by the common council after a determination by it that peculiar conditions exist which justify the erection of a sign of greater height to permit the effective advertising identification of such business or industry. Such signs shall conform to and observe the setback from all property and street lines required by the zoning regulations of the city and such greater setback distances as the common council may prescribe in the interest of public safety or to prevent obstruction of other properties. No on-premises sign shall be used other than for the purpose of identifying, by name and symbol or trademark, the business or industry conducted on the premises upon which the same shall be erected. Such sign may be electrified or otherwise illuminated subject to such limitations as may be imposed by the common council.



UTWEST
PROPERTY DEVELOPMENT

ARCHITEL 5



UTWEST
PROPERTY DEVELOPMENT

ARCHIT