



NEW YORK STATE DEPARTMENT OF CIVIL SERVICE

EMPLOYEE BENEFITS DIVISION

PHARMACY BENEFIT SERVICES

AGREEMENT #C000615

AMENDMENT #2

between

**NEW YORK STATE
DEPARTMENT OF CIVIL SERVICE**

and

CAREMARKPCS HEALTH, L.L.C.

NEW YORK STATE DEPARTMENT OF CIVIL SERVICE**and****CAREMARKPCS HEALTH, L.L.C.
AGREEMENT #C000615****AMENDMENT #2**

THIS Second Amendment to Agreement #C000615, entitled Pharmacy Benefit Services, is entered into by and between New York State Department of Civil Service ("Department" or "DCS"), having its principal office at the Agency Bldg 1, Empire State Plaza, Albany, NY, 12239 and CaremarkPCS Health, L.L.C. ("Contractor"), a limited liability company authorized to do business in the State of New York with a principal place of business located at One CVS Drive, Woonsocket, Rhode Island 02895, and collectively referred to as "the Parties."

WHEREAS, Section 2.2.0 of the Agreement states that the Agreement is subject to amendment(s) only upon mutual consent of the Parties, reduced to writing and approved by the AG and the OSC; and

WHEREAS, the Department has requested and the Contractor has agreed to implement an immunization program in which certain non-grandfathered Empire Plan, Excelsior Plan and Student Employee Health Plan enrollees can receive preventive vaccines in accordance with Affordable Care Act (ACA) mandates, at pharmacies that participate in the Contractor's Vaccine Network thereby allowing improved access to preventive vaccines, including influenza, pneumococcal, meningococcal and zoster, that are permitted by applicable law to be administered by pharmacy personnel; and

WHEREAS, the vaccine benefit will be extended to non-Medicare primary enrollees and dependents in non-grandfathered groups for the Empire Plan, Excelsior Plan and Student Employee Health Plan, effective October 1, 2014. Medicare primary enrollees already have coverage for these vaccines in a pharmacy setting under Medicare B and D; and

WHEREAS, the Department has requested and the Contractor has agreed to implement a medical exception process to review medical necessity of drugs that are excluded from the Empire Plan Flexible formulary and/or Excelsior Plan PDL, upon Enrollees' physicians submission of clinical information which supports coverage.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties hereby amend the Agreement as follows:

- I. Section 4.1.6d of the Agreement is revised to read as follows:
 “**4.1.6d** Exhibit D: the Summary Plan Descriptions and Benefit Summaries;”
- II. Section 4.1.6e of the Agreement is revised to read as follows:
 “**4.1.6e** Exhibit E: Specialty Pharmacy Program Dispensing Fees;”
- III. Section 4.1.6f of the Agreement is revised to read as follows:
 “**4.1.6f** Exhibit F: Financial Guarantee; and”
- IV. Article IV, Document Incorporation and Order of Precedence, of the Agreement is hereby amended by adding the following new section:
 “**4.1.6g** Exhibit G: Vaccination Network Pricing.”
- V. Section 4.1.7j of the Agreement is hereby deleted in its entirety and replaced with the following:
 “**4.1.7j** Tenth, Exhibit D, the Summary Plan Descriptions and Benefit Summaries, Exhibit E, Specialty Pharmacy Program Dispensing Fees, Exhibit F, Financial Guarantee, and Exhibit G, Vaccination Network Pricing.”
- VI. Sections 6.17.1f, 6.17.1g and 6.17.1h of the Agreement are renumbered to 6.17.1g, 6.17.1h and 6.17.1i, respectively.
- VII. Article VI, Program Services, of the Agreement is hereby amended by adding the following new Section 6.17.1f:
 “**6.17.1f** Administer a Medical Exception Process for excluded drugs that reviews clinical appropriateness of allowing an exception to the formulary for an excluded drug when other covered therapeutic alternatives are ineffective or clinically inappropriate as documented by the prescribing Medical Professional.”
- VIII. Article VI, Program Services, of the Agreement is hereby amended by adding the following new Section 6.19.0:
 “**6.19.0 Vaccine Network** The Contractor will arrange for provision of vaccine services permitted by applicable law, through the Contractor’s Broader Vaccination Network, for non-Medicare primary enrollees to obtain seasonal and non-seasonal preventive vaccinations, when administered by a licensed pharmacist or, when authorized by applicable law or regulation, a pharmacy intern.

6.19.1 The Contractor will implement the broader Vaccine Network for the Program on October 1, 2014 or such later date directed by the Department.

6.19.2 Seasonal Vaccines. Seasonal Vaccines (vaccines for influenza) are subject to annual enrollment, as vaccine availability, pricing terms and dates of service may change from year to year.

6.19.3 Non-Seasonal Vaccines. Non-Seasonal Vaccines (vaccines for viruses other than influenza) will be in effect until superseded or revoked by the Department through written notice to Contractor.

6.19.4 Contractor's Broader Vaccine Network is a subset of the Network Pharmacies, which have elected to administer vaccinations consistent with the terms of this Section 6.19. Contractor shall provide the Department with a listing of Network Pharmacies participating in the Broader Vaccine Network upon request. Generally, in-pharmacy health care clinics do not participate in the Broader Vaccine Network. Not all Network Pharmacies participating in the Broader Vaccine Network regularly stock all the vaccines that may be administered pursuant to this Section 6.19. Participating Network Pharmacies may decline to provide vaccinations to minors based on state law or clinical considerations."

IX. Article XII, DCS Program Claims Reimbursement, of the Agreement is hereby amended by adding the following new Section 12.13.0:

"12.13.0 Vaccination Network Participating Pharmacy Pricing

The Contractor shall charge the DCS Program, on a pass-through basis, as follows:

12.13.1 Seasonal Vaccines shall be charged to the Program at a flat rate to be determined annually, as set forth in Exhibit G. This flat rate includes the cost of the vaccine, the dispensing fee and the vaccine administration charge.

12.13.2 Non-Seasonal Vaccines shall be charged to the Program as AWP minus [REDACTED] plus Dispensing Fee for the contracted Pharmacy, plus Vaccine Administration Fee as set forth in Exhibit G."

X. Sections 14.2.4, 14.2.5 and 14.2.6 of the Agreement are hereby renumbered to 14.1.4, 14.1.5 and 14.1.6, respectively.

XI. Article XIV, Claims Administration Fee, of the Agreement is hereby amended by adding the following new Section 14.2.0:

"14.2.0 The Contractor will charge the DCS Program for administration of the Medical Exception process, pursuant to Section 6.17.1f, and subsequent appeals submitted as a result of the Contractor's denial, on the basis of a medical necessity review, of an Enrollee's request for a medical exception for a drug excluded from the Flexible Formulary and/or Excelsior Plan PDL. The Contractor shall charge the DCS Program for each review or appeal, as follows:

14.2.1 Medical Exception review - [REDACTED]

14.2.2 Medical Exception 1st Level Appeal - [REDACTED]

14.2.3 Medical Exception Second Level Appeal - [REDACTED]"

- XII.** Section 16.3.8 of the Agreement is hereby deleted in its entirety and replaced with the following:

“16.3.8 Generic Appeals, Prior Authorization and Medical Exception Quarterly Report:

The Contractor is required to submit a quarterly report that provides the number of generic appeals, prior authorization and medical exception requests, by individual drug. The report must include numerical breakdowns on the number of generic appeals, prior authorization and medical exception requests made by the individual drug as well as the success/declination rate of these requests, as well as subsequent appeals. The Contractor should closely follow the format specified by the Department in Exhibit B, the Requests for Proposals entitled Pharmacy Benefit Services for The Empire Plan, Excelsior Plan, Student Employee Health Plan and the New York State Insurance Fund Workers’ Compensation Prescription Drug Programs RFP,” of this Agreement. The report is due thirty (30) Days after the end of the quarter;”

- XIII.** Exhibit G, attached to this Second Amendment, is hereby incorporated into and made a part of the Agreement. The Parties anticipate replacing Exhibit G annually, with an Exhibit of similar scope.
- XIV.** Except as expressly amended by the First Letter Amendment, all terms and conditions of the original Agreement shall remain in full force and effect.
- XV.** This Second Amendment shall be deemed effective October 1, 2014, except as otherwise noted.


[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Contractor: CaremarkPCS Health, L.L.C.Contract Number: C000615


IN WITNESS WHEREOF, the Parties hereto have caused this Second Amendment to Agreement #C000615 to be duly executed on the day and year appearing opposite their respective signatures.

Agency Certification: "In addition to the acceptance of this Second Amendment to the Agreement, I also certify that original copies of this signature page shall be attached to all other exact copies of this Agreement."

NEW YORK STATE DEPARTMENT OF CIVIL SERVICE

Date: 9/1/14By: Name: Jerry BooneTitle: President

CAREMARKPCS HEALTH, L.L.C.

Date: 9/1/14By: Name: Bruce C LyonsTitle: SVPSTATE OF Illinois

) ss:

COUNTY OF Cook

OFFICIAL SEAL
MATTHEW C OESTERLE
Notary Public - State of Illinois
My Commission Expires May 27, 2016

On the 4th day of September, 2014, before me personally came Bruce C. Lyons, to me known, and known to me to be the person who executed the above instrument, who, being duly sworn by me, did for her/himself depose and say that (s)he is the SVP of CaremarkPCS Health, L.L.C., the limited liability company described in and which executed the above instrument; and that (s)he signed his/her name thereto.

My commission expires: 5/27/16

NOTARY PUBLIC

Approved as to Form:

ERIC SCHNEIDERMAN
ATTORNEY GENERAL

By: Date: 

Approved:

THOMAS P. DINAPOLI
COMPTROLLER

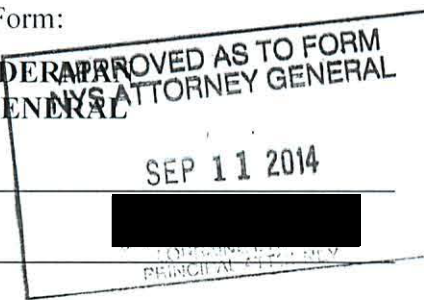
By: Date: 

EXHIBIT G

**Empire Plan, Excelsior Plan and SEHP Prescription Drug Program
Vaccination Network – Pricing and Administration Fees
(Pricing Per Vaccination)**

	2014/2015 season	2015/2016 season	2016/2017 season	2017/2018 season	2018/2019 season
Vaccination	Cost of Drug	Cost of Drug	Cost of Drug	Cost of Drug	Cost of Drug
Seasonal Vaccines *					
Influenza (Injectable Trivalent)	████ flat rate	TBD	TBD	TBD	TBD
Influenza (Intradermal/Injectable Quadrivalent/Intranasal Flu Mist)	████ flat rate	TBD	TBD	TBD	TBD
Influenza (Injectable High Dose)	████ flat rate	TBD	TBD	TBD	TBD

* Seasonal influenza vaccines are not subject to a vaccination administration fee or Dispensing Fee, but are subject to a Claims Administration Fee. The quoted pricing is for one season covering August through April.

	2014/2015 Season	2015/2016 season	2016/2017 season	2017/2018 season	2018/2019 season
Vaccination	Vaccination Administration Fee	Vaccination Administration Fee	Vaccination Administration Fee	Vaccination Administration Fee	Vaccination Administration Fee
Non-Seasonal Vaccines					
Zostavax	████	TBD	TBD	TBD	TBD
Pneumococcal	████	TBD	TBD	TBD	TBD
Meningococcal	████	TBD	TBD	TBD	TBD

TBD -Future year pricing is subject to mutual agreement, upon execution of an annual amendment to this Exhibit G of the Agreement.