

Puget Sound Health Partners, Inc.

**Contractor (“Agent”) and Participant
MEDICARE ADVANTAGE AGREEMENT**

With

FOUNDER Organizations

TABLE OF CONTENTS

RECITALS	4
EFFECTIVE DATE	4
PART 1 DEFINITIONS	4
PART 2 OBLIGATIONS OF PLAN	7
2.01 PAYMENT	7
2.02 IDENTIFICATION CARDS	7
2.03 PROMOTION	8
2.04 BENEFIT AND ELIGIBILITY DETERMINATIONS	8
2.05 ADMINISTRATIVE POLICIES AND PROCEDURES	8
2.06 NON-DISCOURAGEMENT	8
2.07 ENROLLEE COMMUNICATION	9
PART 3 OBLIGATIONS OF CONTRACTOR and PARTICIPANT	9
3.01 SERVICES PROVIDED TO ENROLLEES	9
3.02 NONDISCRIMINATION	9
3.03 LICENSES	9
3.04 RESPONSIBILITY FOR SERVICES	9
3.05 CREDENTIALING	10
3.06 CARE MANAGEMENT AND QUALITY IMPROVEMENT	10
3.07 RETROSPECTIVE REVIEW	10
3.08 ONSITE CLINICAL QUALITY AND HEALTH IMPROVEMENT REVIEW	11
3.09 REPORTING TO PUGET SOUND HEALTH PARTNERS	11
3.10 INSURANCE	11
3.11 ADMINISTRATIVE POLICIES AND PROCEDURES	12
3.12 ACCESS	12
3.13 PARTICIPATION REQUIREMENTS	12
3.14 AUTHORITY OF CONTRACTOR	12
PART 4 PAYMENT AND BILLING	13
4.01 PAYMENT	13
4.02 ENROLLEE BILLINGS AND CONTINUATION OF SERVICES	13
4.03 CLAIMS SUBMISSION	14
4.04 CANCELLATION OF COVERAGE	15
4.05 REFUNDS	16
4.06 COORDINATION OF BENEFITS AND THIRD PARTY LIABILITY	16
PART 5 RECORDS MAINTENANCE, AVAILABILITY, INSPECTION AND AUDIT	17
5.01 RECORDS	17
5.02 INSPECTION AND AUDIT	17
5.03 REIMBURSEMENT FOR COPIES	18
5.04 CONFIDENTIALITY OF MEDICAL RECORDS	18
PART 6 TERM AND TERMINATION	18
6.01 TERM	18
6.02 VOLUNTARY TERMINATION	18
6.03 TERMINATION FOR BREACH OR DEFAULT	18
6.04 TERMINATION BY PUGET SOUND HEALTH PARTNERS	18
6.05 SERVICES AFTER TERMINATION	19
6.06 CONTINUED RECORD ACCESS	19
6.07 REMOVAL FROM DIRECTORIES	20
6.08 NOTIFICATION OF ENROLLEES	20
PART 7 GENERAL PROVISIONS	20

7.01	AMENDMENTS	20
7.02	DISPUTE RESOLUTION	21
7.03	ASSIGNMENT	22
7.04	SUBCONTRACTS AND AFFILIATION AGREEMENTS	22
7.05	ENTIRE AGREEMENT	22
7.06	SEVERABILITY/CONFORMITY WITH LAW	22
7.07	HEADINGS	22
7.08	RELATIONSHIP OF PARTIES	22
7.09	NONRESTRICTIVE PARTICIPATION	23
7.10	NOTICES	23
7.11	WAIVER OF BREACH	23
7.12	CHANGES TO SUBSCRIBER AGREEMENTS	23
7.13	TRADEMARKS	23
7.14	PROPRIETARY AND CONFIDENTIAL INFORMATION	24
7.15	INDEMNIFICATION	24
7.16	COMPLIANCE	24
7.17	PAYMENT AND FEDERAL FUNDS	25
7.18	FORCE MAJEURE	25
7.19	GOVERNING LAW	25
	SIGNATURE PAGE	26
	EXHIBIT A COMPENSATION	27
	EXHIBIT B PARTICIPATING PROVIDERS	28

This Agreement is a contract between Puget Sound Health Partners, Inc. (hereinafter referred to as "PUGET SOUND HEALTH PARTNERS") and Highline Medical Services Organization (herein referred to as "Contractor") as agent for affiliated participating and contracted providers (hereinafter referred to as "PARTICIPANT"). The effective date of this Agreement is 6/15/09.

WHEREAS, PUGET SOUND HEALTH PARTNERS is a duly licensed corporation, domiciled in the State of Washington and organized and operating under applicable state law; and

WHEREAS, PUGET SOUND HEALTH PARTNERS desires to contract directly with Contractor as agent for providers for certain services to be provided to pre-paid enrollees of PUGET SOUND HEALTH PARTNERS or any affiliated entity or subsidiary of PUGET SOUND HEALTH PARTNERS; and,

WHEREAS, Highline Medical Services Organization desires to be an agent in arranging for at risk health risk contracts for it's affiliated providers and Participants.

WHEREAS, Participant is a Physician, Group Practice, Health Care Practitioner, supplier or Facility which holds all required licenses, registrations, certificates and/or accreditations as required by law for providing health care services in the state in which the Participant practices and has agreed that Contractor may serve as its contracting agent.

NOW, THEREFORE, in consideration of mutual promises, covenants and agreements contained in this Agreement, the parties agree as follows:

PART 1 DEFINITIONS

When capitalized in this Agreement, any word or term listed below has the meaning listed after it in this Definitions Section.

1.01 Agreement includes, when used herein, this Contractor and Participant Agreement and Exhibits related hereto, as may be amended from time to time by mutual written agreement of the parties.

1.02 Allowed Amount means the maximum amount Participant shall receive from PUGET SOUND HEALTH PARTNERS for Covered Services furnished to Enrollees and is the sum of the PUGET SOUND HEALTH PARTNERS Payment plus any Enrollee responsibility, such as Deductible, Co-payment or Coinsurance, plus any coordination of benefit payments from other insurers. Participant may not collect any amount in excess of the PUGET SOUND HEALTH PARTNERS determined Allowable Amount.

1.03 Clean Claim means a claim for payment that has no defect, impropriety, lack of substantiating documentation, or particular circumstance requiring special treatment that prevents timely payment from being made on the claim.

- 1.04 Coinsurance** means the percentage of eligible medical expenses payable by an Enrollee to Participant for Covered Services as defined by the applicable Subscriber Agreement.
- 1.05 Co-payment** means the fixed amount an Enrollee must pay Participant each time the Enrollee receives a specified Covered Service, as defined by the applicable Subscriber Agreement.
- 1.06 Covered Services** means Medically Necessary medical services, supplies and accommodations for which an Enrollee is eligible under the terms of the applicable Subscriber Agreement and as are customarily provided by the Participant. Covered Services may also be referred to as “Health Services”.
- 1.07 Deductible** means the fixed amount an Enrollee must pay Participant for Covered Services before PUGET SOUND HEALTH PARTNERS commences payment for Covered Services, as defined by the applicable Subscriber Agreement.
- 1.08 Enrollee** means either a Subscriber or a dependent of a Subscriber who is properly enrolled under a PUGET SOUND HEALTH PARTNERS Subscriber Agreement or whose health benefits or network are administered by PUGET SOUND HEALTH PARTNERS.
- 1.09 Exhibits** means all exhibits and attachments attached to and referenced in the Agreement, and which by the reference are incorporated herein as part of the Agreement.
- 1.10 Facility or Health Care Facility** means an institution or other health care delivery organization that provides services to PUGET SOUND HEALTH PARTNERS Enrollees. A Health Care Facility includes, but is not limited to, a hospital, a hospice, a skilled nursing facility, or an ambulatory surgical center. A Health Care Facility may also be referred to as a “Participating Provider” or “Participant”.
- 1.11 Inpatient** means an Enrollee who has been formally admitted to a Health Care Facility who requires medical, surgical, rehabilitation or other acute care nursing and formally meets the inpatient admission criteria of the Facility.
- 1.12 Medical Emergency** means the emergent and acute onset of a symptom or symptoms, including severe pain, that would lead a prudent layperson acting reasonably to believe that a health condition exists that requires immediate medical attention; or that failure to provide medical attention would result in serious impairment to bodily functions or serious dysfunction of a bodily organ or part, or would place the Enrollee’s health in serious jeopardy.
- 1.13 Medically Necessary Services** means those Covered Services and supplies which, in the judgment of PUGET SOUND HEALTH PARTNERS, meet all of the following requirements:

They must be:

- Essential to the diagnosis or the treatment of an illness, accidental injury or

condition harmful or threatening to the Enrollee's life or health, unless otherwise provided as preventive services;

- Appropriate for the medical condition as specified in accordance with authoritative medical or scientific literature;
- Not primarily or solely for the convenience of the Enrollee, the Enrollee's family or legal guardian, the Enrollee's Practitioner or another provider;
- Medically effective treatment of the diagnosis as demonstrated by:
- Sufficient evidence to draw conclusions about the effect of the health intervention on the health outcome;
- Evidence that the health intervention can be expected to produce its intended effects on health outcomes; and
- Expected beneficial effects of the health intervention on health outcomes that outweigh its expected harmful effects;
- Cost-effective as determined by being among the least costly of the alternative supplies or levels of service which are medically effective, readily available, and can safely be provided to the Enrollee. A health intervention is cost-effective if there is no other available health intervention that offers a clinically appropriate benefit at a materially lower cost. When an Enrollee is receiving Inpatient Services, it further means that the services and/or supplies cannot be safely provided on an outpatient basis or in an alternative setting without adversely affecting the Enrollee's condition or the quality of care rendered; and
- Not primarily for research or data accumulation.

1.14 Non-covered Services means services not covered by an Enrollee's Subscriber Agreement, and for which PUGET SOUND HEALTH PARTNERS does not provide benefits. Non-covered services are identified as such on Participant's payment voucher and in the Enrollee's explanation of coverage and notice of denial for non-covered benefits.

1.15 Outpatient Services means health care services rendered to an Enrollee who is not an Inpatient, whether or not the Enrollee occupies a bed.

1.16 Participating Provider or Participant means Practitioner, Health Care Facility, Facility or other entity who or which agrees to accept from and to look solely to PUGET SOUND HEALTH PARTNERS for payment according to the terms of the Subscriber Agreement for Covered Services rendered to Enrollees, and also includes any Practitioner with whom Participant has entered into an approved subcontract pursuant to Section 7.04 hereof to render Covered Services to Enrollees. A list of Participants is attached hereto as Exhibit B.

1.17 Policies and Procedures means applicable manuals and documents, as periodically revised, including but not limited to credentialing policies and procedures, utilization management policies and procedures, claims and encounter submission policies and procedures, drug formulary, and Participating Provider lists, provided to Participant by PUGET SOUND HEALTH PARTNERS pursuant to this Agreement.

1.18 Practitioner means an individual who provides professional health care services and is licensed, certified, or registered by the state in which the services are performed. A Practitioner may also be referred to as a Participating Provider.

1.19 Subscriber means the individual in whose name the coverage under a Subscriber Agreement is established.

1.20 Subscriber Agreement means any contract entered into by PUGET SOUND HEALTH PARTNERS, with or for the benefit of an Enrollee, entitling the Enrollee to receive certain defined benefits.

1.21 Urgently Needed Services means Covered Services that are not Emergency Services as defined in this Agreement, provided when a Enrollee is temporarily absent from the PUGET SOUND HEALTH PARTNERS service (or, if applicable, continuation) area (or, under unusual and extraordinary circumstances, provided when the Enrollee is in the service or continuation area but the organization's provider network is temporarily unavailable or inaccessible) when the services are medically necessary and immediately required:

- (i) As a result of an unforeseen illness, injury, or condition; and
- (ii) It was not reasonable given the circumstances to obtain the services through the organization offering the Medicare Advantage Plan.

1.22 Contractor means an intermediary organization such as an IPA, PHO or similar organization that is in the business of arranging for at risk contracts for healthcare services of plan enrollees as an agent of Providers and Participants and has the authority to bind such Providers and Participants to the terms and conditions of this contract.

1.23 Exhibits mean all exhibits and attachments attached to and referenced in the Agreement, and which by the reference are incorporated herein as part of the Agreement.

1.24 Premium means the sum of all money owed to PUGET SOUND HEALTH PARTNERS by CMS, Enrollees, Employers or any other funding source for Covered Services for all enrollees assigned to Contractor. To the extent that Contractor takes risk for Part D services, then the Part D premium received from CMS, Enrollees, Part D rebates, if any, and any other funding source for Part D services, will be included in Premium.

PART 2 OBLIGATIONS OF PUGET SOUND HEALTH PARTNERS

2.01 Payment. PUGET SOUND HEALTH PARTNERS will pay Participant directly for Covered Services that Contractor renders to Enrollees per the terms, in accordance with the terms of this Agreement and Exhibit B, incorporated by reference.

2.02 Identification Cards. PUGET SOUND HEALTH PARTNERS shall arrange for the issuance of identification cards to Enrollees. Enrollees will be instructed to present identification cards to Participant at the time services are requested. Such

identification cards are not a verification of eligibility as an Enrollee or a guarantee of payment, but a means of providing information that Participant can easily use to verify eligibility with PUGET SOUND HEALTH PARTNERS. The cards will include a telephone number or other means for checking an Enrollee's benefits and eligibility for benefits, including any limitations or conditions on services or benefits.

2.03 Promotion. PUGET SOUND HEALTH PARTNERS will have the right to use Participant's name for promotional purposes, for marketing, for informing the public of Participant's identity and to otherwise carry out the terms of this Agreement. This provision for promotion of Participant is nonexclusive.

Contractor and Participant may use Puget Sound Health Partners name when listing benefit plans available to Participant patient populations.

2.04 Benefit and Eligibility Determinations. PUGET SOUND HEALTH PARTNERS shall confirm Enrollees eligibility for Covered Services upon request of Participant or Contractor. PUGET SOUND HEALTH PARTNERS shall have the sole authority to determine the eligibility of Enrollees for benefits and whether services are included under the terms of the PUGET SOUND HEALTH PARTNERS Subscriber Agreements. Participant shall not take any action or make any representations regarding eligibility or benefits without having obtained information from PUGET SOUND HEALTH PARTNERS. Participant may appeal benefit and eligibility determinations in accordance with Section 7.02 of the Agreement. PUGET SOUND HEALTH PARTNERS will not reverse any prior determination of Covered Services as Medically Necessary unless PUGET SOUND HEALTH PARTNERS medical review determines that PUGET SOUND HEALTH PARTNERS authorized the services based upon material misrepresentation by the Participant or that the information provided to PUGET SOUND HEALTH PARTNERS is materially different from that which was reasonably available at the time of the original determination.

2.05 Administrative Policies and Procedures. PUGET SOUND HEALTH PARTNERS shall provide timely updates to Contractor and Participant (if applicable) of all changes to its Policies and Procedures. PUGET SOUND HEALTH PARTNERS shall provide notice of at least sixty (60) days for any changes in its Policies and Procedures that affect Participant's obligations for health care service delivery, unless changes to federal or state law or regulations make such advance notice impossible, in which case notice shall be as soon as possible. Proposed changes in Policies and Procedures that impact Contractor and Participant compensation will be effective upon mutual written agreement. Subject to the termination and continuity of care provisions of this Agreement, Contractor may terminate this Agreement without penalty if it does not agree with the changes. No change may be made retroactive without the express written consent of Contractor.

2.06 Non-discouragement. PUGET SOUND HEALTH PARTNERS shall not in any way preclude or discourage Participant from informing Enrollees of the care they require, including various treatment options and whether, in Participant's view, such care is consistent with medical necessity, medical appropriateness or otherwise covered under the Enrollees Subscriber Agreement. PUGET SOUND HEALTH PARTNERS shall not prohibit, discourage or penalize Participant, if Participant is otherwise practicing in compliance with the law, from advocating on behalf of an Enrollee with

PUGET SOUND HEALTH PARTNERS. However, nothing in this section shall be construed to authorize Participant to bind PUGET SOUND HEALTH PARTNERS to pay for any service.

PUGET SOUND HEALTH PARTNERS shall not preclude or discourage Enrollees, or those paying for their coverage, from discussing with Participant the comparative merits of different health carriers, even if such discussion is critical of PUGET SOUND HEALTH PARTNERS. PUGET SOUND HEALTH PARTNERS shall not preclude or discourage Participant from entering into such discussions with Enrollees.

Notwithstanding any other provision of this Agreement or law, PUGET SOUND HEALTH PARTNERS shall not prohibit directly or indirectly its Enrollees from freely contracting at any time to obtain any health care services outside PUGET SOUND HEALTH PARTNERS on any terms or conditions the Enrollees choose. Nothing in the section shall be construed to bind PUGET SOUND HEALTH PARTNERS for any services delivered outside a PUGET SOUND HEALTH PARTNERS Subscriber Agreement.

2.07 Enrollee Communication. PUGET SOUND HEALTH PARTNERS will provide Contractor with copies of communication sent to Enrollees and Participants regarding any change in the contractual relationship or any material change affecting the contractual relationship.

PART 3 OBLIGATIONS OF CONTRACTOR and PARTICIPANT

3.01 Services Provided to Enrollees. Participant will provide Covered Services to Enrollees in compliance with the terms of this Agreement. When providing such services, Participant will exercise the degree of care, skill and learning expected of a prudent provider. Participant will observe, protect and promote the rights of Enrollees as patients. Participant shall not discriminate among patients and Participant agrees to provide the same level of service and quality of care to all patients, regardless of type of insurance product the Enrollees is enrolled in.

Unless agreed otherwise by PUGET SOUND HEALTH PARTNERS, termination of any Compensation Exhibit by Contractor or Participant shall terminate all Exhibits.

3.02 Nondiscrimination. Contractor and Participant agree to comply with applicable state or federal regulatory laws and not to discriminate in the treatment of patients or in the quality of services delivered to Enrollees on the basis of race, color, sex, sexual orientation, age, religion, national origin, place of residence, health status, handicap, source of payment, or Enrollee's plan.

3.03 Licenses. Participant will maintain in good standing all licenses, permits, governmental or board authorizations or approvals required by law for Participant's operation and PUGET SOUND HEALTH PARTNERS' credentialing standards. Contractor and Participant will submit evidence of such licenses, permits, applicable governmental or board authorizations or approvals to PUGET SOUND HEALTH PARTNERS upon request.

3.04 Responsibility for Services. Participant will be solely responsible for the quality of services provided to Enrollees. Nothing contained in this Agreement shall be construed to alter Participant's responsibility to provide acceptable services per current medical standards, or to change the nature of the Participant-Enrollee relationship. Participant should discuss all medical options with the Enrollee regardless if such options are a Covered Service. The final decision to provide or receive services, regardless of whether such services are Medically Necessary, not Medically Necessary or Non-covered Services, is between Participant, the Enrollee and the Enrollee's Practitioner. Nothing in this provision shall be construed to authorize Contractor or Participant to bind PUGET SOUND HEALTH PARTNERS to pay for any non-covered service.

3.05 Credentialing. Participant warrants, currently and for the duration of this Agreement, that it meets PUGET SOUND HEALTH PARTNERS' credentialing standards, and that Participant has all licenses, permits, and/or governmental or board authorizations or approvals necessary to provide Covered Services in accordance with the applicable requirements in the state(s) in which Participant operates. Participant further warrants that it will cooperate with the PUGET SOUND HEALTH PARTNERS credentialing and re-credentialing process. Participant will provide timely written notice to PUGET SOUND HEALTH PARTNERS of any changes in the licenses, permits, and/or governmental or board authorizations or approvals referenced above, including, but not limited to, ownership, business address, federal tax identification number, new Practitioner proposed to be included as a Participant pursuant to this Agreement and any factors that may materially impact Participant's ability to provide Covered Services to Enrollees hereunder. Participant agrees not to render Covered Services to PUGET SOUND HEALTH PARTNERS' Enrollees prior to written notification from PUGET SOUND HEALTH PARTNERS to Participant that the Participant has been fully credentialed and approved for participation by PUGET SOUND HEALTH PARTNERS.

3.06 Care Management and Quality Improvement. Contractor and Participant agree to cooperate with and participate in PUGET SOUND HEALTH PARTNERS quality improvement programs, Enrollee appeals and grievances, and care management programs. For utilization management programs, this includes, but is not limited to, notification of admissions, applicable referral procedures, and reporting of clinical encounter data.

Contractor and Participant further agrees to cooperate with PUGET SOUND HEALTH PARTNERS concurrent review and discharge planning procedures, by providing medical records and other necessary information regarding Enrollees' care in progress, length of stay and discharge status upon PUGET SOUND HEALTH PARTNERS' reasonable request. Contractor and Participant agree that such access and information provision will take place at no additional charge.

Contractor and Participant acknowledge that care management services and functions may be performed by PUGET SOUND HEALTH PARTNERS or an affiliate or an outside utilization management entity designated by PUGET SOUND HEALTH PARTNERS.

3.07 Retrospective Review. PUGET SOUND HEALTH PARTNERS may conduct a retrospective review to determine whether all services provided to an Enrollee are

covered and/or Medically Necessary. Participant will abide by PUGET SOUND HEALTH PARTNERS decisions made through retrospective review subject to the dispute resolution procedures stated in Section 7.02. Contractor or Participant will not seek payment from PUGET SOUND HEALTH PARTNERS or the Enrollee for Covered Services, which PUGET SOUND HEALTH PARTNERS determines were not Medically Necessary as a result of its retrospective review other than in compliance with Section 4.01 hereof.

3.08 Onsite Clinical Quality and Health Improvement Review. Contractor and Participant will allow and fully cooperate with onsite quality review conducted by PUGET SOUND HEALTH PARTNERS for PUGET SOUND HEALTH PARTNERS Enrollees. Such reviews will be scheduled during regular business hours and with reasonable prior notice to Contractor and Participant.

3.09 Reporting to Puget Sound HEALTH PARTNERS. Contractor and Participant shall cooperate with PUGET SOUND HEALTH PARTNERS' data collection and reporting efforts, in compliance with requirements of the National Committee for Quality Assurance (NCQA) and HEDIS®, or any other accreditation program(s) designated by PUGET SOUND HEALTH PARTNERS.

Contractor and Participant shall provide immediate written notice to PUGET SOUND HEALTH PARTNERS of any legal, regulatory, or governmental action which Participant reasonably believes could materially affect the ability of the Contractor or Participant to carry out the duties and obligations of this Agreement, including, without limitation, litigation initiated by a PUGET SOUND HEALTH PARTNERS patient against Participant.

3.10 Insurance. Each Participant will provide and maintain, at their sole expense, policies of general comprehensive liability and professional liability insurance, in an amount acceptable to PUGET SOUND HEALTH PARTNERS as set forth in PUGET SOUND HEALTH PARTNERS' credentialing standards. Contractor shall maintain, at their sole expense, policies of general comprehensive liability insurance with minimum coverage of not less than Fifty Thousand Dollars for Contractor's property, together with a combined single limit bodily injury and property damage coverage of not less than three hundred thousand dollars.

Such policies shall insure against any claim or claims for damage arising by reason of personal injury or death occasioned directly or indirectly in connection with the acts or omissions of Contractor or Participant, its agents or employees pursuant to this Agreement. Contractor or Participant shall notify PUGET SOUND HEALTH PARTNERS no less than ten (10) days before any reduction in coverage or revocation, suspension or other termination of any such policy.

Upon request, Contractor and or Participant will provide PUGET SOUND HEALTH PARTNERS with evidence of compliance with this Section 3.10, in the form of a certificate of insurance or evidence of self insurance or evidence in some other form as PUGET SOUND HEALTH PARTNERS will reasonably deem satisfactory.

PUGET SOUND HEALTH PARTNERS will provide and maintain, at their sole expense, policies of general comprehensive liability and professional liability insurance, in an

amount acceptable to regulatory agencies. Such policies shall insure against any claim or claims for damage arising by reason of personal injury or death occasioned directly or indirectly in connection with the acts or omissions of PUGET SOUND HEALTH PARTNERS, its agents or employees pursuant to this Agreement. PUGET SOUND HEALTH PARTNERS shall notify Contractor no less than ten (10) days before any reduction in coverage or revocation, suspension or other termination of any such policy.

Upon request, PUGET SOUND HEALTH PARTNERS will provide Contractor with evidence of compliance with this Section 3.10, in the form of a certificate of insurance.

3.11 Administrative Policies and Procedures. Contractor and Participant will abide by administrative Policies and Procedures issued by PUGET SOUND HEALTH PARTNERS with respect to, but not limited to, medical necessity determinations, Enrollee rights, responsibilities and appeals and grievances, billing procedures and standards including prevention of fraud and abuse, and other matters that relate to Participant's provision of Covered Services to Enrollees and compliance with this Agreement. PUGET SOUND HEALTH PARTNERS will provide written information to Participant, as well as any necessary revisions, regarding such administrative rules and procedures. A copy of PUGET SOUND HEALTH PARTNERS' Policies and Procedures has been provided to Contractor and, as applicable, Participant. Changes to said Policies and Procedures shall be made as provided for under Section 2.06.

3.12 Access. Participant must make available to Enrollees access by phone to a licensed Practitioner on a 24-hour-a-day, seven-day-a-week basis for the purpose of rendering medical advice concerning emergent, urgent or routine medical conditions, or for directing Enrollees to Emergency Care or to out of area Urgently Needed Services.

Participant shall maintain an appointment system for Enrollees' prompt access to health care, which is consistent with PUGET SOUND HEALTH PARTNERS' Policies and Procedures on "Prompt Access".

Participant shall cooperate with PUGET SOUND HEALTH PARTNERS' written standards for timely access to care and services by PUGET SOUND HEALTH PARTNERS Enrollees. Where a Subscriber Agreement requires certain services to be provided only upon the referral of a primary care provider, the following health services may be provided to PUGET SOUND HEALTH PARTNERS Enrollees from a Participating Provider without such a referral: (1) screening mammography and influenza vaccination health services; and (2) for women, routine and preventive health services from a Participant that is a women's health specialist. No Enrollee expense shall apply to influenza and pneumococcal vaccines.

Participant may close enrollment of Enrollees to its clinic(s) due to lack of capacity, after providing forty-five (45) days prior written notice to PUGET SOUND HEALTH PARTNERS.

3.13 Participation Requirements. Contractor and Participant represent and warrant that Participating Providers are not excluded, and will not employ or contract with any individuals who are excluded, from participation in any federal or state program, including, without limitation, Medicare under Sections 1128 or 1128A of the Social

Security Act.

3.14 Authority of Contractor. Notwithstanding any agreement herein to the contrary, in carrying out duties under this Agreement, Contractor is acting solely under its authority as agent of Participant who is exclusively liable to provide the services set forth herein. Contractor is not liable to PUGET SOUND HEALTH PARTNERS for failure to provide such services.

PART 4 PAYMENT AND BILLING

4.01 Payment. PUGET SOUND HEALTH PARTNERS will pay Contractor as agent for its affiliated Participating Providers in accordance with the terms of this Agreement. Contractor and Participant will seek payment solely from PUGET SOUND HEALTH PARTNERS for Covered Services rendered to PUGET SOUND HEALTH PARTNERS' Enrollees and shall accept as full payment the Allowed Amount(s) set forth in the applicable Exhibits attached to this Agreement.

Contractor (on behalf of Participant) or Participant will not knowingly seek payment from PUGET SOUND HEALTH PARTNERS for any Covered Services rendered to a person who misrepresents his or her status as an Enrollee or who previously obtained coverage from PUGET SOUND HEALTH PARTNERS as an Enrollee through fraud or misrepresentation. During any appeal or mediation process, Contractor (on behalf of Participant) or Participant shall not bill or otherwise seek collection from Enrollee for any payment amounts in dispute.

Except as provided in this Agreement, Contractor (on behalf of Participant) or Participant will not seek payment from Enrollee or PUGET SOUND HEALTH PARTNERS for services determined not to be Medically Necessary by PUGET SOUND HEALTH PARTNERS unless the Enrollee has agreed in writing to be financially responsible for those services before those services are provided. The benefits to which an Enrollee is entitled shall be limited to those specified in the Subscriber Agreement in effect at the time services are performed, and are subject to the Enrollee's eligibility.

Contractor and Participant acknowledge that claims payment services and functions may be performed by PUGET SOUND HEALTH PARTNERS or an affiliate or an outside management entity designated by PUGET SOUND HEALTH PARTNERS.

4.02 Enrollee Billings and Continuation of Services

A. No Recourse against Enrollee

1. Participant and Contractor must hold Enrollees harmless for payment of fees that are the legal obligation of PUGET SOUND HEALTH PARTNERS to fulfill. Such provision will apply but will not be limited to insolvency of PUGET SOUND HEALTH PARTNERS, contract breach and provider billing; Participant hereby agrees that it will not bill, charge, collect a deposit from, seek compensation, remuneration from, or have any recourse against an Enrollee or person acting on an Enrollee's behalf, other than PUGET SOUND HEALTH

PARTNERS, for services provided pursuant to this Agreement. This provision shall not prohibit collection of Deductible, Co-payments, Coinsurance, and/or Non-covered Services, which have not otherwise been paid by a primary or secondary carrier in accordance with regulatory standards for coordination of benefits, from Enrollees in accordance with the terms of the Enrollee's Subscriber Agreement.

2. Participant and Contractor agree, in the event of PUGET SOUND HEALTH PARTNERS' insolvency, to continue to provide the services promised in this Agreement to Enrollees of PUGET SOUND HEALTH PARTNERS for the duration of the period for which premiums on behalf of the Enrollee were paid to PUGET SOUND HEALTH PARTNERS or until the Enrollee's discharge from inpatient facilities, whichever time is greater.

3. Notwithstanding any other provision of this Agreement, nothing in this Agreement shall be construed to modify the rights and benefits contained in the Enrollee's Subscriber Agreement.

4. Participant or Contractor may not bill Enrollee for Covered Services (except for Deductibles, Co-payments, or Coinsurance), where PUGET SOUND HEALTH PARTNERS denies payment because Contractor or Participant has failed to comply with the terms or conditions of this Agreement.

5. Contractor and Participant further agree that: (i) the provisions of 1, 2, 3 and 4 of this Section shall survive termination of this Agreement regardless of the cause giving rise to termination and shall be construed to be for the benefit of PUGET SOUND HEALTH PARTNERS' Enrollees, and (ii) that this provision supersedes any oral or written contrary agreement now existing or hereafter entered into between Contractor or Participant and Enrollee(s) or persons acting on Enrollee's behalf.

6. If Contractor or Participant contracts with other Participating Providers that agree to provide Covered Services to Enrollees of PUGET SOUND HEALTH PARTNERS with the expectation of receiving payment directly or indirectly from PUGET SOUND HEALTH PARTNERS, such Providers must agree to abide by the provisions of 1, 2, 3, 4 and 5 of this Section.

B. Contractor and Participant acknowledge that willfully collecting or attempting to collect an amount from an Enrollee, knowing that collection to be in violation of this Section 4.02, constitutes a class C felony under RCW 48.80.030(5).

4.03 Claims Submission. Contractor or Participant will submit claims and encounter data, where applicable, to PUGET SOUND HEALTH PARTNERS in a manner and on forms acceptable to PUGET SOUND HEALTH PARTNERS. Unless otherwise mutually agreed to, Contractor or Participant shall submit claims for Covered Services electronically. Contractor or Participant should submit claims within thirty (30) days after Covered Services are rendered, but PUGET SOUND HEALTH PARTNERS will be under no obligation to pay a claim if PUGET SOUND HEALTH PARTNERS receives it more than three hundred and sixty-five (365) days after the date Covered

Services were provided, or sixty (60) days after Participant first receives notice that PUGET SOUND HEALTH PARTNERS is a secondary payor under applicable coordination of benefits procedures.

Contractor or Participant will be reimbursed for only Covered Services, which were ordered by a qualified Practitioner, delivered to the Enrollee and documented in the medical record. The coding convention used on submitted claims will accurately reflect services provided and the reasons for the procedure, service, supply or encounter. Upon request, Participant will furnish all information reasonably required by PUGET SOUND HEALTH PARTNERS to substantiate the provision of, and charges for, Covered Services, at no charge to PUGET SOUND HEALTH PARTNERS.

For Covered Services provided to Enrollees, PUGET SOUND HEALTH PARTNERS shall pay Contractor or Participant as soon as practical but subject to the following minimum standards:

- A.** Ninety-five percent (95%) of the monthly volume of Clean Claims shall be paid within thirty (30) days of receipt by PUGET SOUND HEALTH PARTNERS; and
- B.** Ninety-five percent (95%) of the monthly volume of all claims shall be paid or denied within sixty (60) days of receipt by PUGET SOUND HEALTH PARTNERS, except as agreed to in writing by the parties on a claim-by-claim basis.

The receipt date of a claim shall be the date PUGET SOUND HEALTH PARTNERS receives either written or electronic notice of the claim. PUGET SOUND HEALTH PARTNERS shall pay Contractor or Participant interest on un-denied and unpaid Clean Claims more than sixty-one (61) days old. Interest shall be assessed at the rate required by applicable state or federal law, or as otherwise agreed by contract between Contractor and Participant, and shall be calculated monthly as simple interest prorated for any portion of a month. PUGET SOUND HEALTH PARTNERS shall add the interest payable to the amount of unpaid claims without the necessity of the Contractor or Participant submitting an additional claim. PUGET SOUND HEALTH PARTNERS shall not apply any interest to an Enrollee's Deductible, Co-payment, Coinsurance or any similar obligation of the Enrollee.

PUGET SOUND HEALTH PARTNERS shall reimburse Contractor or Participant for Covered Services following receipt of a Clean Claim in accordance with Medicare Secondary Payer rules.

Claim denials shall include the specific reason why the claim was denied. If the denial is based upon Medical Necessity or similar grounds, PUGET SOUND HEALTH PARTNERS, upon request from Contractor or Participant, shall promptly disclose the supporting basis for the decision.

These standards do not apply to claims about which there is substantial evidence of fraud or misrepresentation by Contractor, Participant or Enrollee, or instances where PUGET SOUND HEALTH PARTNERS has not been granted reasonable access to information under Contractor or Participant's control.

4.04 Cancellation of Coverage. PUGET SOUND HEALTH PARTNERS will not be liable to Contractor or Participant for any health care services provided to an Enrollee whose coverage under the applicable Subscriber Agreement is canceled retroactively. Reasons for such cancellation may include, but are not limited to, misrepresentation and nonpayment of premiums.

4.05 Refunds. Claim approval and/or payments made by PUGET SOUND HEALTH PARTNERS are contingent upon receipt of complete and accurate information from Contractor and Participant. Contractor or Participant will promptly refund amounts paid by PUGET SOUND HEALTH PARTNERS if it is determined that PUGET SOUND HEALTH PARTNERS has accepted responsibility for payment based upon erroneous or incomplete information, if benefits are misapplied by PUGET SOUND HEALTH PARTNERS, or an Enrollee is not entitled to those benefits, or any other reason for an erroneous payment. In the event prompt refund is not made by Contractor or Participant, at PUGET SOUND HEALTH PARTNERS discretion, the amount to be refunded may instead be offset against any future amounts due Contractor or Participant and will be clearly indicated and summarized in payment report issued with payment.

Neither PUGET SOUND HEALTH PARTNERS nor Contractor nor Participant shall seek a refund or payment related to any overpayment, underpayment, nonpayment or denial of a claim more than twenty four (24) months after final adjudication of the claim, except in the case of concealment, fraud or misrepresentation.

Where such a refund is requested in writing by PUGET SOUND HEALTH PARTNERS, such a request will specify why Contractor or Participant owes the refund and include supporting documentation, when applicable. Contractor or Participant may contest the request in writing to PUGET SOUND HEALTH PARTNERS within thirty (30) days of receipt in accordance with Section 7.02 Participant Dispute Resolution, of this Agreement. Failure by Contractor or Participant to contest a request within this thirty (30) day period shall result in the request being deemed to have been accepted by Contractor or Participant as due and owing. Where a request for refund is contested by Contractor or Participant, PUGET SOUND HEALTH PARTNERS may not request that the refund be paid any sooner than six (6) months from the date of Contractor or Participant's receipt of the request.

Where such a refund is requested by Contractor or Participant, such a request must be in writing, specify why Contractor or Participant believes PUGET SOUND HEALTH PARTNERS owes the additional payment, include supporting documentation when applicable and require that the additional payment not be made any sooner than six (6) months following receipt of the request. Any dispute arising out of such a request shall be handled in accordance with Section 7.02 Participant Dispute Resolution, of this Agreement.

4.06 Coordination of Benefits and Third party Liability. Contractor and Participant agree to cooperate with PUGET SOUND HEALTH PARTNERS' coordination of benefits and duplicate coverage policies as follows:

Contractor or Participant will make best efforts to provide complete information to PUGET SOUND HEALTH PARTNERS regarding benefits available to an Enrollee

from other sources including other health plan coverage. Participant will promptly refund any excess payments from PUGET SOUND HEALTH PARTNERS if, after payment is made, an Enrollee is found to be covered by another source. At PUGET SOUND HEALTH PARTNERS' discretion, the amount to be refunded may instead be offset against any future amounts due Participant provided such offset is clearly indicated and summarized in payment report issued with payment.

If Contractor or Participant has received payment from another plan or entity which pays before PUGET SOUND HEALTH PARTNERS in the coordination of benefits order of benefit determination, and that payment is equal to or greater than the contracted rates set forth in this Agreement, Contractor and Participant agree to not seek additional reimbursement from PUGET SOUND HEALTH PARTNERS or to promptly refund any amounts already paid to Contractor or Participant by PUGET SOUND HEALTH PARTNERS.

PART 5 RECORDS MAINTENANCE, AVAILABILITY, INSPECTION AND AUDIT

5.01 Records. Contractor and Participant will prepare and maintain all appropriate records including, but not limited to, medical, medical abstract, financial and administrative records for each Enrollee who receives services from Participant. The records will be maintained in accordance with prudent record-keeping procedures and as required by law. Participant shall retain all such records for a minimum of ten (10) years from the final term of the Agreement or completion of any audit being performed by a federal or state agency, whichever is later.

5.02 Inspection and Audit. Except as provided by law, Contractor and Participant shall cooperate with any external audits mandated by federal or state law or regulations, and shall make all records available on site to appropriate federal and state authorities, subject to applicable federal and state laws and regulations relating to the privacy of an individual's health care information. Contractor and Participant will allow and fully cooperate with inspection, audit and duplication by PUGET SOUND HEALTH PARTNERS of any and all data and other records maintained on PUGET SOUND HEALTH PARTNERS' Enrollees which relate to this Agreement to the extent necessary to perform the audit or inspection. Such data and other records include, but are not limited to, billing, payment, assignment, utilization review, medical and medical abstract records maintained on Enrollees pursuant to this Agreement, and charge and reimbursement data maintained by Contractor and or Participant related to charges made and payments received by Participant from other payers on behalf of Enrollees. Such inspection, audit verification and duplication will be allowed upon reasonable notice during regular business hours.

In addition, Contractor and Participant shall make such data and other records available on site to appropriate state and federal authorities involved in assessing the quality of care or investigating the grievances or complaints of Enrollees, subject to applicable state and federal laws related to the confidentiality of medical records.

Contractor and Participant and its representatives may audit, examine and inspect

PUGET SOUND HEALTH PARTNERS' books and records of accounts relating to transactions between PUGET SOUND HEALTH PARTNERS and Contractor and or Participant on site, during normal business hours upon giving reasonable notice to PUGET SOUND HEALTH PARTNERS.

5.03 Reimbursement for Copies. Contractor and Participant will provide any records required to be provided by state or federal law at no charge. PUGET SOUND HEALTH PARTNERS agrees to request only those portions of the medical record necessary to perform the required medical review or claims processing which Contractor or Participant shall provide at no charge. Contractor and Participant shall provide copies of documents or portions of documents at no charge when the medical record information is:

- Required to perform due diligence in the resolution of a quality of care issue.
- Required to resolve an Enrollee appeal or grievance.

Costs for all other copies will be borne by PUGET SOUND HEALTH PARTNERS or will be charged to PUGET SOUND HEALTH PARTNERS at the rate of \$.05 per copy of copies are made by Contractor or designee.

5.04 Confidentiality of Medical Records. Contractor, Participant and PUGET SOUND HEALTH PARTNERS will keep confidential, and take all reasonable precautions to prevent the unauthorized disclosure of, any and all records, both paper and electronic, required to be prepared and/or maintained by this Agreement in accordance with state and federal law including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191).

PART 6 TERM AND TERMINATION

6.01 Term. The initial term of this Agreement shall begin on January 1, 2010 and end on December 31 of 2011. Upon expiration of the initial term this Agreement shall automatically renew for one (1) year terms unless terminated as provided for under this Section 6. Exhibits shall have the effective date set forth therein and shall have a term concluding on the day upon which the term of this Agreement concludes.

6.02 Voluntary Termination. This Agreement may be terminated at any time without cause by either party upon ninety (90) days prior written notice. Furthermore, the parties may mutually agree to termination at any time.

6.03 Termination for Breach or Default. If either party fails to comply with or perform when due any material term or condition of this Agreement, the other party shall notify the defaulting party in writing in reasonable detail the specific nature of the default, and the defaulting party shall have thirty (30) days to cure the default. If the defaulting party fails to cure the default within thirty (30) days, the other party may declare that this Agreement shall be terminated within sixty (60) days of the failure to cure the default.

6.04 Termination by PUGET SOUND HEALTH PARTNERS. PUGET SOUND HEALTH PARTNERS may terminate this Agreement or participation by Participant at any time as follows:

A. This Agreement with Contractor shall terminate immediately:

1. in the event Contractor makes any material misstatements or omissions on any material submitted to PUGET SOUND HEALTH PARTNERS or its designees;
2. in the event Contractor's insurance coverage required by this Agreement lapses for any reason. Contractor shall provide PUGET SOUND HEALTH PARTNERS immediate written notice of any such lapse.
3. in the event PUGET SOUND HEALTH PARTNERS determines, in its sole discretion, that Contractor's action or inaction and/or continuation of this Agreement may have a significant adverse effect on Enrollees care.

B. Participant may be terminated immediately from participation under this Agreement at any time as follows:

1. in the event Participant's license, permits, or any governmental or board authorizations or approvals related to its business operations and/or the provision of Covered Services are canceled, denied, lost, suspended, or voluntarily forfeited. Participant shall provide PUGET SOUND HEALTH PARTNERS immediate written notice of any such actions;
2. in the event Participant fails to satisfy PUGET SOUND HEALTH PARTNERS' credentialing or re-credentialing standards;
3. in the event Participant makes any material misstatements or omissions on any material submitted to PUGET SOUND HEALTH PARTNERS or its designees;
4. in the event Participant's insurance coverage required by this Agreement lapses for any reason. Participant shall provide PUGET SOUND HEALTH PARTNERS immediate written notice of any such lapse;
5. in the event PUGET SOUND HEALTH PARTNERS determines, in its sole discretion, that Participant's action or inaction and/or continuation of this Agreement may have a significant adverse effect on Enrollees care.

6.05 Services after Termination. In addition to other provisions of this Agreement, the following provisions will survive termination of this Agreement:

In the event of termination of this Agreement, Participant and Contractor agree to continue to provide services for the duration of the period for which premiums on behalf of the Enrollee were paid to PUGET SOUND HEALTH PARTNERS or until the Enrollee's discharge from inpatient facilities, whichever time is greater.

6.06 Continued Record Access. Contractor and Participant will maintain records of Enrollees as required by law. Contractor and Participant will allow PUGET SOUND HEALTH PARTNERS continued access to Contractor and Participant's retained Enrollee records for the longer of ten (10) years or as required by law after the date this Agreement terminates.

6.07 Removal from Directories. If this Agreement terminates, PUGET SOUND HEALTH PARTNERS will remove Participant from all future directories that list PUGET SOUND HEALTH PARTNERS' contracted health care providers. Upon the termination date, Participant will make best efforts to inform any Enrollees that seek services at Participant that this Agreement has been terminated.

6.08 Notification of Enrollees. PUGET SOUND HEALTH PARTNERS shall make a good faith effort to provide Enrollees who are patients of Participant with written notification at least thirty (30) prior to the effective date of the termination of this Agreement. Contractor and or Participant shall provide PUGET SOUND HEALTH PARTNERS with a contemporaneous copy of communications with Enrollees regarding termination or continuation of Contractor and or Participant's contractual relationship with PUGET SOUND HEALTH PARTNERS. In order to ensure the continuity and appropriateness of medical care to Enrollees, PUGET SOUND HEALTH PARTNERS may immediately inform Enrollees of the effective date of the termination of this Agreement and allow Enrollees to select another Participant prior to the effective date of the termination of this Agreement.

6.09 Retroactive Premium payable to Contractor. Retroactive Premium will be paid to Contractor owed for any period in which this Agreement was in force for any Premium adjustments due to HCC adjustments, whenever paid by CMS, with no limitations.

PART 7 GENERAL PROVISIONS

7.01 Amendments. PUGET SOUND HEALTH PARTNERS may amend this Agreement as follows:

A. To implement changes mandated by regulatory entities by providing Contractor sixty (60) days prior written notice, or sooner if change is so mandated.

B. To implement changes that affect Contractor or Provider compensation by mutual signed agreement. Any such amendment shall be in writing, shall include an effective date and shall be signed by PUGET SOUND HEALTH PARTNERS and Contractor.

C. To implement any other material operational change PUGET SOUND HEALTH PARTNERS must provide ninety (90) days notice of the proposed change. Failure of Contractor to object in writing within this ninety (90) day period to such proposed operational change shall constitute Contractor and Participant's acceptance thereof. PUGET SOUND HEALTH PARTNERS shall maintain proof of delivery. In the event that Contractor and Participant object

to such proposed operational change in writing, and the parties are unable to come to alternative agreement regarding such proposed amendment, Contractor or Participant shall have the option to consider such written notice to be a one hundred and twenty (120) day notice of termination of participation under this Agreement from the effective date of the proposed operational change. Alternatively, Contractor and Participant shall have the option to pursue the Dispute Resolution process as described in Section 7.02.

7.02 Dispute Resolution.

In the event there is a dispute under this Agreement that is subject to dispute resolution, Contractor, as Participant's agent, and PUGET SOUND HEALTH PARTNERS shall first attempt to resolve the matter through informal good faith discussions. In the event the parties determine that the matter cannot be resolved informally, the following procedures shall apply.

A. Disputes. Contractor must submit to PUGET SOUND HEALTH PARTNERS a written request for internal appeal within one hundred eighty (180) days of becoming aware of PUGET SOUND HEALTH PARTNERS' action from which Contractor wishes to appeal. The request must include a detailed description of the issues in dispute and a description of the relief sought. PUGET SOUND HEALTH PARTNERS shall grant Contractor's request to be heard about the issues raised within thirty (30) days after such request is made.

If Contractor, as Participant's agent, is not satisfied with PUGET SOUND HEALTH PARTNERS' determination or PUGET SOUND HEALTH PARTNERS does not respond timely, Contractor may initiate non-binding mediation by notifying PUGET SOUND HEALTH PARTNERS within sixty (60) days of receipt of the PUGET SOUND HEALTH PARTNERS' decision. Contractor may also institute legal action in any Superior Court of competent jurisdiction.

B. Mediation. If Contractor chooses mediation, then upon initiation of mediation, the parties shall agree upon a mediator within 45 days. The mediator's fees shall be borne in equal shares by the parties. Unless agreed otherwise, all other related costs incurred by the parties shall be the sole responsibility of the party incurring the cost. The mediator shall, in consultation with the parties, determine a process and schedule for the mediation. In the event the parties cannot resolve the matter through non-binding mediation, either party may institute an action in any Superior Court of competent jurisdiction. By mutual consent, the parties may forego non-binding mediation and proceed directly to a Superior Court action.

C. Payment and billing disputes, and disputes concerning administrative Policies and Procedures that do not financially affect Contractor in a material way, shall be subject to the dispute resolution process addressed in the relevant section of this Agreement pertaining to each of those subjects, and shall not be subject to dispute resolution under this Section 7.02. However, whether such modifications have been proposed and made in compliance with the terms of this Agreement and with applicable law is subject to dispute resolution hereunder.

D. During any appeal or mediation process, neither Contractor nor Participant shall bill or otherwise seek collection from Enrollee for any payment amounts in dispute.

E. In the event the parties cannot resolve the matter through non-binding mediation, either party may institute an action in any Superior Court of competent jurisdiction. By mutual consent, the parties may forego non-binding mediation and proceed directly to a Superior Court action.

7.03 Assignment. No assignment of the rights, duties or obligations of this Agreement, including assignment by operation of law, will be made by Contractor or Participant without the written consent of PUGET SOUND HEALTH PARTNERS. If PUGET SOUND HEALTH PARTNERS merges, consolidates with another entity or does business under another name or with another entity, this Agreement will continue in full force and effect.

7.04 Subcontracts and Affiliation Agreements. If Contractor or Participant wishes to establish an agreement with another Practitioner, subcontractor or an affiliate to provide Covered Services to Enrollees hereunder, the agreement proposed must be in a form previously approved by PUGET SOUND HEALTH PARTNERS and must be submitted to PUGET SOUND HEALTH PARTNERS thirty (30) days prior to the agreement's effective date, along with all necessary information required to administer the agreement.

Such agreements shall be in place and approved by PUGET SOUND HEALTH PARTNERS prior to providing Covered Services to Enrollees. All such agreements shall conform to State and Federal regulatory requirements. In addition, each such subcontract shall provide that:

A. the party with whom Contractor or Participant so contracts must satisfy and comply with the terms of a Medicare Advantage plan agreement; and

B. the subcontract and/or affiliation agreement to the extent it relates to PUGET SOUND HEALTH PARTNERS, shall be terminable at the request of PUGET SOUND HEALTH PARTNERS consistent with the terms of Medicare Advantage plan requirements.

All Providers who provide Covered Services under such an agreement must be credentialed as required by PUGET SOUND HEALTH PARTNERS.

7.05 Entire Agreement. This Agreement, including all exhibits, addenda, attachments and amendments, constitutes the entire agreement between PUGET SOUND HEALTH PARTNERS and Contractor and Participant. No implied covenants will be read into this Agreement. This Agreement supersedes all prior agreements between the parties.

7.06 Severability/Conformity with Law. If any part of this Agreement shall be found to be invalid, void or unenforceable, the remainder of the Agreement shall remain in full force and effect. Parties will comply with all applicable state and federal laws and regulations, including but not limited to those related to Medicare, Medicaid and/or other state or federal health care delivery programs. This Agreement shall be interpreted, and if necessary amended, to conform to applicable state and federal law in effect on or after its effective date.

7.07 Headings. The headings of sections and paragraphs contained in this Agreement are for reference purposes only and will not in any way affect the meaning or interpretation of this Agreement.

7.08 Relationship of parties. Neither Contractor nor PUGET SOUND HEALTH PARTNERS nor any of their respective employees will be construed to be the agent, employee or representative of the other, or liable for any acts of omission or commission on the part of the other. Neither Participant nor PUGET SOUND HEALTH PARTNERS nor any of their respective employees will be construed to be the agent, employee or representative of the other, or liable for any acts of omission or commission on the part of the other. Contractor and Participant have agreed that Contractor is the agent for Participant and has full right and authority to enter into this Agreement on behalf of Participant.

7.09 Nonrestrictive Participation. Nothing contained in this Agreement or any related document will be construed to restrict the participation of Contractor or Participant in any other health care delivery system or payment plan.

7.10 Notices. Other than as set forth below, notices required by this Agreement will be in writing and mailed, postage prepaid, to the other party at the mailing address shown in this Agreement or to such other address as may be provided by one party to the other. Notice is considered effective on the date it is received, or three days following the postmark date, whichever is earlier. Notices of termination, requests, notices and correspondence required under the terms of Section 7.02A shall be sent certified mail, return receipt requested.

7.11 Waiver of Breach. Neither the failure nor delay on the part of either party to exercise any right under this Agreement will serve as a waiver of that right. If either party should waive any breach of any provision of this Agreement, it will not be deemed or construed as a waiver of any other breach of the same or a different provision.

7.12 Changes to Subscriber Agreements. PUGET SOUND HEALTH PARTNERS may change, revise, modify or alter the form and/or content of any Subscriber Agreement without prior notice to Participant or Contractor. PUGET SOUND HEALTH PARTNERS is required to provide notification to Contractor and Participant if such a change materially affects reimbursement or procedural requirements. In the event Contractor determines the presence of an adverse material impact, Contractor may provide sixty (60) days notice of termination subject to termination provisions contained in this Agreement.

7.13 Trademarks. The parties each reserve the right to control the use of their respective names, symbols, trademarks and service marks presently existing or later established. In addition, neither party will use the other party's name, symbols, trademarks or service marks, without prior written consent of the other party, as appropriate, and will cease any such usage immediately upon written notice of that party or upon termination of this Agreement, whichever is sooner, except as provided at Section 2.04.

If Participant or Contractor utilizes its own Enrollee education materials other than

general information announcing the Medicare Advantage Plans that Contractor or Participant contract with, inclusive of PUGET SOUND HEALTH PARTNERS name and information, then such materials must be submitted to PUGET SOUND HEALTH PARTNERS at least sixty (60) days prior to its intended use. Such materials must receive the prior approval of PUGET SOUND HEALTH PARTNERS and of any regulatory body to ensure conformity with applicable regulatory requirements.

7.14 Proprietary and Confidential Information. The existence of this Agreement is not considered confidential information. However, neither party will disclose the terms or contents of this Agreement and/or any of the attachments, addenda, amendments and exhibits without prior written consent of the other party. In addition, neither party shall disclose the course or substance of any ongoing contractual negotiations other than to counsel for that party or to any regulatory body regarding matters within the jurisdiction of that body, without the prior written consent of the other party. PUGET SOUND HEALTH PARTNERS considers the rates, formulas and pricing methodologies used in establishing various payment and risk-sharing provisions, including information supplied by Contractor or Participant in any bid documents, to be proprietary and confidential information. This provision shall survive termination of this Agreement.

7.15 Indemnification.

A. Indemnification of Contractor. PUGET SOUND HEALTH PARTNERS agrees to indemnify Contractor and to hold harmless Contractor against any claims, actions, liabilities, damages, and losses (collectively "Damages"), including reasonable attorneys' fees and costs, to the extent such Damages are caused by PUGET SOUND HEALTH PARTNERS negligence in discharge of duties or obligations which are solely the responsibility of PUGET SOUND HEALTH PARTNERS, its agents or employees during the term of this Agreement. Notwithstanding the foregoing, such indemnity shall not include any claim arising from an allegation of medical malpractice against the Contractor, Participant, its agents or employees.

B. Indemnification of PUGET SOUND HEALTH PARTNERS. Participant and Contractor agree to indemnify PUGET SOUND HEALTH PARTNERS and to hold harmless PUGET SOUND HEALTH PARTNERS against any Damages (as defined in 7.15A), including reasonable attorneys' fees and costs, to the extent such Damages arise or are related to (i) claims of malpractice or negligence for which Contractor or Participant, its employees, agents or representatives are responsible, or (ii) the use or maintenance of any property, facilities or equipment by or under the direction of Contractor or Participant or (iii) the performance of any activity by or under the direction or control of Contractor or Participant during the term of this Agreement. This provision shall survive termination of this Agreement.

7.16 Compliance. Contractor and Participant agree to comply in all material respects with: Title VII of the Civil Rights Act of 1964 as implemented by regulations at 45 CFR Part 84; The Age Discrimination Act of 1975 as implemented by regulations at 45 CFR Part 91; The Rehabilitation Act of 1973; The Americans With Disabilities Act; The False claims Act (32 U.S.C. §3729 et. seq.; The Anti-kickback Statute (Section 1128B(b) of the Act); and all other laws applicable to recipients of Federal funds.

Contractor and Participant shall comply with all applicable requirements of federal Medicare law and regulations, together with the PUGET SOUND HEALTH PARTNERS, as an eligible Medicare Advantage Organization, and the Centers for Medicare and Medicaid Services (CMS), a copy of which shall be made available to Participant upon request.

Contractor and Participant, in fulfilling its obligations under this Agreement, acknowledge that it is subject to certain laws that are applicable to individuals and entities receiving federal funds.

7.17 Payment and Federal Funds. Neither PUGET SOUND HEALTH PARTNERS, nor Contractor nor Participant shall make any specific payment, directly or indirectly, to a physician or physician group as an incentive to reduce or limit medically necessary services furnished to any particular Enrollees. Indirect payments may include offerings of monetary value (such as stock options or waivers of debt) measured in the present or future.

Throughout the term of this Agreement, parties shall remain in good standing with all applicable regulatory agencies, and shall comply with all applicable federal and state laws and regulations. Each party, in fulfilling its obligations under this Agreement, acknowledges that it is subject to certain laws that are applicable to individuals and entities receiving federal funds. Each party agrees to inform all related entities, contractors, and subcontractors that payments that they receive are, in whole or in part, from federal funds.

7.18 Force Majeure. Neither party shall be considered to be in breach of this Agreement if its failure to comply is occasioned by any act of God, bankruptcy or action of a governmental authority responding to an act of God or other emergency, or the result of a strike, lockout or other labor dispute.

7.19 Governing Law. This Agreement will be construed in accordance with the procedural and substantive laws of the State of Washington.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement in duplicate original.

Highline Medical Services Organization
(as agent for Participants)

PUGET SOUND HEALTH PARTNERS

By: _____
Signature

By: _____
Signature

Print or Typed Name

Print or Typed Name

Title

Chief Executive Officer

Date Signed

Date Signed

Tax ID #: _____

Mailing Address:

Mailing Address:
7502 Lakewood Dr. W., Suite A
Lakewood, WA 98499

EFFECTIVE DATE: June 15, 2009

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement in duplicate original.

Highline Medical Services Organization
(as agent for Participants)

PUGET SOUND HEALTH PARTNERS

By: [Signature]
Signature

By: _____
Signature

Karen L. Lee
Print or Typed Name

Print or Typed Name

President
Title

Chief Executive Officer

6/16/09
Date Signed

Date Signed

Tax ID #: 91-1614056

Mailing Address:

Mailing Address:

19600 International Blvd. #201
Seattle, WA 98188

7502 Lakewood Dr. W., Suite A
Lakewood, WA 98499

EFFECTIVE DATE: June 15, 2009

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement in duplicate original.

Highline Medical Services Organization
(as agent for Participants)

PUGET SOUND HEALTH PARTNERS

By: _____
Signature

By: April Golenor
Signature

Print or Typed Name

April Golenor
Print or Typed Name

Title

CEO
Chief Executive Officer

Date Signed

6/15/09
Date Signed

Tax ID #: _____

Mailing Address:

Mailing Address:
7502 Lakewood Dr. W., Suite A
Lakewood, WA 98499

EFFECTIVE DATE: June 15, 2009

EXHIBIT A COMPENSATION

This Exhibit describes the capitation payment mechanisms and describes the relationship of the parties to this Agreement.

Relationship of the Parties:

Notwithstanding anything to the contrary contained in this Agreement or any attachment to this Agreement, the parties acknowledge that the Contractor in no way “provides” Health Services to Enrollees, but rather Contractor is in the business of contracting on behalf of Participants, as their agent, for the provision of health care services under managed care plans.

Contractor may also facilitate the arrangement of referred Health Services to Participating Providers through its utilization management program, under a separate Credentialing and Utilization Management Delegation Agreement.

Contractor may also provide credentialing services for its affiliated Participants under a separate Credentialing and Utilization Management Delegation Agreement.

Contractor may also provide claims payment services to the participants under a separate Claims Delegation Agreement.

Contractor’s network of physician and hospitals are the principal Participants; however Contractor also provides a network of contracted Practitioners that are also considered Participants under the terms of this agreement. The total list of the Participants shall be provided to Puget Sound Health Partners and maintained in accordance with this agreement.

With respect to each Participant now or hereafter listed and as provided to Puget Sound Health Partners, or otherwise contracted under this Agreement, the Contractor hereby represents and warrants to Puget Sound Health Partners the following:

(i) through Contractor’s contractual relationships with the Participants, whether contracted or employed, Participants have agreed to participate in managed care agreements entered into by Contractor, which include, the Covered Health Services sponsored, issued or administered by Puget Sound Health Partners by providing Health Services to Enrollees in coordination with Puget Sound Health Partners under the terms specified in this Agreement;

(ii) through Contractor’s contractual relationships with the Participants who serve as Primary Care Physicians for Enrollees under this Agreement, (1) such Participants have authorized Contractor, as their agent, to enter into this Agreement on their behalf, (2) such Participants will accept compensation under this Agreement that is contingent in part on such Enrollees’ utilization of other providers, and (3) such Participant shall, and have the authority to, refer Enrollees to other providers for Health Services; and

(iii) through their contractual relationships with the Contractor, other contacted Practitioners and Participants (e.g., Referral Physicians, hospitals, ancillary providers) have agreed to receive referrals from the Primary Care Physicians and therefore have (1) appointed Contractor as their agent for purposes of contracting on their behalf to provide Health Services as Participant in accordance with the terms of this Agreement, and (2) agreed to accept the

compensation to be paid under this Agreement to such other Participant with respect to Health Services provided to Enrollees.

Contractor shall process claims on behalf of PUGET SOUND HEALTH PARTNERS per the terms of a separate claims delegation agreement and shall maintain the financial and claims information in accordance with this Agreement. Contractor is willing to meet Puget Sound Health Partners pre-delegation audit and systems requirements, per CMS regulations.

Special Contractor Responsibilities:

In addition to other insurance required in this Agreement, Contractor shall acquire E & O Managed Care insurance, and re-insurance/stoploss insurance related to the Capitated Services as required by CMS under the physician incentive plan requirements and the requirement to assure the financial stability required to assume financial risk.

Prepayments

Contractor shall be paid a monthly prepayment referred to herein as a Capitation Payment. Each such Capitation Payment will be made for each Enrollee designated by PUGET SOUND HEALTH PARTNERS to receive Covered Services from Contractor on the first day of the current month for which the payment is being made, provided, however, that each monthly payment will be reconciled for retroactive adjustments in eligibility for prior months. Retroactive adjustments due to eligibility changes will be limited to six months. Retroactive adjustment in the Premium due to changes in HCCs will have no limitation; subject to the provisions upon termination in Section 6.09. The Capitation Payment is payable to Contractor as a prepayment on the tenth of each month and shall be wired or deposited by ACH to the bank account listed below.

Contractor wiring instructions:

Financial Institution:
Routing Number:
ABA#:
Account:
Account Name:

Benefit Modifications.

Puget Sound Health Partners shall determine, in its sole discretion, additions or reductions to benefits, financed by CMS, Contracted Provider Enrollee premium revenues, and employer group premiums for retiree accounts, which may be required from time to time in connection with changes to CMS payment rates and local competitive market conditions. All such additions or reductions will be reviewed and approved by CMS during the regulatory review process. Contractor shall be given reasonable notice of and opportunity to comment on proposed changes.

Reserve Funds:

Contractor shall maintain a Reserve Account or Net Worth at an amount necessary to ensure the fiscal capacity to manage financial risk and maintain a financially sound entity as required by CMS. This amount shall be reviewed on a quarterly basis.

Contractor shall permit PUGET SOUND HEALTH PARTNERS to review financial statements and pursue other such audits to ensure Contractor’s compliance. Furthermore, PSHP has right to periodically review Contractor’s IBNR (Incurred, But Not Reported) claims approach in its assessment of fiscal soundness and to assure the Contractor’s capacity to accurately report this liability.

Capitation Payment Roster:

The capitation payment roster will made available on diskette, CD or other agreed to electronic method in ASCII format as agreed to by both parties (preferably fixed length format with a description of fields and their lengths attached), on the tenth day of each month. Eligibility will be available to Contractor as close to the first of the month as possible, but PUGET SOUND HEALTH PARTNERS shall make its best efforts to provide no later than the 10th of the month.

Funds Flow Summary

This is a percent of premium contract, global capitation agreement with significant risk arrangements. Contractor is at full risk for all Health Services provided to Enrollees, who are assigned to Contractor or Contractor’s participants, with the exception of all Part D, out of area and transplant services. Out of area services are defined as being those services received by an Enrollee further than thirty miles driving distance from the Enrollees PCP office that are urgent or emergent and that have not been authorized by Contractor.

Capitation Payment

█ of Premium to PUGET SOUND HEALTH PARTNERS

█ of Premium allocated to Contractor

- \$ pmpm withheld from █ to fund Vision Services.
- \$ pmpm withheld from █ to fund Behavioral Health Services.
- \$ pmpm withheld from █ to fund out of area services
- \$ pmpm withheld from █ to fund transplant services
- \$ pmpm withheld from █ to fund non-emergency transportation
- Less cost of other carve out services withheld to fund the payments for these Health Care Services.
- Less stop loss premiums, if any.
- Less payment for Part B drugs paid on behalf of Contractor for any assigned Enrollee.
- Remaining premium paid to Contractor in accordance with prepayments timelines, which are specified herein.

Any Part B drugs, which are obtained for assigned Enrollees and paid for by PUGET SOUND HEALTH PARTNERS, shall be deducted from the following months Capitation Payment, and the claim detail will be provided simultaneously for Contractor to verify the accuracy of the

deduction.

Part D Claims Reporting

PUGET SOUND HEALTH PARTNERS shall provide Contractor with electronic monthly pharmacy claims detail in a mutually agreeable format within ten days following receipt of such from the PUGET SOUND HEALTH PARTNERS pharmacy vendor.

Exhibit B
Participating Providers