

## **CONSULTING SERVICES AGREEMENT**

This Consulting Services Agreement (the "Agreement") is made and entered into effective as of the 24<sup>th</sup> day of March, 2015 (the "Effective Date"), by and between Premier Healthcare Solutions, Inc. ("Premier"), on behalf of itself and its Affiliates, and Milliman, Inc., on behalf of itself and its Affiliates, ("Milliman"). Premier and Milliman are each referred to in this Agreement as a "Party" and collectively as the "Parties".

### **RECITALS**

A. Premier is engaged in the business of providing consulting services and other support to health systems, hospitals and other health care organizations (collectively, the "Customers").

B. Milliman has substantial experience in providing actuarial and analytical services (collectively, the "Services") to health systems, hospitals and other health care organizations;

C. Premier desires to engage Milliman to provide the Services (i) to such Customers pursuant to contracts ("Customer Contracts") entered into between Premier and such Customers and (ii) to Premier directly, and Milliman desires to provide such Services, subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements, and subject to the conditions and limitations set forth in this Agreement, and for the mutual reliance of the parties in this Agreement, the Parties hereby agree as follows:

### **1. Services and License Rights.**

1.1. **Services.** Milliman shall provide the Services and Deliverables (as defined below) pursuant to a Statement of Work ("SOW"). Such Services shall be of a quality consistent with industry standards and shall be delivered in a timely fashion. In rendering such Services, Milliman shall materially comply with all terms and conditions of each SOW for the Services that is entered into between the Parties pursuant to this Agreement. All Services shall be provided by Milliman under the general supervision and oversight of Premier; however, Milliman shall be solely responsible for the day-to-day performance of the Services. "Deliverables" means data, information (including Premier Data and Customer PHI), reports, analyses, or other work product (whether qualitative, quantitative or otherwise) obtained or produced and delivered, at the specific request of Premier or a Customer pursuant to a SOW, by Milliman or Consulting Professional (as defined in Section 8) who assists in performing the obligations under this Agreement together with all documentation thereof and any reproduction, translation, adaptation, or change of media or format thereof.

1.2. **Intellectual Property Rights.** Exhibit A attached hereto sets forth the respective rights and obligations of Milliman and Premier with respect to certain intellectual property. Except as specifically provided herein, each Party acknowledges and agrees that this Agreement in no way shall be construed to provide it, or any third party, any express or implied license to use, copy or otherwise exploit any intellectual property or other material supplied by the other Party. This Section and the corresponding Exhibit A shall survive termination or expiration of this Agreement.

### **1.3. Premier Data**

1.3.1. For purposes of this Agreement, "Premier Data" means (i) data provided or disclosed to Milliman in connection with this Agreement or any SOW by or on behalf of Premier or any Customer, (ii) data created by a third party for Premier or any Customer and disclosed or provided to Milliman in connection with this Agreement or any SOW; (iii) reports and output data created by Milliman for Premier as embodied in the Services or Deliverables, specifically excluding any Milliman Property; and (iv) De-Identified Data (as defined in Section 1.3.4). Subject to the terms and conditions of this Agreement, during the Term, Milliman may use and disclose Premier Data that does not constitute Protected Health Information ("PHI") as that term is defined in HIPAA (as defined below) as necessary solely for

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Milliman to perform its obligations under this Agreement. For the avoidance of doubt, the terms of the previous sentence shall not apply to any PHI received from, or created or received on behalf of, Premier or a Customer. To the extent any Premier Data is aggregated with or contains PHI, the use and disclosure of that information shall be subject to Section 1.3.2.

1.3.2. Milliman shall only use and disclose PHI received from, or created or received on behalf of, Premier or a Customer to perform Milliman's obligations under this Agreement and as permitted by the Downstream Business Associate Subcontractor Agreement ("Downstream BAA") entered into between the Parties and attached to this Agreement as Exhibit B (executed January 17, 2014).

1.3.3. As between the Parties and subject to Section 1.4, Premier has been and shall continue to be the sole owner of all Premier Data received by Milliman from or on behalf of Premier or any Customer and any reports made available to Premier or any Customer that contain Premier Data and/or Customer PHI. Subject to Premier receiving permission from the applicable Customer, Premier shall have the right to access, use and disclose any and all Premier Data as received from Customers and any such PHI of a Customer ("Customer PHI") as required for Premier to perform its obligations under this Agreement, its obligations as a Business Associate, and its obligations to each Customer, in accordance with applicable law. For the avoidance of doubt, references to Premier's "ownership" of Customer PHI does not mean, and should not be construed as meaning, that Premier conveyed any direct, indirect, financial or in-kind remuneration to any Customer in exchange for such Customer PHI.

1.3.4 Subject to Section 1.3.1, Milliman may de-identify, in accordance with the standards set forth in HIPAA, PHI provided to Milliman by or on behalf of Premier or a Customer (the "Premier Customer PHI" and once de-identified, the "De-Identified Data"), provided, however, that Milliman may only create De-Identified Data for the limited and specific purposes set forth in the Downstream BAA.

**1.4. No Third Party Distribution.** The Services and Deliverables are prepared solely for the internal business use of Premier or, as permitted in a Customer Contract and pursuant to an applicable SOW, a Customer. Except as permitted herein, the Services and Deliverables may not be provided to third parties without Milliman's prior written consent; provided, however, Premier, or, as permitted hereunder, a Customer, may share the Services or Deliverables with its Affiliates, but only if either (a) the Premier or Customer, as applicable, has the full power and authority to bind such Affiliate to the terms of this agreement and does bind such Affiliate to the terms, or (b) the Affiliate acknowledges in writing that the Services or Deliverables are subject to certain limitations and restrictions contained in this Agreement and that the Affiliate acquires no greater rights than are possessed by Premier or, as applicable a Customer, under this Agreement. Milliman does not intend to benefit any third party recipient of its work product, even if Milliman consents to the release of its work product to such third party. Notwithstanding the foregoing, Premier shall be allowed to share templates and sample content ("Demonstration Materials") and discuss the scope of the Services provided hereunder with prospective customers. For clarity, the Demonstration Materials will be clearly marked as "Sample Report: For Demonstration Purposes Only" and will not contain any sensitive or confidential data from Premier, Milliman or any Customer.

**1.5. Customer Contracts.** Premier agrees that any such Customer Contracts under which Milliman will provide Services or Deliverables shall specify that any such Services or Deliverables will be provided pursuant to a subcontracting relationship between Premier and Milliman. The form and content of all such Customer Contracts shall be as determined by Premier in its sole discretion; and shall be in sustainably the same form as the agreement attached hereto as Exhibit C(the "Form Customer Contract"). Notwithstanding the foregoing, from and after the Effective Date, any Solution Exhibit (as defined in the Form Customer Contract) entered into by Premier and a Customer with respect to the Services shall specify that with respect to the following provisions of the Form Customer Contract, the rights granted by a Customer to Premier, and the obligations of a Customer to Premier, shall apply to Milliman in the same manner as they apply to Premier: Sections 8(a), 8(b), and 8(c).

## **2. Fees and Payment Terms.**

2.1. **Payment.** In consideration of the Services rendered by Milliman pursuant to this Agreement, Premier shall pay Milliman the fees set forth in each SOW entered into between the Parties as part of this Agreement. Such

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compensation shall be paid by Premier on a quarterly basis within thirty (30) days following receipt of an itemized invoice from Milliman detailing the Services provided under each SOW during the preceding month, without regard to whether Premier has been paid by the applicable Customer. Unless otherwise agreed to by the parties, Milliman shall accept the compensation paid by Premier pursuant to this Section 2.1 as compensation in full for all Services provided by Milliman hereunder and under the applicable SOW, and Milliman will not look to any Customer for payment in connection with such Services.

**2.2. Order Forms.** Premier agrees to execute a Service Order Form (each, an “**Order Form**”) to a SOW promptly following Premier’s engagement of a new Customer for one or more of the related Services under the applicable SOW. Each Order Form will include, among other items mutually agreed to in writing by the parties, the name of such Customer, the term of the Order Form for such Customer, the Services to be provided to such Customer, and the fees to be paid by Premier for such Customer. Unless otherwise detailed in such Order Form, the fees due Milliman from Premier, shall be as set forth in the applicable SOW.

## 3. Obligations of the Parties

**3.1 Compliance with Law.** Each Party shall comply with all laws and regulations that are applicable to its performance of its respective obligations under this Agreement.

**3.2 Compliance with HIPAA.** Each Party represents and warrants to the other Party that to the extent applicable with respect to this Agreement (i) it has complied with and is in compliance in all material respects with all applicable security, data protection, and privacy standards regarding protected health information under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and the applicable regulations promulgated thereunder and all applicable state privacy laws and any other applicable privacy, security or data protection law in connection with the operation of its business (collectively the “Data Rules”) and (ii) it shall comply with all such Data Rules and the Downstream BAA in the performance of its obligations under this Agreement. Milliman further represents and warrants it has not received a written notice from any person of, and has not been made aware of, any written complaints or concerns regarding its or any of its products’ noncompliance with HIPAA, any applicable regulations promulgated thereunder, or any such applicable laws. Each Party will undertake all activities reasonably necessary to comply with such laws and standards to the extent applicable to its respective obligations under this Agreement.

**3.3 Excluded List.** Each Party represents and warrants to the other Party that neither it nor any of its officers, directors or employees have been, and as of the Effective Date of this Agreement (i) listed by any federal or state agency as excluded, debarred, suspended or otherwise ineligible to participate in federal and/or state programs; or (ii) convicted of any crime relating to any federal and/or state program. Each Party agrees to promptly notify the other in writing if it becomes aware that any of its officers, directors or employees are listed by a federal or state agency as excluded, debarred, suspended or otherwise ineligible to participate in any federal and/or state programs or if any Premier personnel or any member of the Milliman Project Team (defined below) are being investigated by any federal or state agency in relation to any federal and/or state program.

**3.4 Non-Solicitation of Employees.** Neither the Premier Project Team (as defined below) or the Milliman Project Team shall directly or knowingly solicit or hire any of the other Party’s employees or contractors during the Term and for a period of one (1) year from the date of expiration or termination of this Agreement. Response to a public advertisement for employment shall not be deemed solicitation under this paragraph. For purposes of this Section 3.4, the term “Premier Project Team” shall mean the Premier personnel engaging or previously engaged in working with the Milliman Project Team with respect to the provision of the Services.

## 4. Warranty, Representations, and Covenants.

**4.1 Mutual Warranties.** Both Milliman and Premier hereby represent and warrant to the other that (i) it has the right, power and authority to enter in to this Agreement and to fully perform all of its obligations, including the granting of licenses, hereunder; and (ii) entering into this Agreement does not violate any agreement or obligation existing between it and any third party.

**4.2 Milliman Warranties.**

**4.2.1 OTHER THAN THE EXPRESS WARRANTIES SET FORTH HEREIN, MILLIMAN MAKES NO OTHER WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE IN FACT OR IN LAW, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE.**

**4.2.2** Milliman further represents and warrants to Premier that: (i) the Services and the Deliverables, will be provided in material accordance with this Agreement and applicable specifications in each SOW; (ii) Milliman has the right to grant Premier the right and license that are granted pursuant to this Agreement; (iii) the disclosure and delivery of any Deliverables, information, documents, and other materials, and use thereof, as contemplated by this Agreement and each SOW, will not infringe or violate any proprietary right of any third party, including, without limitation, any copyright, issued patent or trade secret right; (iv) Milliman shall not disclose, transfer, access or use any Premier Data or Customer PHI outside of the United States of America, and (v) the execution and delivery by Milliman of this Agreement, and the performance by Milliman of its obligations hereunder, will not violate any term of any agreement, including any license, to which Milliman is a party or otherwise bound.

**4.2.3** In addition to Milliman's compliance with laws requirements herein, Milliman acknowledges and shall comply with all applicable anti-bribery and anti-corruption laws including the United States Foreign Corrupt Practices Act 1977 15 U.S.C. §§ 78dd-1, et seq., as amended ("FCPA") and the United Kingdom Bribery Act 2010, as amended. Without prejudice to the foregoing, Milliman acknowledges that Premier is a U.S. headquartered corporation and represents and warrants to comply with the FCPA including the following: (a) Milliman is licensed, registered, or qualified under local law, regulations, policies, and administrative requirements to do business and has obtained licenses or completed such registrations as are required by law to provide the Services subject to this Agreement and each SOW; (b) Milliman has not and will not directly or indirectly offer or pay, or authorize such offer or payment, of any money or anything of value to improperly or corruptly seek to influence any government official, and, if Milliman is itself a government official, has not accepted, and will not accept in the future, such a payment; and (c) all information provided by Milliman during Premier's pre-contractual due diligence, including if applicable, all information provided in any of Premier's questionnaire, is complete, truthful and accurate. Milliman undertakes to update these representations and warranties if during the performance of the Services under this Agreement and each SOW by Milliman, or any of the employees or individuals who will be primarily responsible for performing under this Agreement and each SOW, or a relative of such an employee or individual, becomes a government official or if a government or government official becomes an owner of Milliman. Milliman will permit Premier to take reasonable steps to ensure that funds provided pursuant to this Agreement and each SOW are properly used, including without limitation: (x) providing periodic invoices stating, in detail, the Services performed; (y) providing documentation of all expenses to obtain reimbursement and providing Premier with written notification in advance of any extraordinary expenditure (it being understood that Premier must authorize any extraordinary expenditure in writing before it may be incurred); and (z) permitting, during the performance of this Agreement each SOW and for three years after final payment has been made, Premier's internal and external auditors access to any directly relevant books, documents, papers, and records of Milliman involving transactions related to this Agreement and each SOW. Premier may terminate this Agreement and each SOW if Milliman breaches any of the above representations and warranties or if Premier learns that improper payments are being or have been made to government official by Milliman with respect to Services performed on behalf of Premier or any other company. In the event of such termination, Premier shall remain liable to Milliman for any payment obligations incurred prior to the effective date of such termination and Milliman shall be liable for damages or remedies as provided by law.

**4.2.4** Milliman and Premier have implemented and will continue to implement at all times commercially reasonable security measures designed to prevent unauthorized access to computer hardware and software owned and used by Milliman, Premier or their respective third party service providers in connection with the Services.

**5. Term and Termination**

**5.1. Term.** The term of this Agreement shall begin on the Effective Date and shall continue for an initial term of eighteen months (18) (the "Initial Term"). Thereafter, this Agreement shall be automatically renewed for additional six (6) months terms until terminated in accordance with this Section 5, unless either party provides written notice to the other party at least sixty (60) days prior to the expiration of the then-current term, indicating that such party does not wish to renew this Agreement (such additional six (6) month terms, together with the Initial Term, the "Term").

**5.2. Termination Without Cause.** At any time and for any reason, Premier may terminate this Agreement upon at least ninety (90) days prior written notice to Milliman.

**5.3. Material Breach.** In the event of a material breach of this Agreement by either Party, the non-breaching Party shall have the right to terminate this Agreement by giving written notice to the breaching Party that describes the nature of such material breach (the "Breach Notice"). In the event such breach is not cured to cause the party to be in material compliance with the terms of this Agreement or an applicable SOW within thirty (30) days after the giving of the Breach Notice (the "Cure Period"), this Agreement shall terminate at the election of the non-breaching Party.

**5.4. Rights and Obligations Upon Termination.** Upon termination or expiration of this Agreement, all rights and obligations of the Parties under this Agreement shall immediately cease, except those rights and obligations in: Section 1.2, Section 1.4, Section 3.4, Section 5.4, Section 5.5, Article 6, Article 7, Article 8 and Article 9 of this Agreement, or as otherwise provided in this Agreement; provided, however, that termination or expiration of this Agreement shall not relieve either Party of any obligation to the other Party in accordance with the terms of this Agreement with respect to services furnished prior to such termination or expiration, including, without limitation, payment for Services provided prior to the effective date of such termination or expiration. Upon the termination or expiration of this Agreement for any reason, the Parties shall perform an accounting for purposes of determining such payments.

**5.5. Continuation of Services.** In the event that Premier and Milliman have executed a SOW that requires the continuing provision of Services after the termination or expiration of this Agreement, Milliman agrees, upon the written request of Premier, to continue to provide Services until such Services are completed for Customers. Milliman shall be compensated for such services in accordance with the terms of this Agreement and the applicable SOW. All terms of this Agreement and the applicable SOW shall continue to apply to any Services performed after the termination or expiration of this Agreement. This Section shall survive termination or expiration of this Agreement.

**6. Liability and Indemnification.**

**6.1. Limitation of Liability.** In no event will either Party, their Affiliates or their respective officers, directors, partners (limited and general), agents and employees, be liable to the other Party or its affiliates and their respective officers, directors, agents, partners (limited and general) and employees in the aggregate, under any theory of law including negligence, tort, breach of contract or otherwise, for any damages in excess of three million dollars (\$3,000,000). In no event shall either party be liable for any type of incidental or consequential damages. The foregoing limitations shall not apply to any claims, losses or damages of any kind that are the result of: (a) Milliman's breach of the Downstream BAA or violation of HIPAA; (b) Milliman's indemnification obligation under Section 6.3, specifically excluding Milliman's indemnification under Section 6.3(e); (c) Milliman's gross negligence; (d) Milliman's violation of any applicable law; (e) Premier's breach of Section 1.4, or (f) Premier's indemnity obligation. "Affiliates" means each legal entity that is directly or indirectly controlled by, controlling or under common control with either Party ("control" means the ownership, direct or indirect, of the power to vote 50% or more of any class of voting securities of a corporation or limited liability company, or the ownership of any general partnership interest in any general or limited partnership) on or after the Effective Date and for so long as such entity remains directly or indirectly controlled by, controlling or under common control with either Party.

**6.2 Premier Indemnity.** Premier hereby agrees to indemnify, defend and hold harmless Milliman and its directors, officers, employees, and agents from and against any and all third party claims, demands, actions, losses, expenses, damages, liabilities, costs (including, without limitation, interest, penalties and reasonable attorneys' fees) and

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judgments arising out of (a) the use or disclosure of Services and Deliverables by Premier except as expressly permitted by this Agreement including Section 1.5; (b) Premier's breach of its obligations under Section 7.2 (Confidentiality), (c) (b) the alleged direct, indirect or contributory infringement of any third party intellectual property right, including any patent, trademark, copyright or trade secret right, by products Premier provides to Customers, specifically excluding the Services and Deliverables provided by Milliman and (c) Premier's gross negligence, fraud or willful misconduct in its performance under this Agreement. Provided, however, that Premier shall not be required to indemnify Milliman, its officers, directors, agents and employees, for any damages that are the result of Milliman's gross negligence, fraud or willful misconduct.

**6.3 Milliman Indemnification.** In addition to the indemnification obligations of Milliman in the Downstream BAA, Milliman hereby agrees to indemnify, defend and hold harmless Premier and its directors, officers, employees, and agents from and against, defend any and all third party claims, demands, actions, losses, expenses, damages, liabilities, costs (including, without limitation, interest, penalties and reasonable attorneys' fees) and judgments arising out of (a) Milliman's gross negligence, fraud or willful misconduct in its performance under this Agreement or any SOW (b) the alleged direct, indirect or contributory infringement of any third party intellectual property right, including any patent, trademark, copyright or trade secret right, by the Services or any Deliverable, (c) Milliman's breach of its obligations under Section 7.2 (Confidentiality), (d) personal injury, death or damage to tangible property resulting from Milliman's acts or omissions hereunder, or (e) subject to Section 6.1 (Limitation of Liability), Milliman's negligence in its provision of the Services or Deliverables.

## 7. Confidentiality.

**7.1 Confidential Information.** For purposes of this Agreement, confidential information ("Confidential Information") shall mean all proprietary, secret or confidential information or data relating to Premier, the Customers or Milliman and their respective operations, services or members, including this Agreement and SOWs and their terms and, without limitation, the Milliman Property any and all information developed for Premier or Customers by Milliman hereunder including but not limited to this Agreement, an SOW, IP Rights, Premier Data and any Deliverables. Such Confidential Information shall also mean all proprietary, secret or confidential Customer contact information, consulting data, project terms and other Premier information, documents and data used or accessed by Milliman in connection with its performance of the Services.

**7.2 Protection of Confidential Information.** Milliman and Premier acknowledge that Milliman and Premier may disclose Confidential Information to each other in connection with this Agreement and any SOW. If Milliman or Premier receives Confidential Information, it shall: (i) maintain the Confidential Information in strict confidence; (ii) use at least the same degree of care in maintaining the secrecy of the Confidential Information as it uses in maintaining the secrecy of its own proprietary, secret, or confidential information, but in no event less than a reasonable degree of care; (iii) use and disclose Confidential Information only to fulfill its obligations under this Agreement and any applicable SOW (in this regard, Milliman shall have no rights whatsoever to use Confidential Information with respect to any of Milliman's other customers); and (iv) return or destroy all documents, copies, notes or other materials containing any portion of the Confidential Information upon request by Premier or Milliman, provided, that, Milliman may retain a copy of the Confidential Information as necessary to appropriately document its work. Furthermore, Milliman shall not allow any entity or person to access or use Premier Confidential Information, except for Milliman Project Team who have a need to access and use Premier's Confidential Information in order to perform their respective and necessary roles with respect to the Services, and in no event shall any Premier Confidential Information be used, shared or disseminated, or shared on computer systems or shared drives accessible to employees, contractors or subcontractors of Milliman outside of the Milliman Project Team, for any purpose within Milliman outside of the Milliman Project Team.

**7.3 Limit on Obligation.** Milliman and Premier shall have no obligation concerning any portion of the Confidential Information which: (i) was known to it before receipt, directly or indirectly, from the disclosing Party; (ii) is lawfully obtained, directly or indirectly, by it from a non-party which, to the best knowledge of the receiving Party, was under no obligation of confidentiality; (iii) is or becomes publicly available other than as a result of breach of this Agreement by the receiving Party; (iv) is required to be disclosed by the receiving Party by applicable law or legal process; or (v) is developed by the receiving Party independent of the Confidential Information disclosed by the disclosing Party. The receiving Party shall not disclose any portion of the Confidential Information to any person except those of its

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employees and affiliates having a need to know such portions to accomplish the purposes contemplated by this Agreement and any applicable SOW.

**7.4      Conflict with Downstream BAA.** Milliman and Premier agree to comply with the terms of the Downstream BAA. In the event of a conflict between the provisions of the Downstream BAA and this Agreement (or any attachment or incorporated document thereto), the terms of the Downstream BAA will control.

**7.5      Remedies.** Milliman and Premier each acknowledges that monetary damages may not be a sufficient remedy for a breach of this Section 7 and that the aggrieved Party shall be entitled, without waiving any other rights or remedies, to seek injunctive or other equitable relief in the event of a breach. The failure of either Party at any time to enforce any right or remedy available to it under this Agreement or otherwise with respect to any breach or failure by the other Party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other Party.

## 8.      Exclusivity.

**8.1.      Non-Interference.** During the Term of the Agreement and for a period of one (1) year thereafter, the Milliman personnel engaged or previously engaged in the provision of services to Premier hereunder or under the Consulting Services Agreement between the parties dated April 15, 2011 ("Milliman Project Team") will not directly or indirectly interfere with any of Premier's relationships with Customers introduced to the Milliman Project Team as a result of the services performed under this Agreement. For the purposes of this Section, the term "interference" shall mean any oral or written communication or other action by the Milliman Project Team that may be reasonably interpreted to be intended to: (a) persuade or encourage (i) any Customer to terminate or not renew any Customer Contract or (ii) any Covered Customer (as defined below) to obtain Services or other business consulting services from any entity other than Premier. For purposes of this Agreement, the term "Covered Customer" shall mean any Customer of Premier whom Milliman contacted or served, or for whom Milliman supervised contact or service as part of its provision, or proposed provision, of Services pursuant to this Agreement. In addition to any other remedy available at law or in equity, the breach of this Section shall be grounds for immediate termination of this Agreement and Premier may be entitled to obtain from a court of competent jurisdiction injunctive or other equitable relief to enforce this covenant, without the necessity of posting a bond, cash, or otherwise. If any court should hold that the duration and/or scope of covenants contained in this Section are unreasonable, then, to the extent permitted by law, the court may prescribe duration and/or scope that is reasonable and the parties agree to accept such determination, subject to their rights of appeal. Nothing herein shall be construed as prohibiting Premier from pursuing any other remedies available for such breach or threatened breach. Milliman shall ensure that the Milliman Project Team adheres to the provisions of this Section. This Section shall survive termination or expiration of this Agreement.

**8.2      Exclusivity.** The Milliman Project Team shall not provide any component of the Services to any Customer of Premier with whom Premier has an unexpired Customer Contract to provide Services that Premier is engaged to provide, other than pursuant to the terms of this Agreement. In no event shall the Milliman Project Team be precluded from performing any services for any Customer for which Milliman already has a business relationship or from providing any services for a Customer that do not compete with the services provided by Premier. In addition to any other remedy available at law or in equity, the breach of this Section shall be grounds for immediate termination of this Agreement pursuant to Section 5.3 of this Agreement and Premier may be entitled to obtain from a court of competent jurisdiction injunctive or other equitable relief to enforce this covenant, without the necessity of posting a bond, cash, or otherwise. If any court should hold that the duration and/or scope of covenants contained in this Section are unreasonable, then, to the extent permitted by law, the court may prescribe a duration and/or scope that is reasonable and the parties agree to accept such determination, subject to their rights of appeal. Nothing herein shall be construed as prohibiting Premier from pursuing any other remedies available for such breach or threatened breach.

## 9.      General Provisions.

**9.1      Insurance.** Milliman shall at all times during the term of this Agreement carry insurance coverage as follows:



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a. General Comprehensive Liability:

\$3,000,000.00/occurrence;  
\$5,000,000.00/aggregate

**9.2 Proof of Insurance.** Upon request, Milliman shall provide Premier with certificates evidencing the above insurance coverage and add Premier as an additional insured. Further, Milliman shall provide at least thirty (30) days' prior written notice to Premier of cancellation or material modification of its policies such that it no longer complies with the requirements of Section 9.1.

**9.3 Choice of Law and Dispute Resolution.** The construction, interpretation, and enforcement of this Agreement and each SOW shall be governed by the substantive contract law of the State of Delaware without regard to its conflict of laws provisions. In the event any provision of this Agreement or any SOW is unenforceable as a matter of law, the remaining provisions will stay in full force and effect. If any dispute occurs between the parties, they shall attempt in good faith to resolve the dispute by mediation. In such mediation, the parties thereto will choose a mutually acceptable mediator with a background in insurance, actuarial science or law. If such mediation fails after a good-faith effort has occurred, only then may a party institute litigation. The parties agree that any litigation will be filed and conducted in the federal courts located in Wilmington, Delaware and, subject to the next sentence, all parties consent to the exclusive venue and the personal jurisdiction of such federal courts. A party may challenge federal jurisdiction under 28 U.S.C. § 1332 only if such motion is based solely on a lack of sufficient amount in controversy. Both parties agree to waive the right to a trial by jury.

**9.4 Use of Name.** Each Party agrees that it shall not use the other Party's name, trademarks or service marks, or refer to the other party directly or indirectly in any media release, public announcement or public disclosure, including in any promotional or marketing materials, Customer lists, referral lists, websites or business presentations without the other party's prior written consent for each such use or release, which consent shall be given in the sole discretion of the other party.

**9.5 No Third Party Beneficiaries.** Neither any Customer nor any other third parties are intended by the Parties to this Agreement to be third party beneficiaries under this Agreement or any SOW, and no action may be brought to enforce the terms of this Agreement or any SOW against either Party by any person who is not a party to this Agreement.

**9.6 Assignment.** Neither Party may assign or transfer its rights or obligations under this Agreement or any SOW without the prior written consent of the other Party. Any purported assignment or transfer in violation of this section shall be null and void.

**9.7 Access to Books and Records.** Milliman shall grant Premier access to its directly related books and records relating to the fees and expenses billed under this Agreement or any SOW, and Deliverables related to Services provided under this Agreement or any SOW, during business hours upon reasonable advance written request. Premier shall have access to such Milliman's books and records for at least four (4) years from the date on which Milliman provided the Services referred to in such records or for such longer period as is required by law. Such books and records shall also be accessible to state and federal agencies upon request as required by law, but only after providing Milliman reasonable advance written notice of such required disclosure. This Section shall survive termination or expiration of this Agreement.

**9.8 Independent Contractor.** In providing the Services under this Agreement or any SOW, Milliman is acting as an independent contractor and not as a partner, employee, or agent of Premier or any Customer, and Milliman shall be solely responsible for all tax withholding, Social Security, Worker's Compensation Insurance and other employee obligations with respect to Milliman's employees, including, without limitation, all Consulting Professionals.

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**9.9 Waiver.** The waiver of a breach of this Agreement or any SOW or the failure of a party to exercise any right under this Agreement or any SOW shall in no event constitute a waiver as to any other breach, whether similar or dissimilar in nature, or prevent the exercise of any right under this Agreement or any SOW.

**9.10 Severability.** Each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. The invalidity or unenforceability of any provision of this Agreement shall in no way affect the validity or enforceability of any other provision hereof. Any invalid or unenforceable provision shall be deemed severed from this Agreement and the balance of this Agreement shall be construed and enforced as if this Agreement did not contain the particular provisions(s) held to be invalid or unenforceable.

**9.11 Notices.** Any notice required to be given pursuant to the terms of this Agreement shall be in writing and shall be either hand delivered, sent via facsimile, sent via overnight mail (such as Federal Express), or sent postage prepaid, by certified mail, return receipt requested, to Premier or Milliman at the address set forth below. The notice shall be effective on the date of delivery if delivered by hand or sent via facsimile, the date of delivery as indicated on the receipt if sent via overnight mail, or the earlier of the date indicated on the return receipt or three (3) business days after mailing if sent by certified mail.

If to Premier: Premier Healthcare Solutions, Inc.  
13034 Ballantyne Corporate Place  
Charlotte, North Carolina 28277  
Attn: Wes Champion

If to Milliman: Milliman, Inc.  
One Pennsylvania Plaza, 38<sup>th</sup> Floor  
Seattle, WA 98101  
Attn: Kate Fitch, Principal

The above addresses may be changed by giving notice of such change in the manner provided in this Section for the giving of such notice.

**9.12 Force Majeure.** Neither Party shall be responsible for any failure to perform, or delay in performing any of its obligations under this Agreement or any SOW, where and to the extent that such a failure or delay results from causes reasonably outside the control of such Party. Such causes shall include, without limitation, delays caused by the other party, acts of God or of the public enemy, acts of the government in its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, freight embargoes, civil commotion, or the like.

**9.13 Entire Agreement and Amendments.** This Agreement contains the entire understanding between the Parties and supersedes all prior agreements, either oral or in writing, with respect to the subject matter of this Agreement. Unless otherwise specifically provided in this Agreement, this Agreement may be amended or changed only by mutual written consent of the Parties' duly authorized representatives. Unless otherwise specified in the SOW, in the event of a conflict between the Agreement and an SOW, the Agreement shall control.

**9.14 Authorizations.** Each Party warrants and represents to the other Party that it has the power and authority to enter into this Agreement on its own behalf.

SIGNATURES FOLLOW ON NEXT PAGE

MILLIMAN, INC., on behalf of itself and its Affiliates PREMIER HEALTHCARE SOLUTIONS, INC., on behalf of itself and its Affiliates

By: Kate Fitch  
Name: Kate Fitch

R. Wesley Champion  
R. Wesley Champion (Mar 26, 2015)  
By: \_\_\_\_\_  
Name: R. Wesley Champion

CONFIDENTIAL AND PROPRIETARY

Title: MNCAPL  
Date: 3/29/15

Title: Sr. Vice President  
Date: Mar 26, 2015

**EXHIBIT A**

Milliman hereby acknowledges and agrees that, as between Milliman and Premier and subject Milliman's reservation of rights in and to the Milliman Property (defined below) and the terms of Section 1.4 of the Agreement, all rights, title and interests with respect to any and all IP Rights (as defined hereafter) are and shall be owned solely and exclusively by Premier. For purposes of this Agreement, the term "IP Rights" means any and all proprietary rights and intellectual property rights that are or will be conceived, prepared, made, developed, or otherwise created by Milliman, whether alone or with others as specifically requested by Premier and delivered to Premier by Milliman pursuant to a SOW for the benefit of Premier, its Customers or any of its Affiliates under this Agreement, including, without limitation, (i) all inventions, developments, ideas, know-how, processes, innovations, discoveries, techniques, technology, works of authorship, designs, formulae, discoveries, business plans, business models, business names, economic projections, trade secrets, customer information, supplier information, research information, patentable matters, patents, copyrights, copyrightable works, trademarks, service marks, and logos, (ii) all documents, materials, media (including, without limitation, electronic media), and other items in whatever tangible form related to any and all of the foregoing, (iii) all rights, claims and goodwill related to any and all of the foregoing, (iv) all Deliverables, and (v) all applications, registrations and other governmental approvals with respect to any and all of the foregoing.

Without limiting the foregoing and subject to Milliman's reservation of rights in and to the Milliman Property and the terms of Section 1.4 of the Agreement, Milliman acknowledges and agrees that all Services and Deliverables are "works made for hire" as defined in the United States Copyright Act of 1976 (17 USC Section 101), as may be amended or supplemented from time to time, and are included within the definition of IP Rights without exception.

Milliman, without further consideration, compensation or other remuneration, hereby assigns and agrees to assign to Premier (or its designees) all of Milliman's rights, title and interests in and to the IP Rights, including, without limitation, all rights to obtain, register, perfect and enforce all IP Rights, as may presently be in existence or hereafter acquired, free and clear of all liens, encumbrances and other security interests.

Milliman shall promptly disclose in writing to Premier all IP Rights after such IP Right is conceived, prepared, made, developed, or otherwise created by Milliman.

Milliman shall execute all documents and perform all acts reasonably requested by Premier, at the sole cost and expense of Premier, to permit and assist Premier in obtaining, maintaining and enforcing the full benefits, enjoyment, rights, title and interests in and to any and all IP Rights for the benefit of and in the name of Premier (or its designees), including, without limitation, executing all documents and performing all acts as Premier may request in connection with (i) vesting Premier (or its designees) with full title to any and all IP Rights, (ii) filing applications and prosecuting, obtaining and maintaining registrations and other governmental approvals with respect any and all IP Rights, and (iii) defending and enforcing any and all IP Rights. If Milliman incurs out-of-pocket expenses in executing such documents or providing such assistance, Premier will reimburse Milliman for the actual and reasonable out-of-pocket expenses.

"Milliman Property" means all technical or internal designs, methods, ideas, concepts, know-how, techniques, generic documents and templates (including, without limitation, all copyrights, patents, service marks, trademarks, trade secret and other intellectual property rights) that have been previously developed by Milliman or developed during the course of the provision of the Services provided such generic documents or templates do not contain any Premier Confidential Information or proprietary data.

Milliman shall retain all rights in and to the Milliman Property. Rights and ownership by Milliman of the Milliman Property shall not extend to or include all or any part of Premier's proprietary data or Confidential Information. To the extent that Milliman may include in the Services or Deliverables any Milliman Property, Milliman agrees that Premier shall be deemed to have a fully paid up license to make copies of the Milliman Property as part of this engagement for its internal business purposes and provided that such Milliman Property cannot be modified or distributed outside the Premier without the written permission of Milliman or except as otherwise permitted hereunder.

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EXHIBIT B

Downstream Business Associate Agreement

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**EXHIBIT C**  
**CUSTOMER CONTRACT TERMS**

**Performance Suite™ Solutions Subscription Agreement**

This Performance Suite™ Solutions Subscription Agreement (this "Agreement") is made and entered into as of DATE hereto by and between **Premier Healthcare Solutions, Inc.**, a Delaware corporation formerly known as Premier, Inc. ("Premier") and **HospitalName** ("Customer"). In consideration of the mutual promises contained herein, Premier and Customer agree as follows:

**1. Subscription to Performance Suite Solution(s).**

(a) **Solutions(s).** Premier may, directly or through an Affiliate, from time to time, offer one or more Performance Suite Solution(s) and other products and services to Customer (collectively, the "**Solution(s)**"), as more particularly described in one or more exhibits corresponding to the Solution(s) (the "**Solution Exhibit(s)**"). Customer's subscription to the Solution(s) shall be subject to (i) this Agreement, (ii) the Solution Exhibit(s), (iii) the Business Associate Addendum attached to or provided with this Agreement (the "**Business Associate Addendum**"), and (iv) all other documents referenced in or attached to this Agreement, the Solution Exhibit(s), or the Business Associate Addendum (collectively, the "**Transactional Agreements**"), all of which are incorporated herein by this reference. "**Affiliate**" means, with respect to any entity, any entity that, directly or indirectly through one or more entities, controls or is controlled by, or is under common control with, such entity; "controls," "control" and "controlled" mean the possession, direct or indirect, of the power to direct the management and policies of an entity, whether through the ownership of fifty percent (50%) or more of the voting interests of such entity or otherwise. The term Affiliate with reference to Premier includes Premier Purchasing Partners, L.P.

(b) **User Documentation.** To properly access, use or enjoy the benefits of certain Solution(s), Customer must comply with Premier's user, technical and data reporting documentation and requirements, as may be amended by Premier (collectively, the "**Documentation**"). The Documentation will be made available with the Solution(s) and is incorporated herein by this reference.

(c) **Third-Party Products.** Certain Solution(s) may include third-party products or services (the "**Third-Party Products**"). To use the Third-Party Products or the Solution(s) containing a Third-Party Product, Customer must (i) comply with the terms or agreement applicable to the Third-Party Products (the "**Third-Party Agreement**"), which is incorporated herein by this reference, and (ii) pay the additional fees for the Third-Party Products if Premier charges those fees (the "**Third-Party Product Fees**"). If Premier's right to use, distribute or license a Third-Party Product terminates, then Customer's right to use such Third-Party Product shall also terminate. If there is a conflict between the terms of this Agreement and a Third-Party Agreement, then the terms of the Third-Party Agreement shall govern with respect to the Third-Party Product.

(d) **New Functionalities.** Premier may incorporate or implement New Functionalities in the Solution(s), and when so incorporated or implemented shall constitute a part of the "Solution(s)." Customer may have access to and use the New Functionalities so long as it pays Premier the fees that Premier charges to other customers for the New Functionalities. "**New Functionalities**" means a new, upgraded or modified function, feature, module, or other component of a Solution that will be made generally available (rather than a customized change for a specific customer).

**2. Fees and Taxes.**

(a) **Fees.** Customer shall pay Premier the fees for the Solution(s) subscribed by Customer as set forth in the corresponding Solution Exhibit(s) and all other fees under this Agreement. Customer will also reimburse Premier for its reasonable out-of-pocket travel and other business-related expenses incurred by Premier in providing services to Customer under this Agreement. Premier will issue invoices for all fees and expenses payable by Customer under this Agreement, which shall be paid by Customer within thirty (30) days after its receipt of the invoice. If Customer fails to timely pay any invoice, then Premier may charge Customer, and Customer shall pay Premier, interest on the unpaid portion at the rate of 1.5% per month or the maximum legal rate, whichever is less.

(b) **Taxes.** If Customer relies on any exemption from the payment of taxes, Customer shall be solely responsible for establishing such tax exemption. Customer shall be solely responsible for paying all taxes assessed or imposed by reason of this Agreement, other than taxes based on Premier's income.

**3. Term and Termination.**

(a) **Term.** Subject to earlier termination pursuant to Section 3(b), this Agreement shall commence upon execution by the parties and terminate on the expiration or termination of the last Solution Exhibit.

**(b) Termination.**

(i) Either party (who is not the breaching party) may terminate any particular Solution Exhibit and the corresponding Solution if the other party breaches such Solution Exhibit and fails to cure such breach within thirty (30) days of receiving notice of the breach. Either party may also terminate any particular Solution Exhibit and the corresponding Solution pursuant to the termination terms, if any, of such Solution Exhibit.

(ii) Premier may terminate any particular Solution Exhibit and the corresponding Solution with notice to Customer if Customer fails to timely pay the fees and expenses set forth in such Solution Exhibit, unless Customer cures such failure within three (3) days of receiving notice from Premier; provided that, if such failure recurs more than three (3) times in any twelve-month period, Premier may immediately terminate such Solution Exhibit with notice to Customer.

(iii) Either party (who is not the breaching party) may terminate this Agreement if the other party materially breaches this Agreement and fails to cure such breach within thirty (30) days of receiving written notice of the breach. The parties agree that a material breach of this Agreement shall include any breaches of Section 2, 4, 5, 6, 7, 9, or 10 of this Agreement.

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(iv) The non-affected party may terminate this Agreement immediately with notice to the affected party upon any of the following occurrences (unless the non-affected party waives such termination): (A) a receiver or trustee is appointed for the affected party or all or substantially all of its assets; (B) the affected party makes an assignment for benefit of its creditors; (C) the affected party commences a voluntary proceeding in bankruptcy, insolvency, or other similar proceeding; (D) an involuntary proceeding in bankruptcy, insolvency, or other similar proceeding is commenced against the affected party, which proceeding is not discharged within sixty (60) days after the commencement; or (E) the affected party commences to liquidate or dissolve itself.

(v) If either party terminates the Business Associate Addendum in accordance with its terms, any Solution Exhibit pursuant to which Premier provides to Customer a corresponding Solution that requires the receipt, use or disclosure of Protected Health Information will terminate on the same day that the termination of the Business Associate Addendum is effective. In the event that the Business Associate Addendum is terminated in accordance with its terms and the only Solutions subscribed by Customer would require the receipt, use or disclosure of Protected Health Information (and there are no other products or services provided or to be provided by Premier under this Agreement), this Agreement shall also terminate on the same day that the termination of the Business Associate Addendum is effective. Subject to Premier's rights under Section 4, each party's rights and obligations with respect to Protected Health Information, in the event of termination of the Business Associate Addendum or this Agreement, shall be governed by the terms of the Business Associate Addendum. "Protected Health Information" is defined under the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereto and the Health Information Technology for Economic and Clinical Health Act and its implementing regulations (collectively, "HIPAA").

(c) Effect of Termination. Immediately upon termination of this Agreement, (i) Customer's access to and use of all Solutions shall terminate, (ii) Customer shall stop further use of all Solutions, and (iii) Premier may immediately stop performing all services under this Agreement. Termination of this Agreement shall be in addition to, and not in limitation of, any other rights or remedies to which either party is or may be entitled. Termination of this Agreement shall not relieve Customer of liability for payment of sums due or to become due to Premier under this Agreement.

(d) Survival. The defined terms in this Agreement (to the extent applicable) and Sections 2 (with respect to any unpaid amounts), 4, 5, 6, 7, 8, 10 and 11 shall survive the termination of this Agreement and remain enforceable in accordance with their terms.

### 4. Ownership and Licensed Rights.

(a) Ownership of Customer Data. As between the parties, Customer has been and shall continue to be the sole and exclusive owner of all proprietary Customer data, including Protected Health Information, as provided by or on behalf of Customer to Premier ("Customer Data").

(b) Ownership of Premier Property. As between the parties, Premier has been and shall continue to be the sole and exclusive owner of: (i) the Solutions; (ii) all source code, object code and protocols underlying any and all Solutions (collectively, the "Code"); (iii) except for Customer Data, all content and data that may be viewed, downloaded, printed, or copied from or by using the Solution(s) (collectively, the "Content"); (iv) all things developed by or on behalf of Premier for Customer pursuant to this Agreement or the Solution Exhibit(s) (collectively, the

"Deliverables"); (v) Confidential Information of Premier or any of its Affiliates; (vi) all things that have been or may in the future be conceived, developed, enhanced, derived, or otherwise created by or on behalf of Premier in connection with the Solution(s), the Code, the Content, any Deliverable or Customer Data, and (vii) all intellectual property rights and other proprietary rights in connection with any and all of the foregoing, including inventions, ideas, know-how, processes, methods, algorithms, technology, works of authorship, designs, formulae, research, trade secrets, derivative works, improvements, patentable matters, patents, copyrights, copyrightable works, trademarks, service marks, and all rights and claims related to any and all of the foregoing, and all applications, registrations and other governmental issuances with respect to any and all of the foregoing (collectively, the "Premier Property").

(c) License to Customer. Premier grants to Customer a nonexclusive, nontransferable and nonsublicensable right and license to use the Content and Deliverables associated with Solution(s) subscribed by Customer, subject to the terms and conditions of this Agreement, including the Solution Exhibit(s) corresponding to such Solution(s). The right and license granted to Customer pursuant to this Section 4(c) shall automatically terminate if Premier terminates this Agreement or such Solution Exhibit(s) pursuant to Section 3(b).

(d) License to Premier. Customer grants to Premier and its Affiliates a nonexclusive, royalty free, perpetual, irrevocable, worldwide, and sub-licensable right and license to aggregate, compile, decompile, manipulate, reproduce, modify, supplement, adapt, translate, create derivative works from, distribute, publish, disclose and otherwise use Customer Data for all purposes, commercial or otherwise, including: (i) to provide the Solutions and other products and services provided, or that may in the future be provided, by Premier or any of its Affiliates; (ii) to perform Premier's obligations or to exercise its rights under this Agreement; (iii) as part of products or services provided by Premier or any of its Affiliates for Customer, including quality improvement initiatives, supply chain consulting services and data analytic services; and (iv) to de-identify the Protected Health Information in accordance with a methodology set forth under HIPAA to create de-identified information (the "De-Identified Information"); provided, however, to the extent any Customer Data constitutes Protected Health Information, the license and right granted pursuant to this Section 4(d) with respect to such Protected Health Information shall be subject to the terms and conditions of the Business Associate Addendum and applicable laws. Premier's disclosure of Customer's name to third parties will be subject to Section 6 and 11(a). Customer represents and warrants that it has the right to provide Customer Data and grant the licenses provided in this Section 4(d).

(e) De-Identified Information. Customer acknowledges and agrees that De-Identified Information has been and will be created by Premier, and constitutes derivative works or improvements created by Premier, and, as such, constitutes Premier Property. To the extent Customer has any right, title or interest in or to any De-Identified Information, Customer hereby assigns, and agrees to assign, all rights, title and interests, including all intellectual property and proprietary rights, in and to such De-Identified Information (other than Customer Data) to Premier. To the extent that any De-Identified Information does not constitute Premier Property or cannot be so assigned to Premier, Customer hereby grants Premier and its Affiliates a nonexclusive, royalty free, perpetual, irrevocable, worldwide, and sub-licensable right and license to aggregate, compile, decompile, manipulate, reproduce, modify, supplement, adapt, translate, create derivative works from, distribute, publish, disclose and otherwise use De-Identified Information for all purposes, including commercial purposes and other purposes.

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### 5. Certain Customer Responsibilities.

(a) Customer may use Solution(s) subscribed by Customer only during the term of the corresponding Solution Exhibit(s). Customer may create derivative works from the Content or Deliverable associated with such Solution(s) (the "Derivative Works"), provided that all Derivative Works shall be deemed Premier Property. All uses of such Solution(s), the Content and Deliverables associated with such Solutions, and Derivative Works by Customer shall be solely for Customer's internal business purposes and shall comply with this Agreement and applicable laws. In no event may Customer use any Solution, Content, Deliverable or Derivative Works for any illegal, improper or unauthorized purpose.

(b) Customer shall not provide access to, disclose, reproduce, distribute, display or otherwise use any Content, Deliverable or Derivative Works to or for the benefit of any third party, except as specifically permitted under this Agreement. Customer may disclose Content, Deliverables and Derivative Works to the extent required by (i) regulatory or governmental reporting or investigation requirements with authority over Customer, (ii) accreditation organizations to which Customer is subject, and (iii) third-party payors pursuant to written contractual requirements for payment to Customer; provided that Customer (A) use commercially reasonable efforts to obtain confidentiality protections and prohibitions on any unauthorized or improper use or disclosure of any such Content, Deliverable or Derivative Works, (B) obtain written contractual commitments by any third-party payors to comply with confidentiality protections and prohibitions on any unauthorized or improper use or disclosure of any Content, Deliverable or Derivative Works, and (C) provide Premier with prior notice thereof, which notice shall include the identity of the recipient, the reasons for disclosure, and the Content, Deliverable and Derivative Works proposed to be disclosed. Customer shall be responsible for any improper or unauthorized use or disclosure of any Content, Deliverable or Derivative Works by any such third party.

(c) Customer shall not, directly or indirectly, provide access to, disclose, reproduce, distribute, perform, display or otherwise use any Solution, Content, Deliverable or Derivative Works in connection with providing, directly or indirectly, any services to or for any third party, including providing any mapping services, providing any service as a service bureau, or providing any service as a charge master.

(d) Customer shall not alter Premier's copyright or other proprietary notices on or with respect to any Solution(s), Content or Deliverable.

(e) Customer shall not allow, directly or indirectly, any person to access or use any Solution(s) other than Authorized Users (as defined in the Solution Exhibit(s) corresponding to such Solution(s)). Customer shall ensure that all Authorized Users comply with the terms of this Agreement. Customer shall be responsible for all uses, including unauthorized or improper use, of any Solution by any Authorized User.

(f) Customer shall not, directly or indirectly, disassemble, decompile, modify, reverse engineer, reproduce, or copy any Solution(s) or any part thereof, including any Code, or otherwise attempt to determine any Code. Customer shall not introduce, or permit the introduction of, any viruses, spyware, malware, adware, worms, or other rogue software or routines into any Solution(s) or any Code. Customer shall not, directly or indirectly, create any derivative works or improvements, or otherwise attempt to create or obtain any intellectual property rights, with respect to any Solution(s) or any part thereof, including any Code.

(g) Premier will not be obligated to modify the Solution(s) or any part thereof to meet Customer's requirements or to create customized Content or Deliverables, unless specifically set forth in the Solution Exhibit(s) corresponding to such Solution(s). If Customer desires to have Premier modify the Solution(s) or create customized Content and Deliverables, the terms and conditions of such modifications and customizations must be set forth in a separate writing signed by Premier and Customer.

(h) With respect to any services that Premier provides Customer under and during the term of this Agreement, Customer agrees to provide Premier with such cooperation and assistance as is reasonably requested by Premier in order to allow Premier to properly and timely perform the services. Such cooperation and assistance includes providing complete and accurate information regarding Customer's business and requirements and, if Premier is working on-site, providing appropriate work space and access to adequate resources (e.g., telephone, Internet access, fax, copiers, computers, servers and other machinery and equipment).

(i) During the term of this Agreement, Customer shall use its best efforts to ensure that all Customer Data and other information submitted by or on behalf of Customer to Premier is accurate and complete.

### 6. Confidentiality Obligations.

(a) In connection with the performance of this Agreement, a party may have access to certain confidential information ("Recipient") of the other party or any of its Affiliates (the "Confidential Information") as provided by or on behalf of the other party ("Discloser"). Except as otherwise provided in this Agreement, during and after the term of this Agreement, Recipient shall hold Discloser's Confidential Information in confidence using the same degree of care that it uses to protect its own Confidential Information (but not less than a reasonable standard of care). Confidential Information includes: (i) the terms and pricing under this Agreement, including the Solution Exhibit(s); (ii) any written information that is clearly identified or marked as confidential; (iii) Customer Data, with the exception of Customer Data that constitutes Protected Health Information, which shall be governed by Section 7(a) and the Business Associate Addendum, (iv) the Code, (v) the Content, Deliverables, Derivative Works and De-Identified Information to the extent applicable; and (vi) any information that Recipient should reasonably believe is confidential to Discloser. To the extent any Premier Property constitutes Confidential Information, it shall be deemed Confidential Information of Premier. To the extent any Customer Data constitutes Confidential Information, it shall be deemed Confidential Information of Customer.

(b) A party's Confidential Information shall not include information that: (i) is or becomes a part of the public domain through no act or omission of Recipient or any third party in violation of any obligation of confidentiality; (ii) as evidenced by documentation, was in Recipient's lawful possession prior to the disclosure and had not been obtained by Recipient either directly or indirectly from the disclosing party or any third party in violation of any obligation of confidentiality; (iii) as evidenced by documentation, is lawfully and properly disclosed to Recipient by a third-party without restriction on disclosure; (iv) as evidenced by documentation, is independently developed by Recipient without use of or access to any Confidential Information of Discloser. In the event Recipient is required to disclose any Confidential Information of Discloser pursuant to any governmental or judicial authority, process or order, Recipient shall provide prompt notice thereof to Discloser in order that Discloser may have an opportunity to intercede in such required disclosure to contest such disclosure or seek a protective order.

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(c) Notwithstanding the foregoing in this Section 6, Customer acknowledges and agrees that Premier shall have the right (and in certain cases, be required) to disclose the name(s) of Customer (and its Affiliates and participants) to third parties with respect to certain Solution(s), including (i) as set forth in the corresponding Solution Exhibit(s) or as determined by Premier to be reasonably necessary to provide such Solution(s), (ii) to the extent permitted under Section 11(a), (iii) with Customer's prior written consent, not to be unreasonably withheld or delayed, and (iv) as required by applicable laws.

### 7. Compliance Matters.

(a) HIPAA. In connection with its engagement of Premier to provide the Solution(s), Customer may disclose, or cause to be disclosed, to Premier certain Customer Data that constitutes Protected Health Information. The parties agree that they will comply with all applicable provisions of HIPAA relating to the use and disclosure of Protected Health Information, as further set forth in the Business Associate Addendum. In addition, in the event that Premier wishes to conduct research on its own behalf or on behalf of a third party that would involve the use of Protected Health Information (other than a use limited to the creation of De-Identified Information) or a disclosure of Protected Health Information, Customer agrees that Premier may contact Customer to request Customer's participation in the study and to work with Customer to comply with all applicable requirements. The parties further agree that they will cooperate in good faith to take any such future steps as are necessary to confirm or establish compliance, including the execution or modification of business associate agreements to comply with HIPAA. In the event of a conflict between this Agreement and the Business Associate Addendum relating to Protected Health Information, the terms of the Business Associate Addendum shall control.

(b) Regulatory Disclosures. Premier agrees to make available upon written request of the Secretary of Health and Human Services or the Comptroller General of the United States or any of their duly authorized representatives, the contracts, books, documents and records that are reasonably necessary to certify the nature and extent of the costs associated with this Agreement for a period of four years from the completion of all services provided under this Agreement.

### 8. Limited Warranty, Sole Remedy and Limitation on Liability.

(a) Limited Warranty. With respect to the Solution(s) subscribed by Customer, Premier warrants to Customer only that, during the term of the corresponding Solution Exhibit(s), that such Solution(s) will conform in all material respects with the terms of this Agreement and the descriptions set forth in the corresponding Solution Exhibit(s). This warranty shall automatically expire or terminate upon the expiration or termination of this Agreement or such Solution Exhibit(s), whichever first occurs. OTHER THAN THE WARRANTY MADE IN THIS SECTION 8(a), PREMIER MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, AND ANY AND ALL SUCH REPRESENTATIONS AND WARRANTIES ARE HEREBY DISCLAIMED BY PREMIER AND WAIVED BY CUSTOMER.

(b) Sole Remedy. In the event of Premier's breach of the warranty contained in Section 8(a) that is verified by Premier, Customer's sole and exclusive remedy shall be for Premier to correct the problem that caused the breach as promptly as reasonably possible or, at Premier's election, to refund to

Customer the fees paid by Customer for the applicable Solution(s) for the period of time such breach materially impaired Customer's ability to use such Solution(s). However, Premier shall not be obligated to remedy any breach of warranty or make any refund if the breach resulted from or was otherwise caused, in whole or in part, by (i) Customer's failure to comply with this Agreement, (ii) Customer's acts or omissions, (iii) Customer's modification of the Solution(s) or any part thereof, (iv) Customer's combination of the Solution(s) or any part thereof with any hardware or software of Customer or a third party, or (v) a cause beyond Premier's reasonable control, including computer viruses, hackers, failure of electric power, or Internet downtime.

(c) Limitation on Liability. IN NO EVENT SHALL PREMIER BE LIABLE IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE TO CUSTOMER FOR ANY LOST, DELAYED OR DIMINISHED PROFITS, REVENUES OR OPPORTUNITIES, LOSS OR DAMAGE TO DATA, SOFTWARE OR EQUIPMENT, DOWNTIME, OR ANY INCIDENTAL, SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE WHATSOEVER IN CONNECTION WITH, ARISING OUT OF OR RELATED TO THIS AGREEMENT OR ANY OTHER TRANSACTIONAL AGREEMENTS. ADDITIONALLY, PREMIER'S TOTAL LIABILITY TO CUSTOMER ARISING OUT OF OR RELATED TO ANY PARTICULAR SOLUTION, WHETHER BASED IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE, SHALL NOT EXCEED IN THE AGGREGATE THE ANNUAL SUBSCRIPTION FEES PAID TO PREMIER FOR THE MOST RECENT ANNUAL PERIOD WITH RESPECT TO SUCH SOLUTION.

(d) Non-Premier Data. Certain Solution(s) may allow Customer to view data of other healthcare organizations, and certain Content and Deliverables may be based on, may be derived from or may otherwise contain data or information provided by Customer or third parties, including other healthcare organizations (collectively, "Non-Premier Data"). Customer agrees that (i) Premier is not the original source of Non-Premier Data, (ii) Premier has no control over the truth, accuracy or completeness of Non-Premier Data, (iii) Premier shall not be liable to Customer for any inaccuracies of any Non-Premier Data, and (iv) Customer is solely responsible for deciding how to use Non-Premier Data and for the consequences of such use. PREMIER MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT, WITH RESPECT TO NON-PREMIEER DATA, AND ALL SUCH REPRESENTATIONS AND WARRANTIES ARE HEREBY DISCLAIMED BY PREMIER AND WAIVED BY CUSTOMER.

### 9. Indemnification.

(a) Indemnification by Premier. If a third-party (who is not an Affiliate of Customer) claims that Customer's use of the Solution(s) infringes or misappropriates any registered United States trademark, patent or copyright or a trade secret held by such third party, Customer must promptly notify Premier in writing of such claim. If so notified, Premier will, at its reasonable cost, defend Customer against such claim if Customer reasonably cooperates, at Premier's expense, with Premier and allows Premier to control the defense and all related settlement, and then Premier will indemnify Customer from and against any damages finally awarded for such infringement. If an injunction is sought or obtained against Customer's use of the Solution(s) as a result of such third-party infringement claim, Premier shall, at its sole option and expense, (i) procure for Customer the right to continue using the infringing portion of the Solution(s), (ii) replace or modify the infringing portion of the Solution(s) with equivalent functionality so that it does not infringe, or (iii) terminate the Solution Exhibit(s) and

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the corresponding Solution(s) giving rise to such third-party infringement claim, in which case Premier will provide Customer a pro rata refund of pre-paid fees for the then-current term based on the time period during which Customer will be prohibited from using the Solution(s) as a result of such third-party infringement claim. However, Premier shall have no liability for any third-party claim of infringement if the claim resulted from or is otherwise caused by, in whole or in part, (A) Customer's failure to comply with any term or condition under this Agreement, including the applicable Solution Exhibit(s), (B) Customer's acts or omissions, (C) Customer's modification of the Solution(s) or any part thereof, or (D) Customer's combination of the Solution(s) or any part thereof with any hardware or software of Customer or a third party. This Section 9 constitutes the entire liability of Premier, and Customer's sole and exclusive remedy with respect to, any third-party claims of infringement.

(b) Indemnification by Customer. If a third-party (who is not an Affiliate of Premier) claims that any Customer Data provided to Premier infringes or misappropriates any registered United States trademark, patent or copyright or a trade secret held by such third party, Premier must promptly notify Customer in writing of such claim. If so notified, Customer will, at its reasonable cost, defend Premier against such claim if Premier reasonably cooperates with Customer, at Customer's expense, and allows Customer to control the defense and all related settlement, and then Customer will indemnify Premier from and against any damages finally awarded for such claims. In the event of any such claim, Premier shall have the right to terminate the applicable Solution Exhibit(s) and corresponding Solution(s) or part thereof giving rise to such claim or to terminate this Agreement; without liability to Customer.

**10. Nonsolicitation of Employees.** Each party agrees not to induce, hire, or directly or indirectly solicit or employ, any employee or independent contractor of the other party with whom it has had direct contact during the term of this Agreement. Such restriction shall continue during the term of this Agreement and for a period of twelve (12) months after the date this Agreement terminates. The foregoing restriction shall not apply to (i) any employee or independent contractor who has ceased to be employed by, or affiliated as a contractor with, a party hereto for a period of at least three (3) months, nor (ii) any solicitation or hiring consisting of or resulting from advertising in a newspaper of general circulation or through the Internet. If this Section 10 is breached, then the party in breach shall pay the non-breaching party an amount equal to six (6) times the hired employee's or independent contractor's most recent monthly compensation rate as reasonable liquidated damages the non-breaching party would incur as a result of such breach.

## 11. Miscellaneous.

### (a) Publicity.

(i) Premier may issue a press release within thirty (30) days after execution of each Solution Exhibit announcing that Customer has subscribed to the corresponding Solution. Premier may also issue a press release regarding Customer's experience deploying each Solution within twelve (12) months after execution of the corresponding Solution Exhibit. Customer agrees to provide an executive who will be available to speak to the press "on the record" for six (6) months, starting from the issuance of each press release, to validate facts in the press release and describe the benefits Customer expects to receive or has received from its use of the applicable Solution(s). Customer will use reasonable efforts to speak with reporters in the time frames requested. Premier agrees not to release a press release using Customer's name without first getting Customer's prior approval, which approval will not be unreasonably withheld or delayed.

(ii) Premier may use Customer's name as a Premier customer on the Premier website, in Premier corporate presentations and collateral, in Premier corporate advertising, in email communications with Premier prospects and during discussions with press and analysts.

(iii) Premier may prepare and distribute a case study describing Customer's experience with each and every Solutions with Customer's prior approval, which approval will not be unreasonably withheld or delayed.

(iv) If requested by Premier, Customer agrees to complete a project survey regarding each Solution subscribed by Customer. Premier may share the contents of the project survey with Premier customers and prospects.

(v) Customer agrees to participate in an in-person or Web seminar describing its experience deploying each Solution subscribed by Customer within twelve (12) months after Customer's execution of the corresponding Solution Exhibit.

(b) Assignment. Except in the case of a merger, consolidation or sale of substantially all the assets or capital stock of a party, neither Customer nor Premier shall assign (or sublicense), whether voluntarily or by operation of law, any of its rights or delegate any of its obligations under this Agreement to any person or entity without the prior written consent of the other party; provided, however, Premier may use third-parties in connection with any services provided to Customer. Subject to the limitations on assignment set forth above, this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective permitted assigns and permitted successors in interest.

(c) Capacity. All signatories to this Agreement warrant and represent that they have capacity and authority to execute this Agreement, and to bind their respective principals in the capacities set forth below.

(d) Severability. If any provision contained in this Agreement is held to be unenforceable by an arbitrator or by a court of law or equity, this Agreement shall be construed as if such provision did not exist, and the unenforceability of such provision shall not in any way affect the enforceability of any other provision of this Agreement.

(e) Force Majeure. Any delays in or failure of performance of either party shall not constitute a default under this Agreement, or give rise to any claim for damages to the extent such delays or failure of performance are caused by circumstances beyond the reasonable control of such party, including acts of God, fire, flood, explosion, war, terrorism, strikes or work stoppages, inability to obtain equipment or transportation, breakage or failure of equipment, or loss of any necessary utility. The time for performance so delayed will be deemed extended for the period of such delay. This Section 11(e) shall not excuse Customer from making any payments required under this Agreement.

(f) Waiver. The failure to enforce or the waiver by either party of one default or breach of the other party shall not be considered to be a waiver of any subsequent default or breach.

(g) Remedies. Subject to the limitations set forth in Section 8, each party acknowledges that a violation of Sections 3(c), 5, 6, 7 and 11(a) of this Agreement may cause substantial and irreparable injury to the other party for which the other party's remedies at law may not be adequate. Accordingly, the parties agree that the non-breaching party shall be entitled to seek injunctive relief with respect to any breach, or threatened breach, of said Sections of this Agreement, and that such right shall be in addition to, and not

## CONFIDENTIAL AND PROPRIETARY

in limitation of, any other rights or remedies to which the non-breaching party may be entitled at law or in equity.

(h) Notices. All notices, payments, consents, waivers and other communications required or permitted by this Agreement shall be in writing and shall be deemed given to a party when: (i) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (ii) sent by fax with confirmation of transmission by the transmitting equipment; or (iii) received or rejected by the addressee, if sent by certified mail, return receipt requested, in each case to the following addresses or fax numbers and marked to the attention of the person (by name or title) designated below (or to such other address, fax number or person as a party may designate by notice to the other party):

To Premier: Premier, Inc.  
13034 Ballantyne Corporate Place  
Charlotte, NC 28277  
Fax: 704-816-5652  
Attn: Angela Lanning

To Customer: \_\_\_\_\_  
\_\_\_\_\_  
Fax: \_\_\_\_\_  
Attn: \_\_\_\_\_

(i) Entire Agreement. This Agreement and the other Transactional Agreements constitute the entire and integrated agreement between Premier and Customer with respect to the subject matter hereof. All previous understandings relative thereto, either written or oral, are hereby annulled and superseded. No modification to this Agreement or any other Transactional Agreement shall be binding on either party unless it is in writing and signed by both Premier and Customer, and which writing specifically references this Agreement and the other Transactional Agreements, as applicable.

(j) Conflicts. In the event of a conflict between the terms of the Solution Exhibit corresponding to the Solution subscribed by Customer and the terms of this Agreement, the Solution Exhibit shall control. In the event of a conflict between the terms of the Business Associate Addendum and the terms of this Agreement concerning Protected Health Information, the Business Associate Addendum shall control.

(k) Governing Law. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of

IN WITNESS WHEREOF, Premier and Customer have each caused this Agreement to be executed by its duly authorized representatives as of the date set forth below.

HospitalName

CityState

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

North Carolina without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the State of North Carolina.

(l) Relationship of the Parties. Each party shall operate as, and have the status of, an independent contractor with respect to the other party. Nothing contained in this Agreement shall be construed as authorizing either party to act as an agent for the other party.

(m) Construction. The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring a party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The words "include," "includes," and "including" shall mean "including without limitation" or "including but not limited to." Unless the context otherwise requires, (i) words using singular or plural number also include the plural or singular number, respectively; (ii) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this Agreement in its entirety; and (iii) the masculine gender shall include the feminine and neuter. The section headings are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement. Use of the word "Agreement" in this Section 11 and Section 5 means to include the other Transactional Agreements, as applicable.

(n) Further Assurances. Each party shall execute such documents and other instruments and take such further actions as may reasonably be requested by the other party to carry out the provisions of this Agreement.

(o) Signature. This Agreement may be executed by a party's signature transmitted by facsimile or electronic portable document format (.pdf), and copies of this Agreement so executed and delivered shall have the same force and effect as originals.

(p) Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall be effective when one or more such counterparts have been signed by each of the parties and delivered to the other parties.

Premier Healthcare Solutions, Inc.

Charlotte, North Carolina

By: \_\_\_\_\_

Name: Angela C. Lanning

Title: Vice President Integrated Service Center

Date: \_\_\_\_\_

# Premier Milliman Consulting Services Agreement

## EchoSign Document History

March 26, 2015

Created: March 26, 2015  
By: Greg Gardner (greg\_gardner@premierinc.com)  
Status: SIGNED  
Transaction ID: XLA9ELLXN5A2D6K

## “Premier Milliman Consulting Services Agreement” History

-  Document created by Greg Gardner (greg\_gardner@premierinc.com)  
March 26, 2015 - 8:00 AM EDT - IP address: 216.221.240.130
  -  Document emailed to R. Wesley Champion (jodie\_glenn@premierinc.com) for signature  
March 26, 2015 - 8:03 AM EDT
  -  Document viewed by R. Wesley Champion (jodie\_glenn@premierinc.com)  
March 26, 2015 - 9:38 AM EDT - IP address: 216.221.240.130
  -  Document e-signed by R. Wesley Champion (jodie\_glenn@premierinc.com)  
Signature Date: March 26, 2015 - 9:39 AM EDT - Time Source: server - IP address: 216.221.240.130
  -  Signed document emailed to Greg Gardner (greg\_gardner@premierinc.com) and R. Wesley Champion (jodie\_glenn@premierinc.com)  
March 26, 2015 - 9:39 AM EDT

**Statement of Work**  
Milliman PRM Analytics® License

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Premier Customer Name: CaroMont Health, Inc.

Project Name: Milliman PRM Analytics License

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*General: This Statement of Work (SOW) is entered into as of April 1, 2016 (the "Effective Date"), by and between Milliman, Inc. ("Milliman" or "Consultant") located at 1301 Fifth Avenue, Suite 3800, Seattle, WA 98101, with an office at 111 Monument Circle, Suite 601, Indianapolis, IN 46204, and Premier Healthcare Solutions, Inc. ("Customer"), located at 13034 Ballantyne Corporate Place, Charlotte, NC 28277. This SOW is subject to the terms and conditions of the Consulting Agreement dated March 24, 2015 (the "Agreement"). In the event of any conflict between the terms and conditions in this SOW and those in the Agreement, this SOW shall control. In consideration of the promises and agreements set forth below, Milliman and Customer agree as follows:*

*The following are incorporated in and made part of this SOW:*

## 1. SERVICES

- 1.1. **License Grant.** Subject to the terms and conditions of the Agreement, Consultant hereby grants to Customer a limited, non-transferable, non-sub licensable, non-exclusive right and license during the Term of this SOW (as set forth below) to secure access and use of Milliman PRM Analytics® (the "Product") for CaroMont Health, Inc. ("CaroMont"). Access and contract terms applicable for the Product by CaroMont will be pursuant to the terms and conditions of the Customer Contract Terms attached to the Agreement as Exhibit C that have been agreed to by and between Customer and CaroMont, attached hereto (the "Subscription Agreement"). Consultant agrees to host the Product and make its 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 SOW (collectively, the Product and additional services described herein shall be referred to as the "Services").
- 1.2. **Implementation and Training Services.** Consultant will implement and configure the Services and will provide training to Customer in accordance with the scope set forth in Exhibit B.

**Acceptance.** After completion of end-user training, receipt of deliverables identified in Exhibit B, and review by CaroMont, CaroMont shall notify Customer, who shall in turn notify Milliman whether CaroMont and Customer accept (the "Acceptance" or "Acceptance Date") or reject the Product in accordance with the Acceptance Criteria.

**Acceptance Criteria.** CaroMont shall have the right to reject the Product if it fails to perform in accordance with the following:

- 1.2.1. the Product shall operate in compliance with the documentation to which CaroMont has licensed access – the User Guides;
  - 1.2.2. the Product shall be free of any Material Defects (defined as a defect which would prevent any of the Product features as described in Product Scope of Exhibit B from operating as set forth therein and which would result in the inability in a material way of CaroMont to support its business or operations as contemplated by this Agreement and the agreement between Customer and CaroMont);
  - 1.2.3. CaroMont users shall have access and ability to run reports, and extract outputs from the Product in a production environment; and
  - 1.2.4. the reports, scores and outputs produced by the Product shall be based on CaroMont data.
- 1.3. **Customer's Use of the Product.** Customer agrees to use the Product solely: (i) for the Customer to secure access and use of the Product for CaroMont Health and (ii) in accordance with the documentation and policies for the Product established by Consultant from time to time and furnished by Consultant to Customer. Customer and CaroMont Health will not provide access to any portion of the Product to any person or entity other than the employees or agents of itself or CaroMont Health, or otherwise use the Product, except as expressly permitted by this SOW. Customer may, and shall ensure that CaroMont Health shall, permit access to the Product to third party contractors provided that: (a) Customer shall, and shall ensure that CaroMont Health shall, ensure that all contractors' use and access to the Product is in compliance with the terms of this SOW; (b) all contractors shall be under a written confidentiality agreement similar to the terms of this SOW; and (c) Customer shall, and ensure that CaroMont Health shall, be and remain liable for any breach of the terms of this SOW by its contractors.
- 1.4. **Ownership.** Consultant and its suppliers own all right, title, and interest in and to the following property (the "Consultant Property"): (i) the Product, all software, hardware, and other technology used or made available by Consultant in connection with the Product; (ii) all ideas, know-how, and techniques that may be developed or discovered by Consultant under this SOW; 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 Consultant Property: (a) the use rights set forth in this SOW are the entirety of Customer's rights in connection with any Consultant Property; and (b) Customer shall not use, reproduce, distribute, sublicense to any party other than CaroMont Health as prescribed by the terms and conditions of a Subscription Agreement, broadcast, or commercially exploit any Consultant Property.
- 1.5. **License Period.** Subject to the terms and conditions of this SOW, during the License Term, Consultant will provide a license to the Product in accordance with the Services description described in Exhibit B, solely as necessary to allow Customer to secure access and use of the Product for CaroMont Health. Access and contract terms applicable for the Product by CaroMont will be pursuant to the terms and conditions of a Subscription Agreement between Customer and CaroMont Health. System Access Start Date, defined as access for designated authorized Customer and CaroMont Health users to the Product, will commence on the day of training as described in Exhibit B, and run through the end

of calendar month of the contract term then in force. By example, if training is 4/15/2015 for a one year (twelve month) contract term, access would terminate on 4/30/2016. Additionally, during the License Term, Consultant shall provide Operations Support Services to Customer and CaroMont Health 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/CaroMont Health Contact”).

## 2. CUSTOMER DATA

- 2.1. **Consultant's Right to Use.** Customer grants to Consultant a non-exclusive, royalty-free, limited, revocable, worldwide, and non-sublicensable right and license to aggregate, compile, decompile, manipulate, reproduce, modify, supplement, adapt, translate, create derivative works from, distribute, publish, disclose and otherwise use Customer and CaroMont Health’s data for its business purposes, as permitted by laws, including: (i) to provide the Product; and (ii) to perform Consultant’s obligations or to exercise its rights under this SOW; provided, Protected Health Information shall be used in accordance with the Downstream Business Associate Agreement. Customer warrants and covenants that, throughout the term of this SOW, (i) Customer has the right to authorize Consultant’s use of the Customer Data as set forth in this SOW; and (ii) the Customer Data is valid and accurate in all material respects.

## 3. FEES AND PAYMENT TERMS

- 3.1. **Fees.** Customer hereby agrees to pay Consultant pursuant to Table 1 in Exhibit A for the Services as specified in Exhibit A and C of this SOW within thirty (30) days of receipt of an invoice from Consultant. Consultant shall invoice Customer in arrears in equal monthly installments throughout the Term. If, at any time, Customer is delinquent in the payment of any fees hereunder (or is otherwise in breach of this SOW), then Consultant 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 Consultant. Each invoice shall be deemed undisputed unless Consultant shall have received from Customer not later than thirty (30) calendar days from the date of Consultant’s invoice written notice that Customer is disputing that particular invoice, which notice shall set forth with particularity details as to which portion of the invoice is disputed and the reasons for the dispute. Customer shall nevertheless pay all undisputed portions and amounts as set forth in this Section, and the parties shall use good faith efforts to reconcile the disputed amount as soon as practicable. Delinquent payments for undisputed invoices will accrue interest at the rate of 1.5% (one and one half percent) per month or the highest rate allowed by applicable law, whichever is lower.
- 3.2. **Taxes.** In addition to the fees described in this SOW, Customer shall pay (or, at Consultant’s election, reimburse Consultant) for all taxes and assessments due in connection with this SOW, including any penalties resulting from the failure to pay the same, but excluding taxes based on Consultant’s net income or its authority to do business within a given jurisdiction.

#### **4. WARRANTIES AND LIMITATIONS**

- 4.1. Product Warranty.** Consultant warrants that, during the term of this SOW, the Product shall materially conform to the specifications set forth in the Agreement. Customer's sole and exclusive remedy for breach of the foregoing warranty shall be Consultant'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; provided, (i) Customer may delay payment to Consultant on any invoice due and owing during the time that the Product was non-conforming; (ii) Customer shall be entitled to a refund of any pre-paid fees for the period of time such breach impaired Customer's ability to use the Product; and (iii) in the event Consultant is not able to remedy the non-compliance within thirty (30) days then Customer shall have the option to terminate this Agreement.
- 4.2. Limitation of Warranty.** The express warranties set forth in the Agreement, this Section 4 and in Section 13 of the SOW are the sole warranties provided by Consultant hereunder. CONSULTANT SPECIFICALLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, CONDITIONS, AND GUARANTEES OF ANY KIND, EITHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THE PRODUCT OR SERVICES PROVIDED UNDER THIS SOW, 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 SOW WILL BE LIMITED TO THE AMOUNT OF ALL FEES CHARGED HEREUNDER WHICH WERE ACTUALLY PAID TO CONSULTANT BY CUSTOMER AND INDIRECTLY BY CAROMONT HEALTH 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 SOW, 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, Consultant's breach of the Downstream Business Associate Agreement or payment obligations set forth in the SOW, Customer's violation of Consultant'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 SOW reflect the limitation on warranties and liability, and the allocation of risk, under this SOW.

**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, CONSULTANT DISCLAIMS ANY WARRANTY THAT THE PRODUCT CONSTITUTES REASONABLE OR ORDINARY CARE IN THE PROVISION OF HEALTH CARE SERVICES TO ANY INDIVIDUAL PATIENT.

**5. [INTENTIONALLY OMITTED]**

**6. CONFIDENTIALITY**

**6.1. ID Codes and Passwords.** Customer shall, and shall ensure that CaroMont Health shall, that the corporate identification codes, user identification codes, and user passwords used in connection with the Product (“ID Codes”) are kept confidential. Customer shall, and shall ensure that CaroMont Health, be responsible for all transactions entered through and under any ID Codes, and any such transactions will be deemed to be made by Customer and CaroMont Health. In no event will Consultant be liable for the foregoing obligations or the failure by Customer to fulfill such obligations.

**6.2. Publicity.** Except as otherwise required by law, Customer shall not refer to the Product in any communications with third parties. In particular, without limiting the foregoing, Customer shall, and ensure through its agreement with CaroMont Health that CaroMont Health 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.

**7. TERM; DUTIES UPON TERMINATION**

**7.1 Term.** The Term of this SOW (during which time the Customer and CaroMont Health shall be granted the limited license set forth in Section 1.5 of this SOW) shall commence as of the Effective Date of this SOW and shall terminate upon termination of the Evaluation Term (as defined in Exhibit A). Upon CaroMont Health’s execution of an agreement to continue to subscribe to the Product beyond the Evaluation Term (the “CaroMont Health Agreement”), the term of this SOW shall automatically extend until termination of the CaroMont Health Agreement (the “License Term” together with the Evaluation Term shall be referred to as the “Term”). Unless earlier terminated as provided herein, the terms of this Agreement and the evaluation of the Software shall terminate ninety (90) days from the date of this Agreement. (the “License Term”).

**7.2 Duties upon Termination.** Upon termination of this SOW: (i) Customer shall immediately pay Consultant for all unpaid fees accrued hereunder through the effective date of termination; (ii) Consultant may invalidate the ID Codes and otherwise deny further access to the Product; and (iii) at Customer’s written request, Consultant will

provide an electronic copy of Customer Data within 30 days of receiving such request, provided that Consultant 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 and in the SOW. Termination of this SOW 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 SOW 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, and 7.2 of this SOW shall survive the termination of this SOW.

**MILLIMAN, INC.**

By Art Holmes

Title Principal and Consulting Actuary

Date June 29, 2016

**CUSTOMER**

By Leigh Anderson  
Leigh Anderson (Jun 29, 2016)

Title CIO

Date Jun 29, 2016

Contract Effective Date: June 29, 2016

## **Exhibit A - Milliman PRM Analytics® License for Premier and CaroMont Health**

### **FEES FOR SOFTWARE**

Milliman will invoice Customer \$1,000 to cover user interface expenses Milliman incurs to provide this trial from a third party vendor. Payment due to Milliman upon execution of this SOW. Post the Evaluation Term, access (end user licenses) will be provided for up to 25 (twenty-five) end users to the PRM Reports for June 1, 2016 through May 31, 2019. The customer will be charged fees as set forth in Table 1 (below) and notes to the table.

### **INCLUDED SERVICES**

One hands-on user training session of approximately 1-2 hours duration is provided at the time of initial Customer onboarding, to be conducted via Web-Ex.

The population data utilized will be limited to the CaroMont Health Population as documented in Table 1 below and will be limited to two consecutive monthly data loads.

Access (end user licenses) will be provided for up to 10 (ten) end users to the PRM Reports subject to this SOW for forty-five (45) days.

SaaS Offering	Description
<b>Cost Model Dashboard</b>	Business intelligence tool that provides organizations a way to visualize and drill into their claims and demographic data for top-down analysis.
<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>Physician Risk and Credibility Adjusted Report</b>	Operational management tool used to report on various aspects of physician performance. The tool first adjusts physician experience for patient morbidity using industry standard risk scores, then adjusts measures to account for the unreliable nature of small patient panels and general patient cost variability.
<b>Power User Data Mart</b>	Flat File extracts from the internal PRM Database containing processed customer data, along with Milliman proprietary analytics that can be loaded into customer's data analysis systems. The flat files will be accompanied by a data dictionary describing each data element. This is designed to allow data analysts to do further analysis and data exploration on the processed data.

The trial period ("Evaluation Term") shall commence April 15, 2016 and end May 31, 2016.

Post the Evaluation Term, access (end user licenses) will be provided for up to 25 (twenty-five) end users to the PRM Reports for June 1, 2016 through May 31, 2019.

**Table 1: CaroMont Patient Population by Payer Class  
(Initial Agreement)**

Initial Agreement								
Business Line	Category Total Members	Base Member Count	Initial On Board Fees	Base Annual Fee to Premier	PMPM > 10% Member Growth	Additional Cost for Member Growth	Total Annual License Fee to Premier	
<b>MSSP</b>								
MSSP (count as of 1/1/16)	10,813	9,900	0	\$ 141,000	\$ 0.08	\$ 876.48	\$ 141,876	
<b>GRAND TOTAL, ALL MEMBERS</b>	<b>10,813</b>	<b>9,900</b>	<b>\$ -</b>				<b>\$ 141,876</b>	
<b>GRAND TOTAL</b>				<b>\$ 141,876</b>				

**NOTES TO TABLE 1**

- Total Annual License Fees are to be paid at 1/12<sup>th</sup> the annual amounts shown above beginning June 1, 2016.
- A change in fee of \$0.08 PMPM for the new patient population count will occur if there is a greater than 10% increase in the patient population.
- CaroMont may terminate its subscription to PRM Analytics on May 31, 2018. If CaroMont exercises the early termination provision, Premier will notify Milliman of such early termination no later than March 31, 2018 and will pay Milliman 25% of the fees for June 1, 2018 through May 31, 2019.

(continued on next page)

**Table 2: CaroMont Patient Population by Payer Class  
(Additional Business Lines: May Be Contracted at a Future Time)**

CaroMont may request PRM Reports for additional business lines. If such request is made by CaroMont, additional business lines will be activated with notification to Milliman by Premier. Pricing for additional business lines is included in Table 2 below.

Additional Business lines to be contracted at a future time								
Business Line	Category Total Members	Base Member Count	Initial On Board Fees	Milliman Base Annual Fee to Premier	Additional Cost PMPM > 10% Member Growth	Additional Cost for Member Growth	Total Annual License Fee to Premier	
<b>Medicare Advantage</b>								
Coventry	72		\$175/hr not to exceed \$10,000					
CIGNA Healthspring	631		\$175/hr not to exceed \$10,000					
Humana	2,800		\$175/hr not to exceed \$10,000					
	3,503	3,503		\$ 31,000	\$ 0.08	\$ -	\$ 31,000	
<b>Commercial</b>								
Coventry Commercial	1,000		\$175/hr not to exceed \$30,000					
Aetna Commercial	3,000		\$175/hr not to exceed \$30,000					
CIGNA Commercial	3,000		\$175/hr not to exceed \$30,000					
CaroMont Employees	5,000	5000	\$175/hr not to exceed \$30,000					
State Health Plan (current contract, future claims)	2,800		\$175/hr not to exceed \$30,000					
	14,800	14,800		\$ 43,000	\$ 0.08	\$ -	\$ 43,000	
Managed Medicaid (future contract ~ 2020)		N/A	N/A		N/A			
<b>GRAND TOTAL, ALL MEMBERS</b>	<b>18,303</b>	<b>23,303</b>	<b>\$ 180,000 Max On Board Fees</b>				<b>\$ 74,000</b>	
<b>GRAND TOTAL</b>				<b>\$ 254,000</b>				

#### NOTES TO TABLE 2

- Payment terms for the Initial On Board fees are 50% of the ‘not to exceed’ amount on June 1, 2016 with the balance being due at the completion of User Acceptance Testing as defined in section 1.2 in the Agreement.

*Change 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 Standard Services – Software as a Service (SaaS) Offering

PRM Standard Services - SaaS	Description
Initial Customer Setup	Setup of secure data transfer protocols for extraction of claims data from Customer's administrative systems for their covered

	population. Initial onboarding of medical and pharmacy claims, member demographic and eligibility information, and provider information. 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 claims data. Additional data sets can be added as a change order.
<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. Includes 25 user licenses. Additional user licenses may be added at \$200 per user license.
<b>Extraction, Processing, and Warehousing of Claims Data</b>	Development of software processes, data models, and data quality checks for claims data. Timely communication of issues to facilitate data reconciliation and correction. Continued maintenance of a data warehouse that underlies the above components.
<b>Cost Model Dashboard</b>	Business intelligence tool that provides organizations a way to visualize and drill into their claims and demographic data for top-down analysis. Includes 10 user licenses. Additional user licenses may be added at \$200 per user license.
<b>Physician Risk and Credibility Adjusted Report</b>	Operational management tool used to report on various aspects of physician performance. The tool first adjusts physician experience for patient morbidity using industry standard risk scores, then adjusts measures to account for the unreliable nature of small patient panels and general patient cost variability. Includes 10 user licenses. Additional user licenses may be added at \$200 per user license.
<b>Monthly Production of Reports</b>	New reports are generated on a monthly basis based on receipt of updated customer data. This includes the Power User Data Mart.

## **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 Consultant 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.** One hands-on user training session of approximately 3-4 hours duration is provided 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 SOW.

**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 be for a period of one month upon signing of this SOW. 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 SOW.

### **Service Description for Milliman PRM Analytics™ Cost Model Dashboard**

**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.
- 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.** One hands-on user training session of approximately 3-4 hours duration is provided 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 SOW.

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

- A. Description.** Consultant will provide Customer 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 Customer to import the data into their system(s). The flat file extracts will be produced monthly and will be delivered to Customer through a secure FTP website.

## **III. 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 be for a period of one month upon signing of this SOW. 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.** Cost Model Dashboard 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 SOW.

## **Glossary of Terms**

- **BI:** Business Intelligence
- **CCR:** Milliman PRM Analytics Care Coordinator Report
- **PMPM:** Per member per month
- **PRCA:** Physician Risk and Credibility Adjusted
- **UAT:** User Acceptance Testing
- **UI:** User Interface

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

**Statement of Intent.** Consultant strives to provide a high level of service. This Service Level SOW ("SLA") outlines the services, site availability, and support that Consultant will provide to PRM Analytics™ clients (also referred to as "Customer")

**I. Time Conventions.** This SLA uses the following conventions to refer to times:

- A. Times expressed in the format "hours: minutes" reflect the Eastern Time zone.
- B. Times expressed as a number of "business days" include Consultant business hours Monday through Friday, excluding Consultant designated holidays.
- C. The symbol "---" indicates that no time applies to the associated category.

**II. Services Provided.** Under this Agreement, Consultant will provide implementation support services to Customer as outlined below:

**A. Implementation.** Implementation of the Consultant product includes:

1. Perform the credentialing for Customer;
2. Provision Customer for access to the Product;
3. Obtain any third party consents required in order for Customer to access the Product;
4. Access to the product through a secure and encrypted channel;
5. Technical support by email to assist the Customer in startup as needed. A user guide is available online; and
6. Help Desk support as detailed under Section III. Consultant Support Responsibilities.

**B. Redundancy.** The primary purpose for backup to magnetic media is to help Consultant provide its customers with timely disaster recovery should the Services be rendered inoperative due to hardware or environmental impacts. Services restoration will be performed as a recovery procedure after a disaster and is included in the Consultant provided Services. Consultant's formal backup procedures includes a full backup of the software and any necessary databases on a weekly basis. Incremental backups will be performed daily. Consultant will determine the method and process including hardware/software used for all data backup operations.

**C. Availability.** The availability of the Product is outlined below.

1. **Normal Service Availability Schedule.** The product is available 24 hours a day, seven days a week with the exception of planned outages for upgrades or unplanned outages outside of Consultant control. Consultant represents and warrants that except

in the case of catastrophic failure of the Server and/or Software caused by circumstances outside of Consultant's control, Consultant will maintain monthly availability of 98.00%.

Consultant's SLA applies only to outages directly related to the data center hosting the server and the proprietary software. The Scope of this SLA does not include the performance or availability of any public Internet backbone or network, any server or other equipment on the Internet outside of Consultant's host facility, Customer's premise equipment or local access service of any type.

Events of Force Majeure shall not be deemed Service Unavailability for the purpose of this SLA.

Table C.1 shows the times when Consultant is scheduled to be available for Customer support:

**Table C.1 Customer Support Availability\*\***

Time s	Sunday	Monda y	Tuesda y	Wednesda y	Thursda y	Friday	Saturda y
Start	---	8:00	8:00	8:00	8:00	8:00	---
Stop	---	17:00	17:00	17:00	17:00	17:00	---

\*\*Adjusted when necessary for scheduled outages and non-emergency enhancements.

2. **Scheduled Events that Impact Service Availability.** Regularly scheduled events can cause a temporary service outage. Notice to Customer of scheduled events that may result in an outage of longer than 15 minutes, that are deemed by Consultant to be required, shall occur at least two (2) business days in advance. Table C.2 shows the typical times when these events may occur.

**Table C.2 Scheduled Outages**

Time s	Sunday	Monda y	Tuesda y	Wednesda y	Thursda y	Friday	Saturda y
Start	23:00*	23:00*	23:00*	23:00*	23:00*	23:00 *	00:00
Stop	02:00*	02:00*	02:00*	02:00*	02:00*	02:00 *	23:59

\*Weekday scheduled events will only occur for urgent updates or upgrades

**III. Consultant Support Responsibilities.** Consultant provides the following support to all Customers:

- A. User Support.** Consultant provides user support by way of a fully trained Help Desk accessible through email at [prm.support@milliman.com](mailto:prm.support@milliman.com). The intent of the Help Desk is to resolve Consultant-trained end users issues, not to entertain requests for Services enhancements, modifications, or clinical guidance.
- B. Problem Severity Description.** Table C.3 outlines problem severity descriptions. The diagnosis of severity as related to a reported issue is determined by qualified Consultant system engineers/analyst.

**Table C.3 Problem Severity Descriptions**

Severity	Description
Priority 1	All or most of the service functionality is lost. Consultant is not operational and there is no workaround. A Priority 1 problem can be reduced to a Priority 2 problem if an acceptable workaround is found. <b>Priority 1 support takes effect immediately until the issue is resolved.</b>
Priority 2	Some functionality of the services is lost but still provides useful information. Priority 2 issues are queued ahead of standard issues.
Standard	Service functionality is intact with issues revolving around items that limit the usefulness and/or user friendliness of the system.

**1. Problem Reporting Process.**

All issues received via the support email address will provide an auto-reply to acknowledge receipt of the issue. Within 1 business day Consultant Customer Support will provide a reply as to the problem Severity level and/or courses of action to be taken in relation to the issue. As part of the diagnosis/triage Consultant may request additional information and/or diagnostics to be performed by Customer to effectively identify the issue.

**2. Problem Resolution.** When Consultant's Help Desk is informed of a problem, the following actions are taken:

- a. **Problem Reproduction.** Consultant's Customer Support Department will attempt to reproduce the problem. For this, a customer will need to provide a clear description of the circumstances under which the problem occurs. This may include Customer Support requesting the email address (account name) of the account in question. As part of problem reproduction Consultant may request more information and/or diagnostics to be performed by Customer.
- b. **Defect Logging.** When the problem has been duplicated by Consultant's Customer Support Department; it may be logged as a defect in Consultant's defect database if the root cause of the original problem is due to a software defect

- c. **Defect Investigation.** Consultant's Product Development Team will investigate the cause of the problem.
- d. **Workaround.** When, in the course of the investigation, alternative ways are found to obtain the design goal while avoiding the interruptive symptoms of the defect; these workarounds will be communicated as a solution to the problem. If the defect is deemed critical, a slipstream release will be created to address the issue. If the defect is minor it will likely be addressed in a future release of the system.