

## **MILLIMAN PRM Analytics™ LICENSE AGREEMENT**

This License Agreement (“Agreement”) is entered into as of December 1, 2014 (the “Effective Date”), by and between Milliman, Inc. (“Milliman”) located at 1301 Fifth Avenue, Suite 3800, Seattle, WA 98101, with an office at 111 Monument Circle, Suite 601, Indianapolis, IN 46204, and SCOTI, LLC, on behalf of itself and its affiliates and subsidiaries (“Customer”), located at PO Box 1096; Coos Bay, OR 97420. In consideration of the promises and agreements set forth below, Milliman and Customer agree as follows:

### **1. SERVICES**

- 1.1. License Grant.** Subject to the terms and conditions of this Agreement, Milliman hereby grants to Customer a limited, non-transferable, non-sub licensable, non-exclusive right and license during the Term of this Agreement (as set forth below) to access and use Milliman PRM Analytics (the “Product”) for its internal business purposes. Milliman agrees to host the Product and make it applicable components available to Customer via the internet and to provide certain services in connection with the Product as further described in Exhibit B of this Agreement (collectively, the Product and additional services described herein shall be referred to as the “Services”).
- 1.2. Implementation and Training Services.** Milliman will implement and configure the Services and will provide training to Customer in accordance with the scope set forth in Exhibit B.
- 1.3. Customer’s Use of the Product.** Customer agrees to use the Product solely: (i) for Customer’s internal business purposes in connection with Milliman’s performance of the Product and (ii) in accordance with the documentation and policies for the Product established by Milliman from time to time and furnished by Milliman to Customer. Customer will not provide access to any portion of the Product to any person or entity other than its employees or agents, or otherwise use the Product, except as expressly permitted by this Agreement. Customer may permit access to the Product to third party contractors provided that: (a) Customer shall ensure that all contractors’ use and access to the Product is in compliance with the terms of this Agreement; (b) all contractors shall be under a written confidentiality agreement with Customer similar to the terms of this Agreement; and (c) Customer shall be and remain liable for any breach of the terms of this Agreement by its contractors. Customer shall inform Milliman of any additional third party contractors to which it wishes to provide access to the Product.
- 1.4. Ownership.** Milliman and its suppliers own all right, title, and interest in and to the following property (the “Milliman Property”): (i) the Product, all software, hardware, and other technology used or made available by Milliman in connection with the Product; (ii) all ideas, know-how, and techniques that may be developed or discovered by Milliman under this Agreement; and (iii) all intellectual property rights in and to the above property. Except as otherwise provided herein or in a separate license agreement governing any Milliman Property: (a) the use rights set forth in this Agreement are the entirety of Customer’s rights in connection with any Milliman Property; and (b) Customer shall not use, reproduce, distribute, sublicense, broadcast, or commercially exploit any Milliman Property. For clarity, output generated by the Product that is specifically

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tailored to Customer ("Output") shall not be considered Milliman Property, and shall be owned by Customer.

- 1.5. License Period.** Subject to the terms and conditions of this Agreement, during the License Term, Milliman will provide a license to the Product in accordance with the Services description described in Exhibit B, solely as necessary to allow Customer to access the Product. Additionally, during the License Term, Milliman shall provide Operations Support Services to Customer as set forth in Exhibit C. Each party shall designate a contact person (and one or more backup contacts) to be primarily responsible for coordination of such Services (the "Customer Contact").
- 1.6. Professional Services.** Upon mutual agreement of the parties, Milliman may provide additional professional services not encompassed by Exhibits A, B or C (the "Professional Services") for Customer as set forth in a mutually executed Statement of Work ("SOW"). Such Professional Services will be performed in accordance with the terms of this Agreement. The SOW shall set forth in detail the services to be performed and deliverables to be provided, along with the compensation for such services and deliverables, and any other details that the parties shall deem pertinent. Any deliverables provided in accordance with such Professional Services ("Deliverables") are prepared solely for the internal business use of Customer. Deliverables may not be provided to third parties without Milliman's prior written consent. Milliman does not intend to benefit any third party recipient of its Deliverables, even if Milliman consents to the release of Deliverables to such third party.

## 2. CUSTOMER DATA

- 2.1. Milliman's Right to Use.** Customer hereby authorizes Milliman to use data specifically pertaining to Customer and/or its employees, agents and customers that Milliman may obtain in the course of performing the services under this Agreement (the "Customer Data"). Customer warrants and covenants that, throughout the term of this Agreement, (i) Customer has the right to authorize Milliman's use of the Customer Data as set forth in this Agreement; and (ii) the Customer Data is valid and accurate in all material respects. In addition, Customer grants Milliman the right to de-identify and aggregate Customer Data and to use such de-identified and aggregated data ("Pooled Customer Data") for its own internal research purposes, provided that such data is never re-identified or associated with Customer, is used only for research with the sole purpose of improving the quality of the Product, and is never sold to external customers or otherwise marketed as a source of deidentified data.

## 3. FEES AND PAYMENT TERMS

- 3.1. Fees.** Customer hereby agrees to pay Milliman for the Services as specified in Exhibit A of this Agreement within thirty (30) days of receipt of an invoice from Milliman. If, at any time, Customer is delinquent in the payment of any fees hereunder (or is otherwise in breach of this Agreement), then Milliman may, in its sole discretion and without prejudice to its other rights, suspend Services and/or require Customer to either prepay for the Services or use an alternative payment method acceptable to Milliman. Delinquent payments hereunder will accrue interest at the rate of one percent per month or the highest rate allowed by applicable law, whichever is lower.

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- 3.2. **Taxes.** In addition to the fees described in this Agreement, Customer shall pay (or, at Milliman's election, reimburse Milliman) for all taxes and assessments due in connection with this Agreement, including any penalties resulting from the failure to pay the same, but excluding taxes based on Milliman's gross or net income or its authority to do business within a given jurisdiction.

### 4. WARRANTIES AND LIMITATIONS

- 4.1. **Product Warranty.** Milliman warrants that, during the term of this Agreement, the Product shall materially conform to the specifications set forth herein, and any Professional Services provided hereunder will be performed in a professional manner consistent with the quality of performance for similarly situated Customers and in accordance with generally accepted industry standards. Customer's sole and exclusive remedy for breach of the foregoing warranty shall be Milliman's use of diligent and reasonable efforts to correct, within a reasonable period of time given the circumstances, any errors found not to be in compliance with such warranty.
- 4.2. **Limitation of Warranty.** The express warranties set forth in this Section 4 are the sole warranties provided by Milliman hereunder. Milliman has no responsibility or liability regarding any information provided by or on behalf of Customer, any action taken by or on behalf of Customer, or any computer equipment used by Customer in connection with the Product, or for any actions or incidents that impact access to or use of the Product that are beyond the control of Milliman. MILLIMAN SPECIFICALLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, CONDITIONS, AND GUARANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THE PRODUCT OR SERVICES PROVIDED UNDER THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, OR ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR USAGE OF TRADE.
- 4.3. **Limitation of Liability.** ANY LIABILITY OF A PARTY HERETO AND ITS AGENTS FOR DAMAGES (MONETARY OR OTHERWISE) UNDER ANY CIRCUMSTANCES FOR CLAIMS OF ANY TYPE OR CHARACTER ARISING FROM OR RELATED TO THE PRODUCT, THE SERVICES OR THIS AGREEMENT WILL BE LIMITED TO THE AMOUNT OF ALL FEES CHARGED HEREUNDER WHICH WERE ACTUALLY PAID TO MILLIMAN BY CUSTOMER IN THE LICENSE PERIOD PRECEDING THE TIME THAT THE CLAIM AROSE; PROVIDED, HOWEVER, THAT NEITHER PARTY HERETO NOR ITS AGENTS SHALL BE LIABLE FOR ANY DAMAGES RESULTING FROM LOSS OF ACCESS TO SERVICES, PROFIT, BUSINESS, REVENUE, OR GOODWILL, OR FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, OR EXEMPLARY DAMAGES, THAT THE OTHER PARTY MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT, THE PRODUCT, OR THE SERVICES, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE. However, the above limitations shall not apply to any indemnification, confidentiality, or payment obligations set forth in the Agreement, a breach by either party of its obligations under the Business Associate Agreement between the parties, a violation of Milliman's intellectual property rights, or actual damages incurred by a party hereto as a direct result of any criminal or fraudulent acts of the other party or its agents. The parties agree that the fees set forth in this Agreement reflect the limitation on warranties and liability, and the allocation of risk, under this Agreement.

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- 4.4. **Disclaimer.** THE PRODUCT IS NOT A CLINICAL TOOL AND DOES NOT CONSTITUTE GUIDANCE FOR THE PRACTICE OF MEDICINE. WITHOUT LIMITING THE DISCLAIMER OF WARRANTIES AND REPRESENTATIONS SET FORTH ABOVE, MILLIMAN DISCLAIMS ANY WARRANTY THAT THE PRODUCT CONSTITUTES REASONABLE OR ORDINARY CARE IN THE PROVISION OF HEALTH CARE SERVICES TO ANY INDIVIDUAL PATIENT.

### 4.5. Limitation on Disclaimers of Liability

- 4.5.1. The parties understand that Milliman will calculate quality metrics on the clinical data made available to it. The validity of the calculations will depend on the availability and quality of the underlying data. While Milliman will make every reasonable effort to help Customer ensure the availability and quality of its clinical data, the availability and quality of the underlying clinical data is the responsibility of Customer.
- 4.5.2. Notwithstanding any limitation contained in this Section 4, Milliman shall be liable to Customer for any failure of the Product that caused Customer to be unable to supply to OHA in a timely fashion Customer's required quality metrics information as set forth below. The damages for which Milliman shall be liable shall be the amount to which Customer would have been entitled as an OHA Incentive Payment had OHA determined that Customer had met the requirements for such a payment, using OHA's methodology for calculating the Incentive Payment to Customer, but not in an amount greater than \$450,000.
- 4.5.3. Notwithstanding Section 4.1.2, Milliman shall only be liable for such a loss if all of the following occurred with respect to the information that was intended to be incorporated into the quality metrics submission to OHA:
- 4.5.3.1. The EMR vendor was able to export the clinical data in some data feed with the fields required to calculate the OHA incentive quality metrics;
  - 4.5.3.2. The EMR vendor made this data available to Milliman within a reasonable time to integrate into the Product to ensure Customer deadlines to OHA are met. Milliman requires a minimum of 1 month to incorporate a new EMR feed into the CDR and to test the performance of quality metrics on this feed. Separate projects for EMR hook-ups can be run in parallel. Milliman will ensure transparent project management with the vendor to keep Customer informed of the progress; and
  - 4.5.3.3. Customer providers collected clinical data correctly in EMR systems for the calculation of quality metrics.

## 5. INDEMNIFICATION

- 5.1. **By Milliman.** Milliman shall, at its expense, defend, indemnify, and hold harmless Customer and its employees, agents, successors and assigns from and against any and all loss, damage, liability, and expense arising from any third-party claim brought against any such indemnified party to the extent alleging that the Product, as provided by Milliman and used in accordance with the terms of the Agreement, infringes upon any United States patent, copyright, trademark, trade secret, or other proprietary right of such third party, subject to the terms of this Agreement. Notwithstanding the above, Milliman shall have no liability for any claim which: (i) pertains to any Milliman Property that has been altered or modified without Milliman's prior written approval; (ii) is based on use of the Product in conjunction with any item not provided by Milliman, unless such use is shown to constitute the infringement when not used in conjunction

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with the item not provided by Milliman; or (iii) identifies any third-party software, hardware, or service as forming the basis of such infringement.

- 5.2. **By Customer.** Customer shall, at its expense, defend, indemnify, and hold harmless Milliman and its employees, agents, successors and assigns from and against any and all loss, damage, liability, and expense arising from any claim brought against any such indemnified party related to Customer's misuse of the Product.
- 5.3. **Procedures.** For any indemnifiable claim hereunder, an indemnified party shall provide the indemnifying party with prompt written notice of any such claim brought against it, together with copies of all related court documents involving such claim. An indemnified party's failure to provide timely notice to the indemnifying party of any such claim shall not relieve the indemnifying party from any liability hereunder, to the extent that the indemnifying party is not prejudiced by such failure. The indemnifying party shall have the sole right to conduct the defense of any such claim, and all negotiations for its settlement. The indemnified party shall provide the indemnifying party with such information and assistance for the defense of such claim as is reasonably requested by the indemnifying party.

## 6. CONFIDENTIALITY

- 6.1. **General.** Neither party shall use, or otherwise disclose to any third party, the other party's Confidential Information without the prior written consent of the disclosing party; provided, however, that Milliman may use and disclose Customer Confidential Information as necessary in order to provide access to the Product hereunder or any Services. For purposes hereof, "Confidential Information" means all information of a confidential nature provided by the disclosing party to the receiving party, which shall include the Customer Data (as Customer Confidential Information) and the Milliman Property, Milliman pricing, and Milliman product information (as Milliman Confidential Information). However, Confidential Information does not include any information that: (i) is now, or hereafter becomes, through no act or failure to act on the part of the receiving party, generally known or available to the public; (ii) was acquired by the receiving party before receiving such information from the disclosing party and without restriction as to use or disclosure thereof; (iii) is hereafter furnished to the receiving party by a third party without violating any restriction as to use or disclosure thereof; (iv) is independently developed by the receiving party without use of the disclosing party's Confidential Information; or (v) is required by contract with the Oregon Health Authority, law or court order to be disclosed, but only to the extent and for the purpose of such required disclosure after providing the disclosing party with prompt written notice, if legally permissible, and an opportunity to contest the disclosure or seek an appropriate protective order. Except as otherwise necessary to meet any legal or professional requirements for retention, upon the disclosing party's request, the receiving party will return or destroy all Confidential Information of the disclosing party that is in its possession. If the receiving party wishes to disclose Confidential Information to a regulatory authority, it shall seek the approval of the disclosing party, with such approval not to be unreasonably withheld, and provided that the receiving party shall take reasonable steps to protect the confidential information from public disclosure under applicable public records laws.
- 6.2. **ID Codes and Passwords.** Customer shall ensure the confidentiality of its corporate identification codes, user identification codes, and user passwords used in connection with the Product ("ID Codes"). Customer shall be responsible for all transactions entered through and under any ID Codes, and any such transactions will be deemed to be made by Customer. In no event will Milliman be liable for the foregoing obligations or the failure by Customer to fulfill

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such obligations.

- 6.3. **Publicity.** Customer shall not refer to the Product in any communications with third parties. In particular, without limiting the foregoing, Customer shall not refer to the Product as the basis or source for decisions related to the management of an individual patient. Neither party shall refer to the identity of the other party in any third party disclosures, including without limitation, promotional material or press releases relating to the Product, unless the prior written consent of the other party has been obtained, provided, however, that Milliman may use Customer's name and logo in promotional materials or press releases for the limited purpose of identifying Customer as a customer of the Product.

### 7. TERM AND TERMINATION; DUTIES UPON TERMINATION

- 7.1. **Term and Termination.** The Term of this Agreement (during which time the Customer shall be granted the limited license set forth in Section 1.5 of this Agreement) shall commence as of the Effective Date of this agreement and continue for a term of three years from the Effective Date (the "License Term"), unless sooner terminated by delivery of written notice upon any nonpayment of sums due or material breach hereunder by any party (the "breaching party"), if the other party ("non-breaching party") gives written notice of such breach to the breaching party and the same is not cured within thirty (30) days after delivery of such notice.
- 7.2. **Termination upon Occurrence of Triggering Event.** In the event that any of the following occurrences should arise (each a "Triggering Event"), Customer may inform Milliman in writing of its desire to renegotiate this Agreement. Upon receipt of such notice, the parties agree to enter into good faith efforts to achieve a mutually acceptable resolution. If the parties are unable to come to a mutually acceptable resolution as a result of such discussions within 45 days of the receipt of such written notice, this Agreement shall terminate. Triggering Events are defined as follows:
- (i) The OHA provides written notice to Customer of its intention to terminate its relationship with Customer.
  - (ii) The OHA provides written notice to Customer of its intention to cut customer revenue by 15% or more, per annum.
  - (iii) The OHA provides written notice to Customer of its intention to cut the number of member lives served by Customer by 25% or more.
- 7.3. **Duties upon Termination.** Upon termination of this Agreement: (i) Customer shall immediately pay Milliman for all unpaid fees accrued hereunder through the effective date of termination; (ii) Milliman may invalidate the ID Codes and otherwise deny further access to the Product; and (iii) at Customer's written request, Milliman will provide an electronic copy of Customer Data within 30 days of receiving such request, provided that Milliman may retain one copy of any Customer Data as necessary to comply with applicable work product documentation standards, and subject to the obligations of confidentiality contained herein. Termination of this Agreement shall not be construed to waive or release any claim that a party is entitled to assert at the time of such termination, and the applicable provisions of this Agreement shall continue to apply to such claim until it is resolved. The terms of Sections 1.4, 4.2, 4.3, 4.4, 5, 6, 7.2, and 8 of this Agreement shall survive the termination of this Agreement.

### 8. MISCELLANEOUS

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- 8.1. **Notices.** Except as otherwise specified herein, all notices hereunder by either party shall be given by personal delivery (including reputable courier service), fees prepaid, or by sending such notice by United States certified mail return receipt requested, postage prepaid, and addressed as set forth on Exhibit A of this Agreement. Such notices shall be deemed to have been given and delivered upon receipt or attempted delivery (if receipt is refused), as the case may be, and the date of receipt identified by the United States Postal Service on any return receipt card shall be conclusive evidence of receipt. Notices also may be sent by facsimile or email transmission, which shall be deemed received when transmitted if a document is electronically generated by the transmitting machine confirming that the transmission was received, and the recipient sends a responsive email confirming receipt. Any party, by written notice as above described, may alter the address for receipt by it of written notices hereunder.
- 8.2. **Waiver.** Failure to enforce any term or condition of this Agreement shall not be a waiver of the right to later enforce such term or condition or any other term or condition of this Agreement.
- 8.3. **Severability.** If any provision of this Agreement is found to be void or unenforceable, that provision will be enforced to the maximum extent possible, and the remaining provisions of this Agreement will remain in full force and effect.
- 8.4. **Assignment.** This Agreement may not be assigned or transferred by either party without the prior written consent of the other party, which permission shall not be unreasonably withheld. Milliman shall not subcontract any services that require material direct interaction between Customer and said subcontractor without the written approval of Customer (with such approval not to be unreasonably withheld). If Milliman provides Customer with notice of its intent to use a subcontractor, and Customer does not respond within 5 days, Customer will be deemed to have assented to such subcontracting arrangement. Any such subcontracting arrangement shall not relieve Milliman of any of its obligations hereunder.
- 8.5. **Excused Performance.** Neither party shall be liable for any delay or failure to perform due to causes or events beyond such party's reasonable control.
- 8.6. **Entire Agreement/Amendments.** This Agreement, together with the Exhibits thereto, contains the entire agreement and understanding between Milliman and Customer with respect to the subject matter thereof and supersedes all prior agreements and negotiations, written and oral, relating to the subject matter. This Agreement and such Exhibits shall not be deemed or construed to be modified, amended, or waived, in whole or in part, except as set forth herein or in writing executed by the parties hereto. No document, purchase order, or any handwritten or typewritten text which purports to alter or amend the printed text of this Agreement shall alter or amend any provision of this Agreement unless executed in writing by both parties. Execution and delivery of this Agreement by facsimile transmission shall be binding for all purposes.
- 8.7. **Governing Law/Dispute Resolution.** The Agreement shall be governed by, subject to, and interpreted in accordance with Indiana law, without regard to conflict of laws principles. In the event of any dispute arising out of or relating to this Agreement, the parties agree that the dispute will be resolved by final and binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall take place before a panel of three arbitrators. Within 30 days of the commencement of the arbitration, each party shall designate in writing a single neutral and independent arbitrator. The two arbitrators designated by the parties shall then select a third arbitrator. The arbitrators shall have a background in either insurance, actuarial science or law. The arbitrators shall have the authority to permit limited discovery, including depositions, prior to the arbitration hearing, and such discovery shall be

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conducted consistent with the Federal Rules of Civil Procedure. The arbitrators shall have no power or authority to award punitive or exemplary Damages. The arbitrators may, in their discretion, award the cost of the arbitration, including reasonable attorney fees, to the prevailing party. Any award made may be confirmed in any court having jurisdiction. Any arbitration shall be confidential, and except as required by law, neither party may disclose the content or results of any arbitration hereunder without the prior written consent of the other parties, except that disclosure is permitted to a party's auditors and legal advisors.

MILLIMAN, INC.

By

Title

Date

CUSTOMER

By

Title

Date

Contract Effective Date:

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## Exhibit A - Milliman PRM Analytics™ Fees for Western Oregon Advanced Health LLC

Customer shall choose from either of the following payment options:

### Payment Option 1 – Prepayment

Payment #1 – Due at Letter of Understanding Date: \$490,000 – includes Initial Customer Setup of \$175,000 and Year 1 Annual License Fee of \$315,000 – ( PAID )

Payment #2 – Due 06/15/2015: \$315,000\* – Year 2 Annual License Fee

Payment #3 – Due 06/15/2015: \$300,000 – Payment for 6 – 10 ADT/Connectivity feeds from Customer business partner EMR's.

Payment #4 – Due 11/30/2016: \$315,000\* – Year 3 Annual License Fee

### Payment Option 2 – Annual Payment

Annual Fees Contract Inception per above Payment #1, Year 2 of \$330,750\*, and Year 3 of \$347,287\* (5% annual increase). Payable at Letter of Understanding date and each subsequent year-end (i.e. 12/31/15 and 12/31/16).

(\*) A change in fee of \$0.10 PMPM for the new patient population count will occur if there is a greater than 10% increase in the patient population. Assumes 23,000 patient average.

Changer Order Fees: Milliman will provide estimates for change orders on a time and expense incurred basis. Change orders require Customer approval before work commences.

PRM Service	Description
Initial Customer Setup	Development of API's for extraction of claims and clinical (EMR) data from WOAHA provider systems. Initial onsite training on PRM Services. Milliman is not responsible for any expenses incurred by customer or the customer's vendors to assist with the transfer of EMR data. Includes 175 licenses for users. Additional users may be added at additional expense.
Cost Model Dashboard	Business intelligence tool that provides organizations a way to visualize and drill into their claims and demographic data for top-down analysis.
Quality Metrics	Calculation and UI reporting of State of Oregon Incentive Metrics derived from clinical and claims data. Includes member-level detail of each metric.
Power User Data Mart	Files containing processed clinical and claims data, along with

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	Milliman proprietary analytics that can be loaded into customer data analysis systems.
<b>Predictive Analytics/Care Coordinator Report</b>	Opportunity based analytics tool to facilitate patient risk stratification and more efficient care management. Includes proprietary predictive analytics for care management. Supports self-service management of role-based security of PHI data.
<b>Extraction, Processing, and Warehousing of Clinical and Claims Data</b>	Development of software processes, data models, and data quality checks for clinical and claims data. Continued maintenance of a data warehouse that underlies the above components.
<b>Monthly Production of Reports</b>	New reports are generated on a monthly basis based on customer updates of clinical and claims data.

Addresses of Milliman and Customer to use for purposes of notification under this agreement:

**Milliman, Inc.**

**Customer:** SCOTI, LLC

**Attention of:** Arthur L. Wilmes, FSA, MAAA

**Attention of:** Phil Greenhill, CEO

**Street Address:** 111 Monument Circle; Suite 601

**Street Address:** 971 Commercial Street

**City:** Indianapolis, IN 46204

**City:** Coos Bay, OR 97420

# PRM Analytics

## Exhibit B – Description of Provided Products and Services

### Service Description for Milliman PRM Analytics™ Care Coordinator Reports

I. **Scope.** This Service shall include the following deliverables:

#### **Milliman PRM Analytics Care Coordinator Reports.**

A. **Description.** The Care Coordinator Reports (CCRs) are an opportunity based analytic tool. They provide information at the population level, and facilitate drill down to the individual patient level. The Care Coordinator Reports include Opportunity Prospective Scores - estimates of a patient's healthcare expenses and utilization over the next six months, absent additional ambulatory management intervention. The Opportunity Prospective Scores are developed using Milliman proprietary predictive analytics and can be used in selecting patients for further care intervention and in managing patients.

#### **B. Components of the Care Coordinator Reports**

1. **Filter Population.** The Filter Population capability allows a user to select patients based upon pre-defined demographic characteristics, provider characteristics, clinical conditions, and Opportunity Prospective Scores. It also provides summary metrics regarding certain characteristics of the selected patient population.
  2. **Population Report.** The Population Report presents select Opportunity Prospective Scores, historic utilization measures, clinical condition highlights, demographics, and provider information for each patient in the selected patient population. Users can decide which patients they want more detailed information using the functionality and information included in the Population Report.
  3. **Patient Profiles.** A more detailed Patient Profile is available for each patient in the population. A Patient Profile presents a concise summary of the selected patient's prospective risk profile, chronic conditions, demographic and physician information, and historical inpatient, outpatient, and prescription drug claims.
  4. **Excluded Report.** The Excluded Report provides a list of patients included within the Customer data but not included in the other portions of the Care Coordinator Reports. These patients may not have recent eligibility or sufficient historical data to be included.
- C. **Access.** The Care Coordinator Reports are available to users authorized by Customer via a secure hosted web application.
- D. **Frequency.** The Care Coordinator Reports are produced monthly during the term of this license after receipt of clean data from Customer.
- E. **User Guide.** The Care Coordinator Reports are accompanied by a user guide explaining navigation and features of the reports and all information included in the reports.
- F. **Training.** Hands-on user training sessions of approximately 3-4 hours will be provided over two three day periods, schedule to be mutually agreed to by Client and Milliman at the time of initial Customer set up, at a location provided by Customer. Additional training is available upon request and will be handled as a change order in accordance with Exhibit A of the PRM Analytics License Agreement.

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**II. Production Launch.** The Production Launch component shall consist of the following:

- A.** All errors in the Milliman PRM Analytics process, or Care Coordinator Report, identified during user acceptance testing (UAT) by Customer, and mutually agreed upon with Milliman PRM Analytics, are addressed. UAT will end January 31, 2015. Issues due to limitations or data quality issues with Customer data sources are out of scope for completing the UAT.
- B.** All deliverables, as described in Section I of this service description, have been mutually accepted in writing by Customer and Milliman PRM Analytics.
- C.** Care Coordinator Reports are being delivered to Customer as part of monthly production releases, within one week of receiving clean data from Customer. Any changes to this frequency must be negotiated and will be handled as a change order in accordance with Exhibit A of the PRM Analytics License Agreement.

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## Service Description for Milliman PRM Analytics™ Cost Model Dashboard and Power User Data Mart

I. **Scope.** This Service shall include the following deliverables:

### Milliman PRM Analytics Cost Model Dashboard.

A. **Description.** The Cost Model Dashboard is an advanced business intelligence tool that provides organizations a way to visualize and drill into their claims and demographic data. The tool will quickly allow the user to identify trends in their data and support period over period analysis including rolling time periods.

### B. Components of the Cost Model Dashboard

1. **Filter Cost Model:** The Filter Cost Model screen displays cost and utilization about the selected population. This section allows the user to filter the data in order to display information limited to certain cost model groups (Inpatient, Skilled Nursing Facility, Outpatient, Professional, Other, Additional) or cost model lines. Additionally, the Filter Cost Model screen allows the user to limit the data to only potentially avoidable cost or non-potentially avoidable costs
2. **Filter Population:** The Filter Population screen displays demographics about the selected population. This section allows the user to filter the population in order to display information at the segment level.
3. **Average Monthly Enrollment:** The Average Monthly Enrollment screen displays the average monthly enrollment for the population or sub-segment of the population. Only demographic filters and dimensions apply to the Average Monthly Enrollment screen.
4. **PMPM:** The PMPM screen displays the per member per month cost for the population or sub-segment of the population. Population and cost model filters and dimensions apply to the PMPM screen.
5. **Utilization / 1,000:** The Utilization per 1,000 members screen displays the cost model utilization per 1,000 member months by cost model group or line. Population, cost model, and utilization type filters and dimensions apply to the Utilization per 1,000 screen. The graph is only displayed when consistent utilization types are selected or when all utilization types can be displayed. A warning message will appear to notify the user when inconsistent utilization types are selected.
6. **Cost per Service:** The Cost per Service screen displays the cost per service by cost model group or line. Population and cost model filters and dimensions apply to the Cost per Service screen. Similar to the Utilization per 1,000 members the graph is only displayed when consistent utilization types are selected. A warning message will appear to notify the user when inconsistent utilization types are selected.
7. **Total Costs:** The Total Costs screen displays the total cost for the population or sub-segment of the population. Population and cost model filters and dimensions apply to the total costs screen

C. **Access.** The Cost Model Dashboards are available to users authorized by Customer via a secure hosted web application.

D. **Frequency.** The Cost Model Dashboard is produced monthly during the term of this license after receipt of clean data from Customer.

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- E. User Guide.** The Cost Model Dashboard is accompanied by a user guide explaining navigation and features of the reports and all information included in the reports.
- F. Training.** Hands-on user training sessions of approximately 3-4 hours will be provided over two three day periods, schedule to be mutually agreed to by Client and Milliman at the time of initial Customer set up, at a location provided by Customer. Additional training is available upon request and will be handled as a change order in accordance with Exhibit A of the PRM Analytics License Agreement.

### **Milliman PRM Analytics Power User Data Mart.**

**A. Description.** Milliman will provide Client with flat file extracts of the Milliman PRM Power User Data Mart. The flat file extracts will consist of the core data elements in the Care Coordinator and Cost Model Dashboard Reports, and will be accompanied by a data dictionary to allow client to import the data into their system(s). The flat file extracts will be produced monthly and will be delivered to Client through a secure FTP website.

### **II. Production Launch.** The Production Launch component shall consist of the following:

- A.** All errors in the Milliman PRM Analytics process, or Cost Model Dashboard, identified during user acceptance testing (UAT) by Customer, and mutually agreed upon with Milliman PRM Analytics, are addressed. UAT will end January 31, 2015. Issues due to limitations or data quality issues with Customer data sources are out of scope for completing the UAT.
- B.** All deliverables, as described in Section I of this service description, have been mutually accepted in writing by Customer and Milliman PRM Analytics.
- C.** Care Coordinator Reports are being delivered to Customer as part of monthly production releases, within one week of receiving clean data from Customer. Any changes to this frequency must be negotiated and will be handled as a change order in accordance with Exhibit A of the PRM Analytics License Agreement.

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## Service Description for Oregon Claims-Based Quality Metrics

I. **Scope.** This Service shall include the following deliverables:

**A. Calculation of claims-based OHA incentive Quality Metrics for CCO's.**

1. Milliman will calculate and provide a monthly report of OHA Quality Metrics for WOA. H.
2. Milliman will work with WOA. H. to identify and acquire all data required to calculate quality metrics.
  - a) Initially calculations will be made for Quality Metrics that require administrative claims data only.
  - b) Quality metrics calculated from other data sources (e.g. WOA. H. provider EMR systems), are covered in another SOW that incorporates (a) the acquisition and ingestion of this data and (b) the calculation of the corresponding quality metrics.
3. Calculations will be derived from the 2014 specifications for OHA Quality metrics located at: <http://www.oregon.gov/oha/Pages/CCO-Baseline-Data.aspx>.
4. Calculations will be updated to current specifications each year of the contract on a cost basis and per change order.
5. Milliman will present the calculations transparently for purposes of quality assurance. This includes being able to show which patients are in the numerator and denominator for each calculation.
6. Milliman will distribute these calculations initially via an Excel spreadsheet. This Excel report will show (a) each quality metric, (b) patient identifier information for those patients in the numerator and denominator of each report, and (c) assigned primary care physician identifier and name.
7. Milliman will add UI features to display these Quality Metrics in the PRM Analytics CCR. The UI will display the numerator and denominator of each calculation and allow navigation to the corresponding members relevant to the measure.
  - a) Milliman will provide an initial mock-up UI to WOA. H. for discussion prior to implementing the UI.

II. **Production Launch.** The Production Launch component shall consist of the following:

- A. All issues identified during acceptance testing by WOA. H., based on the OHA quality metrics specifications are corrected.
- B. All deliverables, as described in Section I of this service description, have been mutually accepted in writing by WOA. H. and Milliman.
- C. Quality Metrics are being delivered to WOA. H. as part of regular production releases of PRM Analytics.

# PRM Analytics

## Service Description for EMR Data Transfer and Incentive Clinical Quality Metrics

I. **Scope.** This Service shall include the following deliverables:

**A. Extraction of Provider Electronic Medical Records (EMR) data and Hospital Admission, Discharge and Transfer (ADT) data. Incorporation of this data into Care Coordinator Reports.**

1. Milliman will work with Customer Provider and Hospital IT staff to define a process to extract EMR and ADT data.
  - a) The primary EMR data to be collected will include Laboratory values, Vitals, any clinical survey information that is readily available, and the specific clinical data-items required to calculate Oregon Health Authority incentive quality metrics (hybrid and eMeasure):
    - Controlling High Blood Pressure (eMeasure)
    - Screening for Clinical Depression and Follow-up Care (eMeasure)
    - Tobacco Use, Screening and Cessation (eMeasure)
    - Diabetes: HbA1c poor control (eMeasure)
    - Timeliness of prenatal care (hybrid)
    - Colorectal cancer screening (hybrid)
  - b) Milliman will also attempt to collect “encounter” data, medication and problems lists, and unstructured EMR data such as physicians and nurse’s notes. This data will be used for R&D purposes to improve predictive analytics.
  - c) Milliman will work to develop data exchange processes to collect and warehouse ADT and EMR data. This is not a community HIE, but rather a data warehouse for analytics calculations specific for the Customer’s Medicaid population. This system could, however, be extended, and re-used, to incorporate more data in subsequent projects if this is desired by the Customer’s partners.
  - d) Milliman will produce a brief report describing the feasibility of an HIE for the Customer.
  - e) Customer Provider IT staff will be responsible for the timeliness and accuracy of the EMR data in their systems. Customer and Provider IT staff will also be responsible for ensuring appropriate firewall, network, and machine access for EMR extraction processes. Customer will be responsible for any fees associated with support provided by its EMR vendors to support the acquisition of clinical data. Milliman will make reasonable best efforts to access vendors’ documentation to minimize potential expenses.
  - f) Milliman may need to communicate with EMR vendors on the Customer’s behalf in order to get information about internal EMR components and databases; the Customer will work with Milliman to ensure they have access to the necessary contacts with EMR vendors.

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- g) Milliman will develop EMR or ADT connections for the following providers assuming their systems are available :

Provider	EMR System
North Bend Medical Center	AllScripts
Bay Clinic	Cerner
Waterfall Clinic	Epic
Coast Community Health Center	eClinical
Bay Hospital	Previously existing ADT feed.

- h) Milliman's ability to extract provider EMR data is contingent on Customer IT staff resources being available for collaboration, and EMR vendors being available for collaboration.
- i) Milliman's ability to extract eMeasure data is contingent on the EMR system having the capability to export data according to an eMeasure specification.
2. Milliman will develop a Master Patient Index (MPI) assuming that the patient identifier information in the EMR systems, and administrative claims data, is overlapping and using State of Oregon Medicaid identifiers. If Milliman has to use demographic information to develop an MPI using more sophisticated probabilistic methods, then this additional work will be handled as a change order in accordance with Exhibit A of the PRM Analytics License Agreement.
  3. Milliman will cross reference ADT data from Bay Area Hospital with Customer Primary Care Physicians to create a Facility Census with a user interface.
  4. EMR data will be incorporated into the Care Coordinator reports and analytics in the following ways.
    - a) Laboratory values and vitals will be used as an additional feature in the core predictive analytics (Predicted adverse scenario total cost, and Predicted adverse scenario potentially avoidable cost). EMR factors that contributed to patient risk will be shown in the risk-factors section of the report.
    - b) Historical EMR data will be shown as a tab in the Patient profile section of the Care Coordinator report, similar to the existing tabs for historical Medical claims. In the UI, there will be a column for date, description of clinical data-item, and any associated values/units, etc.

### B. Calculation of OHA incentive Quality Metrics with a clinical component.

1. Milliman will calculate clinical quality metrics listed in A.1 of this SOW where the data is available.

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2. Calculations will be derived initially from the 2014 specifications for OHA Quality metrics located at: <http://www.oregon.gov/oha/Pages/CCO-Baseline-Data.aspx>.
3. Milliman will update the quality metric calculations to specification each year of this contract and this work will be handled as a change order in accordance with Exhibit A of the PRM Analytics License Agreement.

These clinical quality metrics will be incorporated into the Excel spreadsheet that is being used to deliver the Claims based OHA quality metrics under the same terms defined in the Statement of Work for Oregon Claims-Based Quality Metrics.

These quality metrics will be incorporated into the Care Coordinator Report user interface under the same terms defined in the Statement of Work for Oregon Claims-Based Quality Metrics.

### II. **Production Launch.** The Production Launch component shall consist of the following:

- A. Available EMR data is being extracted on a monthly basis from Customer systems.
- B. The PRM Analytics CCR is being produced on a monthly basis and includes available EMR data as described above.
- C. All deliverables, as described in Section I of this service description, have been mutually accepted in writing by WOA and Milliman after a one month UAT period.

# PRM Analytics

## Glossary of Terms

- **ADT:** Admission, Discharge, and Transfer
- **BI:** Business Intelligence
- **CCO:** Coordinated Care Organization
- **CCR:** Milliman PRM Analytics Care Coordinator Report
- **eMeasure:** National Quality Forum electronic quality measure
- **EMR:** Electronic Medical Records
- **HIE:** Health Information Exchange
- **IT:** Information Technology
- **MPI:** Master Patient Index
- **OHA:** Oregon Health Authority
- **PMPM:** Per member per month
- **SOW:** Statement of Work
- **UAT:** User Acceptance Testing
- **UI:** User Interface
- **WOAH:** Western Oregon Advanced Health

# PRM Analytics

## Exhibit C - Milliman PRM Analytics™ Operations Support Services for Secure Hosted Web Application

**I. Authorized User Registration and Approval for the Product.** Prior to Customer accessing the Product, Milliman shall:

- A. Perform the credentialing for Customer;
- B. Provision Customer for access to the Product; and
- C. Obtain any third party consents required in order for Customer to access the Product.

**II. Operations Support Processes.** The following are the roles and responsibilities for Milliman to support the Product in its use.

**A. Milliman Responsibilities**

- 1. Milliman will take the initial inquiry, do the preliminary triage, ticket creation and tracking.
- 2. Milliman Help Desk and Support Hours. To contact the Help Desk, Customer shall send an email to PRM.support@milliman.com. This Milliman Help Desk support is available in English. The Milliman “Help Desk” will maintain the following hours of operation:
  - a. 08:00 - 17:00 EST/EDT
  - b. Monday – Friday, Business Days, excluding Milliman holidays.
- 3. Milliman will provide resolution to all incident tickets in the ticketing tool. Milliman will provide an incident report within 5 business days of an outage.
- 4. Milliman will communicate the resolution of all issues with the Customer.
- 5. Milliman is responsible for any data remediation issues.

**B. Service Levels**

- 1. **Support Process Resolution Timing.** Expected resolution time for incidents is described below. The service level metric for all parties for the support process resolution timing is 92%, i.e. the responses described in the table below must be met a minimum of 92% of the time.

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Severity Level	Description	Hours of Support	Response to User	Incident Recovery
1	General system failure – the Milliman system is not available to users. Failed components are limited to hosting facility firewall, networking/routers serving hosting platform and the hosting platform. Network issues related to internet problems (worms/viruses) and customer networks are not covered.	24x7x365	All users will be notified of system outage as soon as discovered. Instructions on system availability will be provided within the recovery period.	System recovery or stand-in system available within 12 hours.
2	The respective business functionality within the Product does not function properly. The business functionality is significantly impaired such that key business processes cannot be conducted and no known workaround is currently available.	08:00 - 17:00 EST/EDT Business Days	4 hours	The issue reported will be evaluated to determine the risk of system changes to the user base. In the situation where changes are deemed “safe” to the user base – the turnaround time is 3 business days. Otherwise the customer/user is informed of the situation along with the planned update of the system.
3	The respective business functionality within the Product is functioning, but specific User(s) are affected and cannot conduct work as needed.	08:00 - 17:00 EST/EDT Business Days	8 hours	The issue reported will be evaluated to determine the risk of system changes to the user base. In the situation where changes are deemed “safe” to the user base – the turnaround time is 3 business days. Otherwise the customer/user is informed of the situation along with the planned update of the system.

“Business Days” are defined as weekdays, Monday through Friday, excluding Milliman holidays.

# PRM Analytics

## 2. Service Levels for Availability

Component	Monthly % Availability Targets
Product	98.0%

These Service Levels are applicable to the Milliman Service End Users using production systems only. These Service Levels do not apply to other environments.

**3. Remedy.** In the event that Milliman fails to comply with the Service Level obligations set forth in sections 1 or 2 above over any calendar month, Milliman shall extend the services for a corresponding additional month (up to two consecutive months) at the conclusion of the Term, for no additional charge. If Milliman fails to comply with the Service Level obligations set forth in sections 1 or 2 above for any period of three consecutive months, the parties agree to renegotiate the terms of this Agreement to address such non-compliance to their mutual satisfaction.

## 4. Service Levels for Authorized Onboarding

Description	Hours of Support	Initial Response	Completion Target
Onboarding is the process of providing registration, credentialing (if applicable) and provisioning services for an End Authorized User (as defined below) to receive authorized access to the Milliman Product	08:00 - 17:00 EST/EDT Business Days	3 hours The responsible party will make commercially reasonable efforts to initiate the onboarding process during normal business hours	2 Business Days

**III. General Maintenance and Support.** Milliman has established a normal weekly maintenance window, which is described as follows:

- A. Saturdays from 06:00 AM EST/EDT to 12:00 PM (noon) EST/EDT.
- B. Milliman will display a message on the landing page for the Authorized User when the Milliman Product cannot be reached due to maintenance.
- C. In the event of major system upgrades longer maintenance windows will be scheduled using the following criteria:
  1. Scheduled for a Saturday or Sunday;
  2. Customers/users will be provided a minimum of two weeks' notice; and
  3. Customers have the right to request a maintenance window to be rescheduled due to possible impacts on the customer's work.

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- IV. **Security Audits.** Milliman will perform the appropriate application reviews and audits as required by industry practice.
- V. **Disaster Recovery.** Milliman shall have a disaster recovery plan and the ability to execute this plan to full recovery in a period of twelve (12) hours. Also, each vendor/site shall have a published test schedule and test results for disaster recovery on an annual basis.

