

## ADMINISTRATIVE SERVICES AGREEMENT

THIS ADMINISTRATIVE SERVICES AGREEMENT, which is effective as of \_\_\_\_\_, 2012 (the "**Effective Date**"), is entered into by and between Soundpath Health, Inc. ("**Soundpath**"), a Washington health care service contractor, and CollabHealth Plan Services, Inc. ("**CollabHealth**"), a Colorado corporation. Soundpath and CollabHealth may sometimes be referred to herein individually as a "**Party**" or together as the "**Parties**."

**WHEREAS**, Soundpath is incorporated and domiciled in the State of Washington and is registered as a health care services contractor with the Washington State Office of the Insurance Commissioner pursuant to Chapter 48.44 of the Revised Code of Washington; and

**WHEREAS**, CollabHealth is a company incorporated and domiciled in the State of Colorado; and

**WHEREAS**, Soundpath holds a Medicare Advantage Contract with the Centers for Medicare and Medicaid Services ("**CMS**") for the purpose of offering Medicare Advantage Part C and Part D Benefit Contracts ("**Benefit Contracts**") to Medicare beneficiaries; and

**WHEREAS**, CollabHealth has acquired from Soundpath certain assets under the Asset Purchase Agreement by and between Soundpath and CollabHealth in order to provide administrative services to Soundpath with respect to Benefit Contracts in the usual course of business; and

**WHEREAS**, Soundpath desires to enter into this Administrative Services Agreement ("**Agreement**") to engage CollabHealth to perform services on Soundpath's behalf; and

**WHEREAS**, Soundpath has determined that CollabHealth has the capability to perform such administrative services.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants, and agreements contained herein, the receipt and legal sufficiency of which are hereby acknowledged by the Parties, each to the other, CollabHealth and Soundpath do hereby mutually promise, covenant, and agree as follows:

### ARTICLE I PROVISION OF SERVICES

**1.1 Services.** Soundpath hereby appoints CollabHealth, and CollabHealth accepts such appointment, as the provider of the administrative services set forth in Schedule A of this Agreement ("**Services**"), which such Services shall be carried out in accordance with the terms and conditions set forth in this Agreement. Soundpath appoints CollabHealth as its agent to represent Soundpath with respect to all of the Services to be provided by CollabHealth under Schedule A. With the exception of the foregoing

appointment with respect to the Services listed in Schedule A, neither CollabHealth nor Soundpath shall be deemed to be the agent of the other Party.

- 1.2 Ultimate Authority.** Both Parties agree that Soundpath shall at all times retain the ultimate authority and responsibility for the supervision, direction and control of its business operations, rights and obligations under the Benefit Contracts and its assets.
- 1.3 Licensure.** Throughout the term of this Agreement, both Parties shall remain licensed, as necessary, and in good standing with all applicable regulatory agencies.
- 1.4 Compliance with Federal and State Laws; Federal Funds.** Both Parties acknowledge that Soundpath is subject to numerous federal and state laws and regulations applicable to entities receiving federal funds and entities offering health care benefit plans to persons enrolled in federal and state health care programs. Each Party agrees to remain in good standing with all applicable regulatory agencies and comply in all material respects with the requirements of all applicable federal and state laws and regulations, including but not limited to: Medicare laws, regulations and CMS instructions; Title VI of the Civil Rights Act of 1964 and all related regulations; the Age Discrimination Act of 1975 and all related regulations; the Rehabilitation Act of 1973; the Americans With Disabilities Act; the Health Insurance Portability and Accountability Act and its administrative simplification rules; applicable provisions of federal criminal law; the False Claims Act; the Anti-Kickback Statute; the Patient Protection and Affordable Care Act, the Revised Code of Washington; the Washington Administrative Code; and all laws applicable to recipients of federal funds.
- 1.5 Medicare Advantage Flow Down Requirements.** CollabHealth acknowledges that it is a First Tier Entity as that term is defined by CMS' rules and regulations related to Medicare Advantage plans. CollabHealth agrees to comply with all requirements applicable to First Tier Entities that relate to the Services contemplated in this Agreement. These requirements are set forth in Schedule C of this Agreement.
- 1.6 Performance Standards.** In addition to other standards set forth in this Agreement, CollabHealth agrees to abide by the performance standards as set forth in Schedule B of this Agreement and agrees to remedy any performance deficiency with respect to the standards in Schedule B in accordance with the remedies provided in Schedule B.
- 1.7 Reporting Requirements.** CollabHealth is responsible for the timely and accurate submission of all of the reports set forth in Schedule D in a format acceptable to Soundpath. Additional reports may be requested, as needed, for purposes of compliance, financial oversight or the successful administration of benefits for Medicare Advantage enrollees ("**Enrollees**"). Such reports will be requested with as much advance notice as feasible.
- 1.8 Communication by Soundpath.** Soundpath will provide in a timely manner the information necessary for CollabHealth to perform the Services in this Agreement.

Such information shall include applicable policies, health care provider ("**Provider**") contract rates, benefit interpretation, and regulatory requirements. While retroactive changes may sometimes be required, Soundpath will seek to minimize such instances within its control.

**1.9 Advertising.** In accordance with all applicable state and federal laws, rules and regulations, CollabHealth shall submit all written marketing and advertising materials to Soundpath for prior approval before using such materials.

**1.10 Non-Discrimination.** CollabHealth shall not discriminate and will not use any policy or practice that has the effect of discriminating in the rendering of Services under this Agreement against individuals on the basis of race, color, creed, sex, religion, age, national origin, ancestry, marital status, sexual preference, health status, income status, physical or mental disability, type of coverage, need for Services or participation in a publicly financed program of health care services.

## **ARTICLE 2 COMPENSATION**

**2.1 Compensation.** As full compensation for the Services provided by CollabHealth, Soundpath agrees to pay CollabHealth the compensation set forth in Schedule E ("**Administration Fees**"). Administration Fees will be paid by Soundpath within thirty (30) calendar days of Soundpath's receipt of the monthly invoice for Administration Fees incurred in the performance of the Services. In the event of a failure by Soundpath to make any payment of Administration Fees hereunder, CollabHealth shall give Soundpath written notice within ten (10) calendar days of the date the payment was due and shall give Soundpath the opportunity to cure such failure to make payment. If Soundpath cures such failure within thirty (30) calendar days of its receipt of the written notice by CollabHealth, Soundpath shall not be in default hereunder.

**2.2 Overpayment/Underpayment.** In the event that Soundpath disagrees with the amount of Administration Fees due as set forth in CollabHealth's monthly invoice or the Parties disagree as to their set-off rights in Section 2.3 of this Agreement, the Parties agree to work together in good faith to resolve the issue. If the Parties are unable to come to a satisfactory resolution, Soundpath agrees to pay CollabHealth any amount of the invoice that is undisputed, and the Parties will proceed under Article 8 of this Agreement with respect to the remaining amount. In the event that CollabHealth receives an overpayment of Administration Fees or determines later that a monthly invoice overstated the Administration Fees due, CollabHealth must return any such overpayment to Soundpath within ten (10) business days of its discovery of the overpayment.

**2.3 Offsets.** The Parties have the right to offset amounts owed under this Agreement against amounts to be collected under this Agreement. An offset must be accompanied by the appropriate documentation.

**ARTICLE 3**  
**RECORD RETENTION; RECORD REVIEW**

- 3.1 Record Retention.** CollabHealth must retain all books and records related to its performance under this Agreement for the time period set forth in Section 3.3 of this Agreement. Retention of such records may be either in paper or electronic format and must be included in a disaster recovery plan. Upon request, CollabHealth will provide Soundpath in a timely manner a copy of such books and records in a mutually agreed format.
- 3.2 Disaster Recovery Soundpath.** Both Parties shall create a viable disaster recovery plan that includes backing up all data both on-site and off-site such that historical data can be retrieved at any time, and such access must be maintained for the entire amount of time set forth in Section 3.3 of this Agreement.
- 3.3 Inspections and Audits.** Upon reasonable notice, CollabHealth shall provide government agencies and Soundpath access during regular business hours to the books and records related to the Services provided under this Agreement. Such access shall be limited to that necessary to perform the inspection or audit. Each Party acknowledges that certain government agencies including, but not limited to, the Department of Health and Human Services (“**DHHS**”) and the Office of the Comptroller General (“**Comptroller General**”) and their assigns, have the right to audit, evaluate and inspect each Party’s books and records, including medical records and documentation related to CMS’ contract for a period of ten (10) years from the final date of the contract period or the completion of any governmental audit that pertains to such books and records, whichever is later, unless: (i) CMS determines there is special need to retain a particular record or group of records for a longer period and notifies the Party at least thirty (30) business days before the normal disposition date; (ii) there has been a termination, dispute, or allegation of fraud or similar fault by either Party, in which case the retention may be extended to six (6) years from the date of any resulting final resolution of the termination, dispute, fraud, or similar fault; or (iii) CMS determines that there is a reasonable possibility of fraud or similar fault, in which event CMS may inspect, evaluate, and audit either Party at any time. Without limiting the foregoing, following the commencement of any audit by a government agency, the Party subject to the audit shall retain its relevant books and records until completion of said audit. The provisions of this section shall survive termination of this Agreement.

**ARTICLE 4**  
**COMPLAINTS**

- 4.1 Complaints.** The Parties will abide by the procedures set forth in the Benefit Contract with respect to the handling of complaints, grievances or other issues raised by Enrollees.

**ARTICLE 5**  
**CONFIDENTIALITY**

**5.1 Confidentiality of Information.** Both Parties agree to, and will instruct their officers, directors, employees, agents and shareholders to, protect and maintain in confidence all Confidential Information (as hereinafter defined) of the other Party and of any Provider or Enrollee (collectively, "**Related Party**") in accordance with the terms of this Article 5.

**5.2 Definition of Confidential Information.** "**Confidential Information**" shall include: (i) the existence and terms of this Agreement; (ii) all non-public information, materials or data in any form (whether written or oral or whether disclosed before or after the Effective Date) which either Party knows or has reason to know is confidential to the other Party or to any Related Party; (iii) any other information which is clearly marked or designated as "Confidential" by the other Party or any Related Party; (iv) all information relating to the other Party's business (such as data, manuals, know-how, formulas, computer software, data structures, scripts, application programming interfaces, protocols, processes, ideas, inventions (whether patentable or not), patents, patent applications, forecasts, and Enrollee or vendor lists and information); (v) the trade secrets, current and future business plans, marketing plans and strategies, business methods and practices, prospect data, records, information or profiles, historical or prospective financial information, budgets, cost and expense data and personnel information of the other Party or of any Related Party; and (vi) medical histories, medical records, prescription data and other data, records or profiles of Enrollees.

**5.3 Not Confidential Information.** Confidential Information shall not include any information (A) after it has become generally available to the public through no fault of the Party or without a breach of this Agreement; (B) which can be demonstrated was in the possession of the Party prior to the Parties entering into this Agreement so long as the Party did not acquire such information from a source which had a fiduciary, confidential or contractual duty to the applicable Party or any Related Party to maintain such information as confidential; or (C) which both Parties agree in writing is not Confidential Information, such as the existence of this Agreement, however, the Parties must agree as to the specific terms of this Agreement that are not Confidential Information before either Party discloses such information to the public.

**5.4 Exclusive Property.** All Confidential Information and any other information, trademarks, service marks, trade names, domain names, URLs, logos, icons, graphics, or other property ("**Proprietary Information**") belonging to a Party or any Related Party shall remain the sole and exclusive property of such person.

**5.5 Treatment of Confidential Information.** Both Parties agree to protect and maintain the secrecy of the Confidential Information and to maintain the proprietary character of any Proprietary Information by, among other things: (i) treating such information with at least the same standard of care and protection which each Party

accords its own Confidential and Proprietary Information; (ii) disclosing such information only to those who have a need to know such information in order to perform Services or obligations hereunder, and instructing them to take all reasonable precautions to prevent unauthorized use or disclosure thereof; and (iii) not using, disclosing or exploiting such Confidential and Proprietary Information except as necessary to perform any Services or obligations or as otherwise pre-authorized by the other Party in writing.

**5.6 Disclosure.** Each Party will immediately notify the other Party in the event of any unauthorized use or disclosure of the Confidential Information. In the event that a Party who is the recipient of such Confidential Information ("**Recipient Party**") is requested pursuant to, or required by, applicable law or regulation or by legal process to disclose any Confidential Information belonging to the other Party or any Related Party ("**Disclosing Party**"), the Recipient Party agrees that it will provide the Disclosing Party with prompt notice of such request or requirement in order to give the Disclosing Party time to (1) enable the Disclosing Party to seek an appropriate protective order or other remedy; (2) enable the Disclosing Party to consult with the Recipient Party with respect to the Disclosing Party's steps to resist or narrow the scope of such request or legal process; or (3) waive compliance, in whole or in part, with the terms of the obligations set forth in this Article 5. In any such event, the Recipient Party shall use reasonable efforts to ensure that all Confidential Information that is so disclosed will be accorded confidential treatment.

**5.7 Employee/Contractor Agreements.** CollabHealth agrees to obtain the agreement of all of its employees or contractors to use information obtained in connection with providing Services only as permitted hereunder and not to use or disclose such information to any third party either during or subsequent to their employment or service engagement with CollabHealth. In addition, CollabHealth shall require all such employees and contractors to reaffirm such agreement on an annual basis. When a CollabHealth employee leaves CollabHealth, CollabHealth will remind the employee of his or her confidentiality commitments and require the employee to return to CollabHealth or purge (if directed by Soundpath) all Confidential Information in his or her possession, including that in his or her computers and other devices. In addition, CollabHealth will ensure that any employee or contractor assigned to perform or support the Services has agreed that his or her commitment to protecting the Confidential Information of Soundpath remains in effect after his or her employment or other relationship with CollabHealth terminates.

**5.8 Protected Health Information.** CollabHealth agrees to take reasonable and necessary actions to safeguard the Confidential Information that includes the protected health information of Enrollees in accordance with applicable state and federal privacy and security requirements, including but not limited to, 45 C.F.R. Parts 160 and 164 promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**"), Pub. L. No. 104-191, 42 U.S.C. §§ 1320d-1329d-8. Both Parties agree that as it relates to the use and/or disclosure of protected health information, electronic transaction standards and the security of electronic protected health information under HIPAA, each shall be subject to the terms of the

Business Associate Agreement, which will be executed by the Parties simultaneously with the execution of this Agreement.

**ARTICLE 6**  
**TERM AND TERMINATION**

**6.1 Term.** This Agreement shall commence on the Effective Date and shall continue for five years ("**Initial Term**"). This Agreement shall automatically renew annually thereafter unless (i) either Party provides the other Party with at least one hundred twenty (120) days prior written notice of termination; or (ii) this Agreement is otherwise terminated as set forth herein.

**6.2 Termination.** In addition to the notice of termination provided in Section 6.1 of this Agreement, this Agreement may also be terminated according to the provisions below.

**6.2.1 Mutual Agreement.** This Agreement may be terminated as of any date mutually agreed to in writing by the Parties hereto.

**6.2.2 For Cause.** This Agreement may be terminated for cause as follows.

**6.2.2.1 Material Default.** If either Party defaults in the performance of a material provision of this Agreement and such default is not cured within thirty (30) calendar days after the date upon which written notice is provided by the other Party stating the specific default, this Agreement shall terminate without further action by the non-defaulting Party on the last day of that thirty (30) day period.

**6.2.2.2 Order.** This Agreement shall terminate upon receipt of an enforceable final order to terminate this Agreement entered by any federal or state court, agency or regulatory authority having competent jurisdiction over the Parties and the subject matter of this Agreement.

**6.2.2.3 Insolvency.** A Party must give notice to the other Party within two (2) business days if it has (1) applied for, or consented to, the appointment of a receiver or trustee to liquidate all or a substantial part of its assets; (2) filed a voluntary petition or had a third party file an involuntary petition in bankruptcy; (3) admitted in writing its inability to pay its debts as they become due; (4) made a general assignment for the benefit of creditors, filed a response seeking reorganization, or entered into an arrangement with creditors; or (5) if a court of competent jurisdiction has (i) entered an order, judgment or decree that the Party is bankrupt or insolvent; or (ii) has approved a petition seeking reorganization of that Party or appointment of a receiver, trustee, conservator or liquidator of that Party or of all or a substantial part of its assets or operations. Upon

such notice, the other Party may terminate this Agreement immediately or at any time thereafter.

**6.2.2.4 Loss of Licensure or Contract.** If Soundpath has its Certificate of Registration in Washington revoked, suspended or restricted in any material way or if CollabHealth has any license necessary for the performance of its duties under this Agreement revoked, suspended or restricted in any material way, it must give the other Party notice within two (2) business days of such event. The Parties agree to meet and discuss the issue in good faith in order to come to a mutually agreeable plan for moving forward. If the Parties do not come to a mutually agreeable resolution, the Party receiving notice of the other Party's license revocation, suspension or restriction may terminate this Agreement upon notice. In addition, either Party may terminate this Agreement by written notice to the other Party in the event of Soundpath's failure to be awarded a renewal of its Medicare Advantage contract by CMS or termination of such contract on its terms. In case of such termination of this Agreement, notice of termination shall be provided to Enrollees in accordance with provisions of Soundpath's Medicare Advantage contract with CMS.

**6.2.2.5 Non-Compliance.** If a Party discovers that any provision in this Agreement is not compliant with any federal, state or local law, rule or regulation, which materially impedes or materially interferes with a Party's ability to perform its obligations under this Agreement, that Party must notify the other Party as soon as reasonably possible of the non-compliance. The Parties agree to amend this Agreement within thirty (30) calendar days of such notice. If the Parties fail to amend the Agreement within that time period, the notifying Party may immediately terminate this Agreement upon written notice.

**6.2.2.6 Tax Status; Issuance of Bonds.** If any provision in this Agreement (1) jeopardizes the tax exempt status of any of CollabHealth's Affiliates; or (2) jeopardizes the ability of any of CollabHealth's Affiliates to issue bonds, CollabHealth may terminate this Agreement upon thirty (30) calendar days prior written notice.

For purposes of this Agreement, "**Affiliate**" means any entity that, at the time of determination, directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with CollabHealth or Soundpath, whichever the case may be.

**6.2.2.7 Exclusion from Federal Healthcare Program.** If either Party is excluded from participation in a federal healthcare program, that Party will notify the other Party as soon as reasonably practicable. The other Party may then terminate this Agreement upon written notice.

**6.2.2.8 Material Default of Other Agreements.** If either Party materially defaults in the performance of one of the following agreements, (which may collectively be referred to herein as the “**Transactional Agreements**”): (1) the Stock Purchase Agreement by and among Northwest Physicians Network of Washington, LLC (“**NPN**”), Physicians of Southwest Washington, L.L.C. (“**PSW**”), Soundpath and CollabHealth; (2) the Asset Purchase Agreement by and between Soundpath and CollabHealth; or (3) the Class R Preferred Stock Purchase Agreement by and between Soundpath and CollabHealth, and such default is not cured pursuant to the cure provisions in the applicable agreement, this Agreement may be terminated at the sole discretion of the non-defaulting Party at the same time the non-defaulting Party terminates the other agreement.

**6.3 Effect of Termination.** Termination of this Agreement shall not terminate the rights or liabilities of Soundpath or CollabHealth arising out of the period prior to the effective date of termination. The Parties agree to cooperate in the transition of Services under this Agreement in the event of a termination.

**6.4 Survival.** The following provisions survive the termination of this Agreement indefinitely: Article 3 (Record Retention; Record Review); Article 4 (Complaints); Article 5 (Confidentiality); Sections 7.1 through 7.4 (Limit of Liability and Indemnification); Article 8 (Dispute Resolution); Section 9.4 (Notice); Section 9.5 (Severability); Section 9.6 (Governing Law); Section 9.7 (Entire Agreement) and Section 9.8 (Relationship).

**6.5 Transfer of Records.** Upon termination of this Agreement for any reason, CollabHealth shall follow Soundpath’s instructions regarding the disposition of all Soundpath records, data and Confidential Information. All records, data and Confidential Information are the exclusive property of Soundpath even though they may be maintained by CollabHealth. Transfer of records shall be conducted in a timely manner, allowing Soundpath or its designee to perform all administrative services in compliance with federal, state and CMS requirements.

**6.6 Force Majeure.** Neither Party shall be liable in any manner for any delay to perform its responsibilities hereunder which are beyond a Party’s reasonable control, including, without limitation, any delay or failure due to riots, earthquakes, storms, floods or other extreme weather conditions, fires, explosions, war or other outbreak or hostilities, acts of terrorism, government acts or regulations, or the failure or

inability of carriers, suppliers, delivery services, or telecommunications providers to provide services necessary to enable a Party to perform its responsibilities hereunder.

## ARTICLE 7

### LIABILITY; INDEMNIFICATION; INSURANCE

- 7.1 Limitation of Liability.** Each Party's liability to the other hereunder shall in no event exceed actual, proximate losses or damages caused by its material default under this Agreement. No such actual, proximate losses or damages shall, in any event, exceed one year's worth of Administration Fees. In no event shall either Party, its officers, directors, employees or agents, be liable for lost profits relating to a relationship with a third party, however caused or arising, whether or not the other Party has been informed of the possibility of their occurrence.
- 7.2 CollabHealth Indemnification of Soundpath.** CollabHealth agrees to indemnify, defend and hold Soundpath harmless from and against any and all claims, liabilities, costs, attorney fees, and damages related to acts or omissions of CollabHealth and its officers, directors, employees or agents in their performance of their duties under this Agreement to the extent the allegations are related to the negligence or willful or criminal misconduct of CollabHealth or its officers, directors, employees, or agents (except to the comparative extent that the claims result from the negligent, willful or criminal acts or omissions of Soundpath).
- 7.3 Soundpath Indemnification of CollabHealth.** Soundpath agrees to indemnify, defend and hold CollabHealth harmless from and against any and all claims, liabilities, costs, attorney fees and damages related to acts or omissions of Soundpath and its officers, directors, employees or agents that occur in the performance of their duties under this Agreement to the extent the allegations are related to the negligence or willful or criminal misconduct of Soundpath or its officers, directors, employees, or agents (except to the comparative extent that the claims result from the negligent, willful or criminal acts or omissions of CollabHealth).
- 7.4 Indemnification Notification.** As a condition of indemnification under this Article 7, the Party seeking indemnification shall notify the indemnifying Party in writing (i) within ten (10) calendar days of knowing; or (ii) within ten calendar (10) days of when they should have known of any claim for which indemnification may be sought hereunder and shall tender the defense of such claim to the indemnifying Party. With respect to (ii) above, any delay beyond the ten (10) calendar days will not nullify the right of indemnification as long as the delay does not prejudice any rights of the indemnifying Party. The determination of whether the delay in notice prejudices the indemnifying Party shall be made by the indemnifying Party in its sole discretion. No Party shall indemnify the other with respect to any claim settled without the prior written consent of the other Party.
- 7.5 CollabHealth Insurance.** During the term of this Agreement, CollabHealth shall maintain at its sole cost and expense, commercial general liability insurance, including contractual liability, in the amount of One Million Dollars (\$1,000,000.00)

per occurrence and Two Million Dollars (\$2,000,000.00) aggregate; workers' compensation and employer's liability with limits of Five Hundred Thousand Dollars (\$500,000.00) coverage; umbrella/excess liability in the amount of Four Million Dollars (\$4,000,000.00) covering underlying auto, general and employers' liability; professional liability insurance, including technology-infused errors and omissions, in the amount of Five Million Dollars (\$5,000,000.00) per occurrence and Five Million Dollars (\$5,000,000.00) in aggregate, to include a privacy extension endorsement, a security extension endorsement, advertising injury/personal injury coverage extension, and third party administrator coverage; and a fidelity bond/crime coverage, including computer fraud coverage, in the amount of One Million Dollars (\$1,000,000.00). CollabHealth shall provide proof of such insurance upon request and shall give ten (10) calendar days prior written notice to Soundpath in the event of any termination, cancellation or material change in such insurance.

**7.6 Soundpath Insurance.** During the term of this Agreement, Soundpath shall maintain at its sole cost and expense, commercial general liability insurance, including contractual liability, in the amount of One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) aggregate; professional liability and directors and officers liability insurance and technology-infused errors and omissions, in the amount of Five Million Dollars (\$5,000,000.00) per occurrence and Five Million Dollars (\$5,000,000.00) in aggregate, to include a privacy extension endorsement, a security extension endorsement and an advertising injury/personal injury coverage extension; a fidelity bond/crime coverage, including computer fraud coverage, in the amount of One Million Dollars (\$1,000,000.00); umbrella/excess liability in the amount of Four Million Dollars (\$4,000,000.00) covering underlying general and employers' liability; and workers' compensation and employers' liability coverage as required by law. Soundpath shall provide proof of such insurance upon request and shall give ten (10) calendar days prior written notice to CollabHealth in the event of any termination, cancellation or material change in such insurance.

## ARTICLE 8 DISPUTE RESOLUTION

**8.1 Negotiations.** If a dispute arises between the Parties relating to this Agreement that cannot be resolved informally, each Party involved in such dispute (each, a "Disputing Party" and, collectively, the "Disputing Parties") agrees to comply with the procedures set forth in this Article 8 ("**Dispute Resolution Procedures**"). The Dispute Resolution Procedures will be invoked by a Party, before such Party pursues any other available remedy, by such Party giving written notice to the other Party or Parties, as applicable. Following receipt of such notice, the Disputing Parties shall, for a period of thirty (30) days after the dispute first arises, attempt in good faith to negotiate a resolution of the dispute (the "**Initial Negotiation**"). The Initial Negotiation will include no less than two (2) in-person meetings among authorized representatives of the Disputing Parties, whom shall have authority from the respective Boards of Directors of the Disputing Parties to settle the matter. If the dispute is not resolved during the Initial Negotiation, the Disputing Parties shall, for an additional period of thirty (30) days after the end of the Initial Negotiation period,

continue to attempt in good faith to negotiate a resolution of the dispute (the "Extended Negotiation"). The Extended Negotiation will include no less than two (2) in-person meetings between the President and Chief Executive Officer of the Disputing Parties, all of whom shall have authority from the respective Boards of Directors of the Disputing Parties to settle the matter

**8.2 Mediator.** The Disputing Parties will appoint a mediator mutually acceptable to the Disputing Parties to participate in the Initial Negotiation and any Extended Negotiation, seeking assistance in such regard from the American Arbitration Association's AAA Mediation Services if they are unable to agree upon such appointment within ten (10) days after the dispute first arises. The place of the Initial Negotiation and any Extended Negotiation shall be in Seattle, Washington, or such other place as may be mutually agreed to by the Disputing Parties. The mediator may meet or communicate with the Disputing Parties together or with each of them separately. If the Extended Negotiation is not successful in resolving the dispute within the thirty (30) day Extended Negotiation period, the mediator shall declare an impasse between the Disputing Parties by notifying each Disputing Party promptly after the expiration of such thirty (30) day period. Each Disputing Party shall pay its own attorneys' and expert witness fees and costs associated therewith, and the costs of the mediator shall be split equally among the Disputing Parties. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Disputing Parties or their representatives, and by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any legal proceeding involving the Disputing Parties.

**8.3 Waiver of Right to Jury Trial.** If the Parties cannot reach agreement pursuant to Sections 8.1 and 8.2, the Parties may proceed with such remedies as they may be entitled and deem appropriate in accordance with this Agreement. The Parties agree that notice as provided herein shall constitute sufficient service of process and the Parties further waive any argument that such service is insufficient. EACH PARTY HEREBY WAIVES THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE AGREEMENTS CONTEMPLATED HEREBY OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN OR THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, COUNTERCLAIMS AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

**ARTICLE 9  
GENERAL PROVISIONS**

- 9.1 Amendment.** This Agreement shall not be amended or modified except in writing signed by both Parties. Any amendment that involves Schedule E regarding the Administration Fee must be approved by sixty-five percent (65%) of the Soundpath Board of Directors. Any amendment that (i) involves a material change to Schedule A; and (ii) materially increases the cost of Soundpath to operate its business must be approved by sixty-five percent (65%) of the Soundpath Board of Directors. Any amendments to this Agreement shall not become effective until approved by the Washington Office of the Insurance Commissioner and CMS has received appropriate notice as required under its rules and regulations.
- 9.2 Assignment.** With the following exception, neither Party may assign this Agreement without the prior written consent of the other Party. CollabHealth may assign this Agreement to any Affiliate upon thirty (30) calendar days prior written notice to Soundpath and such assignment shall not require the prior approval of Soundpath.
- 9.3 Waiver.** The failure of either Party to exercise its right to enforce any provision hereof shall not be deemed a waiver of such Party's future rights to enforce such provision, unless such waiver shall be in writing and executed by a duly authorized officer of the waiving Party.
- 9.4 Notice.** Except as otherwise provided in this Agreement, all communications shall be deemed to have been duly given when transmitted by facsimile or personally delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as aforesaid. Notices required or permitted pursuant to this Agreement shall be made in writing (as an alternative to personal service) by certified mail, with postage prepaid return-receipt requested to the following addresses:

If to Soundpath Health, Inc.:

Soundpath Health, Inc.  
32129 Weyerhaeuser Way South, Suite 201  
Federal Way, WA 98001  
Attention: Board of Directors  
                  c/o the Chief Executive Officer  
Telephone: 253.517.4301  
Facsimile: 253.779.8829

If to CollabHealth:

Mark Bjornson, Chief Executive Officer  
CollabHealth Plan Services, Inc.  
198 Inverness Drive West  
Englewood, Colorado 80112  
Telephone: 443.761.3641  
Facsimile: \_\_\_\_\_

AND

Mitch H. Melfi  
Senior Vice President and General Counsel  
Catholic Health Initiatives  
198 Inverness Drive West  
Englewood, Colorado 80112  
Telephone: 303.383.2678  
Facsimile: 720.874.1105

- 9.5 Severability.** If any clause, paragraph, term or provision of this Agreement shall be declared invalid or unenforceable by any court of competent jurisdiction, such finding shall have no effect upon any other clause, paragraph, term or provision of the Agreement, which shall be given full force and effect.
- 9.6 Governing Law.** This Agreement has been made and delivered under the laws of the State of Washington and shall be construed under the laws of that state.
- 9.7 Entire Agreement.** This Agreement (including all schedules and recitals incorporated by reference herein) constitutes the entire Agreement between the Parties and supersedes any and all prior agreements, either oral or written, between the Parties with respect to the subject matter hereof.
- 9.8 Relationship.** Soundpath and CollabHealth are separate legal entities and independent contracting parties. Each company shall at all times exercise ultimate control over its assets and operations and shall retain the ultimate authority and responsibility regarding its powers, duties and responsibilities subject to the rights and responsibilities assumed under this Agreement and other agreements between the Parties. This Agreement shall not be interpreted to create a joint venture, partnership or other business combination subjecting either Party to any obligation to third parties except those assumed as a result of the terms and conditions of this Agreement.

\*\*\*\*\*SIGNATURE PAGE FOLLOWS\*\*\*\*\*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective officers duly authorized to do so and bind each organization to the terms and conditions of this Agreement effective as of the day described above.

**Soundpath Health, Inc.**

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

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

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

**CollabHealth**

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

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

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

## SCHEDULE A

### Administrative Services

CollabHealth will provide the following Services under this Agreement with respect to Benefit Contracts:

1. **Customer Service and Provider Relations.** CollabHealth shall provide all customer service for Enrollees and Providers, including but not limited to, the following:

- 1.1 **Establishment of Toll-Free Phone Number.** CollabHealth will provide a nationwide toll-free telephone number and sufficient lines dedicated for Enrollees (“**Enrollee Customer Service Lines**”). CollabHealth will provide a separate nationwide toll-free telephone number and sufficient lines dedicated for Providers (the “**Provider Relations Service Lines**”). The service lines shall be appropriately staffed to meet the requirements of Soundpath’s Benefit Contracts with its Enrollees and its agreements with Providers, as communicated to CollabHealth by Soundpath from time to time.

- 1.1.1 CollabHealth shall ensure that the Enrollee Customer Service Lines and Provider Relations Service Lines have the capability of telephonic transfer in order to ensure a seamless approach to both Enrollee and Provider inquiries.

- 1.1.2 CollabHealth shall answer the Enrollee Customer Service Lines and Provider Relations Service Lines in the name of Soundpath, or such other name and/or with such greeting as specified by Soundpath from time to time.

- 1.1.3 CollabHealth will provide, maintain and train staff for communications with a telecommunication device for the deaf (“**TDD**”). CollabHealth will ensure that interpretive services for the deaf are available via a TDD. CollabHealth will provide the necessary equipment for such interpretive services.

- 1.1.4 CollabHealth will provide for interpreter services for Enrollees and Providers who do not speak English.

- 1.1.5 CollabHealth shall keep records of all calls, sufficient to determine what was told to the Enrollee or Provider, and such records shall be retained as required by Soundpath’s policies and procedures.

- 1.2 **Service Representatives.** CollabHealth will provide staffing for written, telephonic, electronic, or in-office inquiries concerning such issues as verification of eligibility and benefit information. CollabHealth shall ensure that those representatives will have access to CollabHealth’s database containing information on Soundpath’s current network Providers. CollabHealth shall ensure that all available patient eligibility and program coverage files will be accessible to the representatives. These representatives will assist Enrollees in locating network Providers and confirming the network status of Providers. CollabHealth will provide Enrollees and others the information required to be provided under applicable Federal and/or state laws.

1.3 **Provider Services.** Upon a Provider's request, CollabHealth shall determine an Enrollee's eligibility and benefits, provide plan information and provide a fee schedule. CollabHealth shall also assist Providers with referrals and provide the status of claims for Assigned Enrollees.

1.4 **Enrollment and Enrollee Materials.** CollabHealth will perform all enrollment functions and will provide Enrollees with written documents as necessary including plan related documents and mailings required by CMS. All hard copies of such materials are and shall remain at all times the sole property of Soundpath. Upon termination or nonrenewal of this Agreement, CollabHealth shall return to Soundpath all hard copies of all materials in CollabHealth's possession.

1.5 **Identification ("ID") Cards.** CollabHealth shall provide Enrollees with ID cards.

1.6 **Provider Directories.** CollabHealth shall provide Provider directories to Enrollees. All hard copies of Provider directories are and shall remain at all times the sole property of Soundpath. Upon termination of this Agreement, CollabHealth shall return to Soundpath all hard copies of all Provider directories in CollabHealth's possession.

2. **Underwriting.** CollabHealth shall be responsible for the underwriting of all Benefit Contracts and shall adhere to Soundpath's underwriting policies and procedures.

3. **Premium Collection and Billing.**

3.1 **Deposit of Premiums.** CollabHealth shall deposit all premiums it collects into the bank account designated by Soundpath for such purpose (the "**Premium Account**"). For the avoidance of doubt, CollabHealth has "collected" a premium hereunder when it has received, in respect of such premium, a check or other negotiable instrument, a direct deposit or other wire transfer of funds. In the case of collection of a premium by direct deposit or other wire transfer of funds directly to the Premium Account, such premium shall be deemed to have been deposited into the Premium Account immediately upon receipt. Premiums collected by CollabHealth shall be deemed received by Soundpath. Any interest accrued on the premiums held in the Premium Account shall accrue to Soundpath's benefit.

3.2 **Reporting and Reconciliation.** Within thirty (30) days after receipt of the bank statement detailing Premium Account transactions for the prior month, CollabHealth shall reconcile such bank statement with transactions that occurred during the period covered by the bank statement and provide Soundpath the reconciliation report.

3.3 **Notices to Enrollees.** To the extent required by applicable law or regulation, CollabHealth shall, when billing on Soundpath's behalf persons who have purchased the Benefit Contracts, provide to the Enrollees a written explanation of the premiums. If the premiums include charges other than premiums, CollabHealth shall separately identify and explain such charges to the Enrollees.

- 3.4 Control Policy.** CollabHealth agrees to abide by the Control Policy that has been created by Soundpath and is currently in place with respect to transactions related to the Premium Account.
- 3.5 Premium Account Risks.** CollabHealth and Soundpath shall exercise ordinary care and due diligence with respect to the maintenance and security of the Premium Account. Soundpath shall bear all responsibility for the risk of bank encoding errors. CollabHealth shall bear all responsibility for the risk of check fraud resulting directly from CollabHealth's or its employees' action or inaction. Soundpath shall bear all other responsibility for the risk of check fraud. CollabHealth shall bear the responsibility for check printing errors.
- 3.6 CMS Premium Adjustments.** CollabHealth shall work to determine the appropriate Hierarchical Condition Categories ("HCC") and shall prepare the related submission to CMS within the time frame set forth by CMS. As a part of this process, CollabHealth will (i) put processes in place to identify potentially inaccurately coded Enrollees; (ii) conduct audits of Enrollee records; and (iii) work with Providers to promote the accurate coding of Enrollees. On a quarterly basis, CollabHealth shall provide the Board of Directors of Soundpath a report on its HCC-related activities.
- 4. Accounting, Investment Management and Actuarial Services.** CollabHealth shall provide all accounting, investment management and actuarial services to Soundpath. CollabHealth has the authority to enter into contracts with third party vendors with the prior written approval of Soundpath. CollabHealth will follow all of the requirements in this Agreement with respect to subcontractors. Fees for accounting and actuarial services shall be paid by CollabHealth from its Administration Fee. Fees for investment management services will be considered Excluded Expenses under Section 8.2 of this Schedule A.
- 5. Marketing and Sales.** CollabHealth shall market and sell Benefit Contracts. CollabHealth shall also negotiate agency contracts with producers to sell and market Benefit Contracts on behalf of Soundpath. CollabHealth shall notify the OIC, as required, of Soundpath's appointment and termination of producers.
- 6. Compliance.** CollabHealth will work with Soundpath to ensure CMS and insurance regulatory compliance. This will include working with CMS and insurance regulatory representatives as needed, the submission of notices and filings and any other work that would be needed to ensure compliance. CollabHealth will provide compliance staff, monitoring of compliance, reporting to Soundpath's Board of Directors and review of remedial action taken.
- 7. Provider Contracting and Credentialing.** CollabHealth will negotiate contracts between Soundpath and Providers and will credential all Providers as often as required by law or delegate such credentialing activities to qualified vendors. In credentialing Providers, CollabHealth will follow Soundpath's policies and procedures which, are in compliance with all state and federal laws, rules and regulations including Title 18 of the Revised Code of Washington and Washington Insurance Regulation Section 284-43-310.

8. **Payment of Expenses on Behalf of Soundpath.** Subject to Section 8.2 of this Schedule A, CollabHealth shall pay the following fees and expenses on behalf of Soundpath: (1) invoices directed to Soundpath from third party vendors; (2) fees owed by Soundpath to third parties; and (3) any other fees or expenses as otherwise noted in this Agreement. All of these fees and expenses are included in the Administration Fee set forth in Schedule E.

8.1 **Right of Set Off.** In the event that Soundpath pays any of the fees or expenses set forth above in Section 8 of this Schedule A directly from its own account, Soundpath may use its right of set-off under Section 2.3 of this Agreement to deduct its payment of the expense or fee from the Administration Fee set forth in Schedule E. If this occurs, Soundpath must send a report with the next payment of the Administration Fee setting forth the amount paid, date of the payment, check number and the invoice or other statement detailing the fee or expense.

8.1.1 **Employees of Soundpath.** In the event that Soundpath is required by a state or federal agency to directly employ an executive level position to oversee any of the Services set forth in this Schedule A, the Parties agree to meet and discuss the terms and conditions of such employment. Before an offer is extended by Soundpath with respect to the required position, the Parties must agree to the proposed salary and benefits. Soundpath will use its right of set-off as described in Section 2.3 of the Agreement to offset the employee's salary and benefits from the Administration Fee paid to CollabHealth.

8.2 **Excluded Expenses.** The following will be paid directly by Soundpath and are **not** included in the Administration Fee set forth in Schedule E: (1) Certificate of Registration renewal fees; (2) premium taxes; (3) any fees payable to the Washington Secretary of State; (4) financial statement filing fees payable to governmental entities; (5) holding company form filing fees; (6) stock solicitation permit filing and application fees; (7) OIC financial and market conduct examination fees; (8) filing and other fees payable to CMS; (9) reinsurance premiums; (10) investment management fees; (11) any expense that is allowed by CMS regulation to be considered a medical expense for the purpose of calculation of the medical loss ratio and any other expense that is an approved benefit under the Benefit Contract; (12) any fees related to compliance with the Patient Protection and Affordable Care Act; (13) Medicare Part D reinsurance fees; (14) any extraordinary expenses, fees, costs, claims or damages incurred by Soundpath, in whatever amount, which do not arise out of the ordinary course of running an insurance business, including, but not limited to, any indemnification payments resulting from this Agreement or the Transactional Agreements and claims by past or present Soundpath employees; and (15) any other fees set forth in writing and signed by both Parties. All of the fees listed in this Section 8.2 are referred to herein as "**Excluded Fees**".

9. **Care Management.** CollabHealth will provide care management services for all Assigned Enrollees. For purposes of Sections 9 and 10 of this Schedule A, "**Assigned Enrollees**" are those Enrollees whose primary care provider does not participate in a pool of doctors which

performs its own managed care and/or claims adjudication services pursuant to an agreement with Soundpath.

**9.1 Care Management Duties.** CollabHealth will provide care management services so that Assigned Enrollees receive medically necessary services at the most appropriate and cost effective level. CollabHealth's care management duties shall include, but are not limited to:

Identify and reach out to Assigned Enrollees who may benefit from case management services; and

Care coordination.

A medical director shall oversee the entire care management program.

**9.2 Policies and Procedures.** Soundpath will provide, and CollabHealth will adopt, program structure, grievance and appeals policies, other policies and procedures and clinical criteria with respect to care management services. Soundpath's policies and procedures shall comply with all state and federal laws, rules and regulations and include clear policies and procedures that are communicated broadly that describe the following:

Clinical utilization decision making is based on the benefit interpretation and the medical necessity of clinical care and services;

No individuals of Soundpath or CollabHealth shall be rewarded for issuing denials of benefit coverage or care;

Utilization decision-makers shall not receive financial incentives that result in under-utilization; and

Full documentation by CollabHealth and maintenance of records of all clinical decisions, notifications of approvals, partial approvals will be maintained by CollabHealth. CollabHealth will compile completed denial files and forward to Soundpath to maintain as requested by Soundpath.

**9.3 Reviewers.** All clinical evaluations of medical treatment shall be performed by an appropriately trained, licensed, registered or certified peer Provider, including cases approved, partially approved or denied based on medical necessity.

**9.4 Adherence to Soundpath's Care Management Program.** CollabHealth will evaluate the medical necessity of submitted clinical services in accordance with Soundpath's Care Management Program, which incorporates timeframes for decision making and Assigned Enrollee and Provider notification in accordance with applicable state and federal laws and regulatory requirements. Care management decisions shall be made to accommodate the clinical urgency of the situation.

- 9.5 Assigned Enrollee and Provider Services.** CollabHealth will provide access to staff for Assigned Enrollees and Providers seeking information about the care management process and the authorization of care.
- 9.6 Criteria Available to Assigned Enrollees.** CollabHealth will provide notification to Assigned Enrollees and Providers as to how they may obtain care management criteria and will make the criteria available upon request.
- 9.7 Annual Evaluation.** CollabHealth will provide an annual evaluation of the consistency and reliability of the health care professionals involved in care management in applying criteria in decision making. As a part of this annual evaluation, CollabHealth will randomly audit the reviewers' actions and will inform Soundpath and the reviewers of opportunities for improvement.
- 9.8 Appeals.** CollabHealth will follow Soundpath's policies and procedures, which are compliant with all federal and state statutes, rules and regulations, for responding to Assigned Enrollee requests for standard and expedited appeals including oral or written initiation of an expedited appeal by the Assigned Enrollee or by a Provider acting on behalf of the Assigned Enrollee.
- 9.9 Communications with Treating Provider.** CollabHealth will provide notification to Providers of Soundpath's policy for making care management determinations and how to contact a clinical reviewer and/or medical director to discuss care management decisions. CollabHealth will collect relevant clinical information from the treating Provider when making a determination of coverage based on medical necessity. Providers will have an opportunity to discuss medical necessity decisions with the medical director.
- 9.10 Transition of Care.** CollabHealth will follow established processes to assist with an Assigned Enrollee's transition to other care, if necessary, when benefits begin or end, in accordance with applicable state and federal laws, rules and regulations.
- 9.11 External Reviews.** CollabHealth will follow Soundpath's written policies and procedures as well as federal and state law with respect to providing independent, external reviews of final benefit determinations.
- 9.12 Patient and Provider Satisfaction.** CollabHealth will have processes in place to evaluate patient and Provider satisfaction with the care management process.
- 9.13 High Risk Assigned Enrollees.** CollabHealth will establish a monitoring process to identify high risk Assigned Enrollees for the purposes of care coordination and entry into case management. CollabHealth will create a monthly case management trigger report to facilitate identification.
- 9.14 CollabHealth as Agent for Soundpath.** CollabHealth agrees to provide a dedicated telephone and fax line for Providers and Soundpath's Assigned Enrollees. CollabHealth will act as the agent of Soundpath in all care management activities; and as such, all CollabHealth staff will identify themselves as Soundpath staff in all encounters with

Soundpath Enrollees and all Providers. All communications will be on Soundpath branded stock, and no communications will be made on CollabHealth branded stock or that identify staff as CollabHealth employees.

**9.15 Telephone Standards.** CollabHealth agrees to adhere to agreed upon standards for phone call statistics including hold times and average speed of answer.

**9.16 Continuity and Coordination with Claims Processing.** CollabHealth will assure continuity and coordination between claims processing and care management services so that authorizations into the claims system and claims payment occur seamlessly and effectively.

**9.17 Reporting.** CollabHealth will provide mutually defined utilization and cost-savings reports.

**9.18 Oversight of Care Management.** Soundpath has the ultimate responsibility for the oversight and direction for all of the care management functions for Enrollees.

**9.19 HIPAA Business Associate Agreement.** This Agreement is covered by the HIPAA Business Associate Agreement that is in place between Soundpath and CollabHealth. Per Article 5 of this Agreement, no voluntary disclosure of peer review, utilization management, data or quality assurance information is permitted except to persons authorized to receive such information in the conduct of the Services provided under this Agreement.

**9.20 Confidential Enrollee Information.** No voluntary disclosure of identifiable Enrollee information is permitted without obtaining prior consent from the Enrollee, except as required by law or the Business Associate Agreement.

**10. Claims Adjudication and Management.** Soundpath shall be responsible for the receipt and forwarding of claims for health services to CollabHealth for Assigned Enrollees. CollabHealth shall be responsible for the processing, adjudication, and payment of claims for health services provided to Assigned Enrollees.

**10.1 Designation by Soundpath of a Loss Fund Account.** Prior to the commencement of claims payment Services under this Agreement, Soundpath shall designate an account for the payment by CollabHealth of claims and for the deposit of overpayment and duplicate payment recoveries (“**Loss Fund Account**”). Such Loss Fund Account may be a current account in use by Soundpath or may be a newly established account. CollabHealth shall be given the proper authority to make withdrawals from and deposits into this Loss Fund Account as necessary to provide the claims Services hereunder.

**10.1.1 Funding of Account.** Soundpath shall maintain a balance in the Loss Fund Account in an amount necessary to pay claims. CollabHealth will monitor the balance in the Loss Fund Account and notify Soundpath when additional funds need to be added. Soundpath will, as soon as reasonably possible, add such additional funds.

- 10.1.2 Loss Fund Account Risks.** CollabHealth and Soundpath shall exercise ordinary care and due diligence with respect to the maintenance and security of the Loss Fund Account. Soundpath shall bear all responsibility for the risk of bank encoding errors. CollabHealth shall bear all responsibility for the risk of check fraud resulting directly from CollabHealth's or its employees' action or inaction. Soundpath shall bear all other responsibility for the risk of check fraud. CollabHealth shall bear the responsibility for check printing errors.
- 10.1.3 Bank Charges.** All charges and fees pertaining to the Loss Fund Account, including but not limited to, those for the collection and clearing of checks or other forms of payment, and all other bank charges, shall be Soundpath's responsibility, except to the extent any such charges or fees are the result of errors by CollabHealth.
- 10.1.4 Reconciliation.** On a monthly basis, CollabHealth shall reconcile the Loss Fund Account in accordance with the monthly statements from the bank and will send Soundpath reports regarding such reconciliation within twenty (20) days after Soundpath's receipt of the statement from the bank.
- 10.1.5 Control Policy.** CollabHealth agrees to abide by the Control Policy that has been created by Soundpath and is currently in place with respect to transactions related to the Loss Fund Account.
- 10.2 Claims Processing System.** Upon closing of the Asset Purchase Agreement by and between Soundpath and CollabHealth, CollabHealth will own Soundpath's claims processing system Ez Cap. CollabHealth will provide Soundpath access to the Ez Cap system, which currently provides the following functionality, at a minimum:
- 10.2.1** HIPPA compliance;
  - 10.2.2** Ability to in-load and store Assigned Enrollees current and historical eligibility;
  - 10.2.3** Capability to configure coverage of services under the Benefit Contracts offered to Assigned Enrollees, including cost sharing, applicable accumulators, and authorization requirements;
  - 10.2.4** Ability to price claims according to the various Medicare payment methodologies (e.g., DRGs, RUGS, per diem);
  - 10.2.5** Support of ICD-10 and any future coding standard implementation;
  - 10.2.6** Ability to accept and produce data in industry standard formats;
  - 10.2.7** Support of Electronic Data Interchange ("EDI") Health Care Transaction sets; and
  - 10.2.8** Support CMS reporting requirements.

**10.3 System Maintenance.** CollabHealth will perform any claims processing system maintenance required in order to perform the responsibilities under this Agreement.

**10.4 Policies and Procedures.** CollabHealth agrees to adhere to Soundpath's claims adjudication policies and procedures with respect to all claims submitted by Soundpath's Assigned Enrollees and Providers. Soundpath's policies and procedures, which are compliant with all state and federal laws, rules and regulations, include:

Receipt and processing of clean and unclean claims submitted by paper or electronically;

Coordination of benefits and third party liability;

Payment of interest for untimely claims payment as required by state or federal regulation or as required by the applicable Provider agreement;

Claim adjustments;

Notification to Providers of claims determinations through use of a remittance advice;

Notification to Assigned Enrollees of claims determinations through use of an explanation of benefits;

Response to claims inquiries from Soundpath and Providers; and

Monitoring of compliance with contractual, federal and state requirements for timeliness of claims payment.

Soundpath may request and CollabHealth shall create additional policies and procedures as needed with respect to specific claims adjudication and payment issues.

**10.5 Claims Receipt, Adjudication and Payment.** CollabHealth shall receive, adjudicate and pay or deny all claims for health services, supplies and items provided to Assigned Enrollees.

**10.5.1 Submission of Claims to CollabHealth.** With respect to any paper or electronic claim submitted to Soundpath directly, Soundpath shall forward the claim to CollabHealth within three (3) business days of receipt. With respect to any claim submitted in error to an entity which holds the responsibility for processing claims for non-Assigned Enrollees ("**Delegate**"), Soundpath shall require in all such delegation agreements that such Delegate forward the claim to CollabHealth within five (5) business days of receipt. CollabHealth will monitor and report to Soundpath the volume and source of any non-compliance with this requirement should a pattern of non-compliance be identified by CollabHealth.

**10.5.2 Non-Assigned Enrollee Claims.** With respect to any claim submitted to CollabHealth for a non-Assigned Enrollee, CollabHealth shall forward the

claim to Soundpath, or as otherwise directed by Soundpath, within five (5) business days of receipt of the claim.

- 10.5.3 Tracking Claims Receipt.** CollabHealth shall date stamp all incoming claims as of the date of receipt. For purposes of calculating turn-around-time, the official date of receipt is the date the claim was initially received and date stamped.
- 10.5.4 Electronic Claims.** CollabHealth shall have responsibility for uploading electronic claims received by Soundpath from clearinghouses or other electronic trading partners for Assigned Enrollees.
- 10.5.5 Policies and Procedures.** CollabHealth shall take all reasonable steps to adjudicate claims and disburse claim payments or denials accurately and expeditiously. Such claims processing shall be done in strict accordance with Soundpath's benefit interpretation and prior authorization policies and procedures as well as Soundpath's claims processing policies and procedures, which are in compliance with all federal and state laws, rules and regulations, and in such a manner that will not subject Soundpath to interest payments, late fees, fines or penalties.
- 10.5.6 Payment According to Provider Agreements.** CollabHealth shall pay claims from physicians and other health professionals who are under contract to provide health services to Assigned Enrollees ("**Participating Providers**") consistent with their payment agreements. Soundpath will provide CollabHealth with the information necessary to comply with this requirement, and CollabHealth shall treat all such information as Confidential Information.
- 10.5.7 Adherence to Benefit Contract.** Claims must be paid in strict accordance with the applicable Benefit Contract.
- 10.5.8 Coordination of Benefits and Subrogation.** CollabHealth shall pursue coordination of benefits and subrogation in strict accordance with the applicable Benefit Contract and state and federal laws applicable to such Benefit Contract. CollabHealth shall follow Soundpath's policies regarding other health insurance, including Medicare Secondary Payor, coordination of benefits and subrogation.
- 10.5.9 Explanation of Benefits.** CollabHealth shall issue an explanation of benefits ("**EOB**") to Assigned Enrollees any time payment of the claim includes Assigned Enrollee responsibility (e.g., copayment or coinsurance) and pursuant to CMS requirements. EOBs must include the Soundpath logo and follow the prescribed marketing and brand guidelines.
- 10.5.10 Denials.** In the event of a denial that results in an Assigned Enrollee's responsibility for payment, a notice must be generated to the Assigned Enrollee, including notice of appeal rights. Such notices must follow CMS model language and include the Soundpath logo.

- 10.5.11 Remittance Advice.** CollabHealth shall issue a remittance advice (“RA”) to the Provider for each claim processed. In the event of a rejection or denial, the RA must include the reason for the rejection or denial.
- 10.5.12 Timeframe for Sending EOBs and RAs.** CollabHealth shall send all EOBs and RAs within the timeframe as required by applicable state and federal laws, rules and regulations. All such communications and documents used by CollabHealth must be in a form approved by Soundpath and must comply with Benefit Contract requirements.
- 10.5.13 Soundpath Bank Account.** CollabHealth will have responsibility for ordering, maintaining, and purchasing the necessary check stock in order to pay claims according to this Agreement. These checks will draw from the designated Soundpath bank account and CollabHealth will work with Soundpath finance staff regarding appropriate account number(s) and logos.
- 10.5.14 Denials, Reconsiderations and Adjustments.** CollabHealth must adhere to Soundpath’s procedures and timeliness for managing Provider requests for denied claims reviews, claims reconsiderations, and claims adjustments as described in the Soundpath policies and Provider manual. CollabHealth shall prepare and distribute the information reports required in connection with claim payments made to Providers, pursuant to Section 6041 of the Internal Revenue Code (Form 1099).
- 10.5.15 Reinsurance Claims.** To the extent a reinsurance arrangement exists, CollabHealth will provide, upon the request of Soundpath, administrative support to Soundpath in Soundpath’s reinsurance claims submissions regarding Enrollees or services for whom/which Soundpath is at financial risk.
- 10.5.16 Assigned Enrollee and Provider Services.** CollabHealth shall respond to all claims inquiries from Assigned Enrollees and Providers.
- 10.5.17 Requests for Reconsideration.** CollabHealth shall make determinations and notify Providers within sixty (60) calendar days regarding initial Provider reconsideration requests that have been filed by the Provider within the applicable time frame set forth in the Provider agreement or as otherwise filed in compliance with applicable state or federal laws, rules and regulations.
- 10.5.18 Staffing.** CollabHealth shall regularly assess staffing levels to ensure that they are sufficient to support claims volume, processing, and timeliness requirements and modify such levels as appropriate.
- 10.5.19 Coordination between CollabHealth and Soundpath.** CollabHealth shall support Soundpath by providing a claims manager to regularly participate in meetings and workgroups that affect claims, the use of practitioner or facility data, coordination with utilization management functions, or other related topics. CollabHealth shall also make available to Soundpath other resources

as may be required to assure mutual compliance with responsibilities associated with this Agreement.

**10.5.20 Audits.** CollabHealth shall routinely conduct oversight and internal audits to ensure that it is meeting contractual performance expectations. Oversight and audits shall include the following.

**10.5.20.1** Investigation of claims for fraudulent, abusive and inappropriate billing and coding practices and initiation of audits and recoveries, as needed and in accordance with Soundpath's policies and procedures. CollabHealth shall provide the Soundpath Board of Directors with reports, in a form and format defined by Soundpath, on the fraudulent, abusive and inappropriate billing and coding practices that occur and results of all audits and recoveries.

**10.5.20.2** CollabHealth shall, on an ongoing basis, audit the accuracy and timeliness of its claim payments. CollabHealth shall provide the Soundpath Board of Directors with reports, in a format acceptable to Soundpath, on the results of such audits. CollabHealth shall implement and apply claims control procedures as are necessary to ensure the effective implementation and application of the provisions of the Assigned Enrollees' Benefit Contracts and the claims processing policies.

**10.5.20.3** CollabHealth will actively participate and cooperate in all Soundpath compliance, quality improvement (including chronic care improvement) and oversight activities, including regulatory, accreditation, and delegation audits. These include but are not limited to:

Claims delegation audits and follow-up, as necessary;

Healthcare Effectiveness Data and Information Set ("**HEDIS**");

Annual corporate financial audits;

Office of the Insurance Commissioner (OIC) audits; and

CMS audits (data validation, financial and full program on-site audits).

**11. Complaints and Grievances.** CollabHealth shall handle all complaints and grievances, whether related to coverage issues, appeals or other general issues, in accordance with Soundpath's policies and procedures, Benefit Contracts, Provider agreements and any other related agreements, which shall meet the minimum requirements of applicable federal and state laws, rules and regulations.

12. **Policies and Procedures.** CollabHealth will perform its duties under this Agreement according to Soundpath's current policies and procedures, which are in compliance with all applicable federal and state laws, rules and regulations. As agreed upon with Soundpath, CollabHealth shall revise such policies and procedures as necessary to remain in compliance with all laws, rules and regulations or as otherwise necessary.
13. **Contracting and Vendor Oversight.** CollabHealth shall negotiate contracts and assist with bid submissions on behalf of Soundpath with third parties as necessary. CollabHealth shall oversee and manage all third party vendors who have directly contracted with Soundpath including, but not limited to, those vendors who currently provide care management and claims payment services for certain groups of Enrollees.
14. **Information Technology.** CollabHealth shall provide information technology services to Soundpath. CollabHealth has the authority to enter into contracts with third party vendors with the prior written approval of Soundpath.

## SCHEDULE B

### **Performance Standards and Remedies**

CollabHealth is expected to abide by the following standards in the performance of the Services under this Agreement:

#### **1. Customer Service Standards.**

**1.1.** CollabHealth must respond to Soundpath customer service inquiries via phone, facsimile, or e-mail within one business day, providing either resolution or status.

**1.2.** CollabHealth must promptly answer all calls.

**1.3** CollabHealth must be available to conduct business during the hours of 8:00 am to 8:00 pm seven (7) days a week or as required by CMS.

**1.4** CollabHealth must inform Soundpath in advance of any CollabHealth scheduled holidays, and as soon as possible, of unplanned closures due to inclement weather or other unforeseen circumstances.

**1.5** If specific performance expectations are negotiated with a Participating Provider group that require a higher level of performance than those stated in this Agreement, CollabHealth is expected to meet those higher standards. Soundpath will seek the input of CollabHealth before agreeing to such unique performance standards and/or financial penalties for non-performance. Soundpath and CollabHealth shall consider and mutually agree as to whether a differential reimbursement rate is warranted for any higher performance standards or financial penalties that Soundpath negotiated with a Participating Provider.

**2. Medicare Advantage Contract Requirements.** CollabHealth must abide by these requirements as set forth in Schedule C.

**3. Claims Processing Standards.** CollabHealth must abide by the following claims processing standards.

**3.1. Soundpath's Policies and Procedures.** CollabHealth must adhere to Soundpath's claims processing policies and procedures.

**3.2. Timely Processing Standards.** Each calendar month during the term of this Agreement, CollabHealth shall ensure that ninety-five percent (95%) of the monthly volume of claims that have no defect or impropriety that prevents timely payment from being made on the claim ("**Clean Claims**") are paid within thirty (30) calendar days of receipt. All other claims shall be paid or denied within sixty (60) calendar days of receipt.

**3.3. Interest Penalty.** If payment on a claim is not made within the CMS time frames of thirty (30) calendar days for non-contracted Providers and sixty (60) calendar days for Participating Providers, CollabHealth shall pay interest on such claim at the rate

delineated in the Participating Provider's contract or as required by law in absence of an executed agreement. To the extent that interest is payable because of events under the reasonable control of CollabHealth, CollabHealth shall reimburse Soundpath for any interest paid. In the event that interest is based on events beyond the reasonable control of CollabHealth, such interest remains the financial responsibility of Soundpath.

**3.4. Accuracy Standard.** CollabHealth shall accurately process and pay at least ninety-five percent (95%) of claims submitted to CollabHealth in connection with this Agreement. CollabHealth shall perform routine audits to ensure such accuracy, as well as the effective implementation and application of the provisions of the Benefit Contracts and Soundpath's claims processing policies and procedures.

**4. Remedies.** In the event Soundpath, a federal or state authority, or accreditation organization determines that corrective action is needed with regard to the performance standards in this Schedule B, Soundpath has the right and responsibility to require CollabHealth to take corrective action including the right and responsibility to take additional actions which may include revoking responsibilities in accordance with the terms of this Agreement.

4.1. If CollabHealth fails to meet the performance standards and/or reporting requirements set forth in this Schedule B for two (2) consecutive months, CollabHealth must provide Soundpath with a corrective action plan that will return CollabHealth's performance to the standard in accordance with this Agreement.

4.2. Serious breach of any CollabHealth contractual obligation under this Agreement may require an immediate corrective action plan, as deemed necessary by Soundpath.

4.3. If CollabHealth's corrective actions fail to remedy any noted deficiencies by the designated date and if the deficiencies are material, Soundpath may pursue termination of this Agreement by material default under Section 6.2.2.1.

4.4. Upon revocation of any of CollabHealth's duties hereunder, or any portion thereof, Soundpath or its designee will resume responsibility for performing the duties, and CollabHealth shall continue to cooperate with Soundpath regarding performance of duties.

4.5. In the event that a Participating Provider group agreement, for which CollabHealth is processing claims, includes a financial penalty for failure to meet certain performance requirements for which Soundpath and CollabHealth have negotiated a written understanding of CollabHealth's performance and financial responsibility, such penalty will be subtracted from the Administration Fees paid to CollabHealth, provided that the failure to meet said standards were reasonably within CollabHealth's control.

## SCHEDULE C

### Medicare Advantage Requirements for First Tier Entities

1. **Participation in CMS Contracts.** Subject to and in accordance with the terms and conditions of the Agreement, including this Schedule C, CollabHealth shall provide or arrange for the provision of Services to Enrollees covered by all Benefit Contracts offered or administered by Soundpath.
2. Compensation for Covered Services provided to Enrollees of Benefit Plans is set forth in Schedule E.
3. **Additional Definitions.**
  - 3.1. **“CMS Contract”** means a contract between CMS and Soundpath for Soundpath to provide or arrange for the provision of health care items and services to Enrollees in the Medicare Advantage program, as amended from time to time.
  - 3.2. **“CMS Contract Period”** means January 1 through December 31 of each year during the term of the CMS Contract.
  - 3.3. **“Emergency Medical Condition”** means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, with an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in (i) serious jeopardy to the health of the individual or, in the case of a pregnant woman, the health of the woman or her unborn child, (ii) serious impairment to bodily functions or (iii) serious dysfunction of any bodily organ or part.
  - 3.4. **“Emergency Services”** means covered inpatient and outpatient services that are (i) provided by a Provider qualified to furnish emergency services, and (ii) needed to evaluate or stabilize an Emergency Medical Condition.
  - 3.5. **“Medically Necessary”** or **“Medical Necessity”** means, with respect to health care items or services, items and services that are (i) necessary to protect life, prevent significant illness or significant disability or to alleviate severe pain; (ii) individualized, specific and consistent with symptoms or confirm diagnosis of the illness or injury under treatment and not in excess of the Enrollee’s needs; (iii) consistent with generally accepted professional medical standards and not experimental or investigational; (iv) reflective of the level of service that can be provided safely; (v) provided in a manner not primarily intended for the convenience of the Enrollee, the Enrollee’s caretaker or the Provider; and (vi) not custodial care as defined by CMS. For health care items and services provided in a hospital on an inpatient basis, **“Medically Necessary”** or **“Medical Necessity”** also means that such items and services cannot, consistent with the provisions of appropriate medical care, be effectively provided more economically on an outpatient basis or in an inpatient facility of a different type. The fact that a Provider has prescribed, recommended or approved health care items or services does not, in itself, make such items or services Medically Necessary or a Medical Necessity.

- 3.6. **“Medicare Advantage”** or **“MA”** means Medicare Advantage, a program under the Social Security Act.
- 3.7. **“Post-Stabilization Care Services”** means covered services, related to an Emergency Medical Condition, that are provided after an Enrollee is stabilized in order to maintain the stabilized condition, or, under the circumstances described in 42 CFR § 422.113(c)(2)(iii), to improve or resolve the Enrollee’s condition.
4. The following materials include laws and program requirements affecting the Medicare Advantage program, including requirements that Soundpath is required to impose on its providers (such as CollabHealth) and their subcontractors:
  - 4.1. CMS Contract.
  - 4.2. Social Security Act.
  - 4.3. 42 CFR Part 422 regarding Medicare Advantage plans.
  - 4.4. 42 CFR Part 423 regarding MA-PD Plans.
  - 4.5. CMS Managed Care Manual (**“Manual”**), including (i) Chapter 3 including Section 70 marketing requirements affecting providers, and (ii) Chapter 11 including Sections 100 and 110 requirements for an MA plan’s downstream contracts with providers and subcontractors.
  - 4.6. OIG Special Advisory Bulletin regarding the Effect of Exclusion from Participation in Federal Health Care Programs.
  - 4.7. OIG Special Advisory Bulletin regarding Offering Gifts and Other Inducements to Beneficiaries.
5. All provisions of the Agreement and this Schedule are cumulative. All provisions shall be given effect when possible. Where two or more provisions cover the same subject matter, the Parties shall follow the most stringent requirement permitted under laws and MA program requirements. The **“most stringent requirement”** is the requirement that is, from CollabHealth’s viewpoint, the most restrictive to CollabHealth.
6. **Oversight / Accountability.**
  - 6.1. Soundpath shall be entitled to oversee the activities of CollabHealth and its subcontractors under this Agreement and shall be accountable under the CMS Contract for such activities regardless of the provisions of this Agreement. [42 CFR § 422.504(i)(1)]
  - 6.2. CollabHealth shall, and shall require its subcontractors to, comply with all applicable Medicare laws, rules, regulations and CMS instructions. [42 CFR § 422.504(i)(4)(v); Manual Ch. 11 § 100.4]

- 6.3. Cumulative to other record retention requirements herein, CollabHealth shall, and shall require its subcontractors to, allow audits by CMS and/or its designees and cooperate, assist and provide information as requested, and maintain records a minimum of 10 years or longer otherwise required by this Agreement. [Manual Ch. 11 § 100.4]
- 6.4. Cumulative to other oversight and monitoring requirements herein, Soundpath shall oversee and is accountable to CMS for any functions and responsibilities described in MA regulations. [Manual Ch. 11 § 100.4]
- 6.5. Soundpath may revoke delegated activities or reporting requirements, if any, from CollabHealth or a CollabHealth subcontractor in instances where CMS or Soundpath determines that CollabHealth or the subcontractor, as the case may be, has not performed satisfactorily. [42 CFR §§ 422.504(i)(3)(ii) and 422.504(i)(4)(ii)]
- 6.6. CollabHealth shall, and shall require its subcontractors to, comply with Soundpath's policies and procedures. [Manual Ch. 11 § 100.4]

**7. Record Retention / Access / Audits.**

- 7.1. CollabHealth agrees, and shall require its subcontractors to adhere, to the following: (i) Soundpath, DHHS, the Comptroller General, and their designees have the right to inspect, evaluate, and audit any pertinent contracts, books, documents, papers, and records of CollabHealth and its subcontractors involving transactions related to the CMS Contract; and (ii) Soundpath, DHHS, the Comptroller General, and their designees have the right to inspect, evaluate, and audit any pertinent information for any particular CMS Contract Period for 10 years from the final date of the CMS Contract Period or from the date of completion of any audit, or as otherwise set forth with this Agreement, whichever is later. [42 CFR § 422.504(e); 42 CFR §422.504(i)(2)]
- 7.2. Cumulative to the requirements of the foregoing paragraph, CollabHealth agrees, and shall require its subcontractors to adhere, to the following: (i) Soundpath, DHHS, the Comptroller General, or their designee may evaluate, through inspection or other means (A) the quality, appropriateness, and timeliness of services provided to Enrollees under the CMS Contract; and (B) the facilities of CollabHealth or its subcontractors; (ii) Soundpath, DHHS, the Comptroller General, and their designees may audit, evaluate, or inspect any books, contracts, medical records, documents, papers, patient care documentation, and other records of CollabHealth or its subcontractors or transferees of CollabHealth or its subcontractors that pertain to any aspect of Services performed, reconciliation of benefit liabilities, and determination of amounts payable under the CMS Contract, as the Secretary of DHHS may deem necessary to enforce the CMS Contract, or as Soundpath may deem necessary to enforce the Agreement, including this Schedule; (iii) CollabHealth and its subcontractors shall make available for the purposes specified in 42 CFR § 422.504(d), their premises, physical facilities and equipment, records relating to Enrollees, and any additional relevant information that CMS or Soundpath may require; (iv) Soundpath's, DHHS', the Comptroller General's, and their designees' right to inspect, evaluate, and audit extends through 10 years from the final date of the CMS Contract Period or completion of audit, whichever is later unless (A)

CMS determines there is a special need to retain a particular record or group of records for a longer period and notifies Soundpath at least 30 days before the normal disposition date (in which case Soundpath shall promptly provide notice to CollabHealth); (B) there has been a termination, dispute, or fraud or similar fault by Soundpath under the CMS Contract, in which case the retention period may be extended to six years from the date of any resulting final resolution of the termination, dispute, or fraud or similar fault; or (C) Soundpath, DHHS, the Comptroller General, or their designee determines that there is a reasonable possibility of fraud or similar fault, in which case they may inspect, evaluate, and audit CollabHealth or its subcontractors at any time. [42 CFR § 422.504(e); 42 CFR § 422.504(i)(2)]

**8. Emergency Services.** If applicable, Providers shall not be required to seek prior authorization for Emergency Services before the Enrollee has been stabilized. Once a Enrollee who receives Emergency Services is stabilized, the Provider shall seek prior authorization for Post-Stabilization Care Services for the Enrollee where required by Soundpath's policies and procedures. [42 CFR § 422.113]

**9. Enrollee Financial Protections.**

**9.1.** CollabHealth shall not, and shall require its subcontractors not to, hold any Enrollee liable for payment of any fees that are the legal obligation of Soundpath, including, without limitation, in a circumstance of Soundpath's insolvency or other financial difficulties. [42 CFR §§ 422.504(i)(3)(i) and 422.504(g)(1)(i); Manual Ch. 11 § 100.3]

**9.2.** CollabHealth shall, and shall require its subcontractors to, hold Enrollees harmless for payment of fees that are the legal obligation of Soundpath to fulfill. The foregoing sentence shall apply, but will not be limited to insolvency of Soundpath, contract breach, and Provider billing. [Manual Ch. 11 § 100.4]

**10. Compliance with CMS Contract.** CollabHealth agrees, and shall require its subcontractors to adhere, to the following: Any Services or other activity performed under this Agreement with respect to the MA program shall be consistent and comply with Soundpath's contractual obligations under CMS Contracts, regardless of whether such requirements are explicitly included or referenced in this Schedule C or the Agreement. [42 CFR § 422.504(i)(3)(iii)]

**11. Prompt Payment.** Soundpath shall pay CollabHealth promptly within the time period for payment set forth in Section 2.1 of the Agreement. CollabHealth shall promptly pay claims to Providers in accordance with the applicable Provider agreements, as well as applicable laws and MA program requirements, as further detailed in Schedule B to this Agreement. [42 CFR 422.520(b); Manual Ch. 11 § 100.4]

**12. Privacy and Accuracy of Enrollee Records.** CollabHealth shall, and shall require its subcontractors to, (a) abide by all federal and state laws regarding confidentiality and disclosure of medical records or other health and enrollment information; (b) safeguard the privacy of any information that identifies a particular Enrollee and have procedures that specify (i) for what purposes the information will be used within the organization and (ii) to whom and for what purposes it will disclose the information outside the organization; (c)

ensure that medical information is released only in accordance with applicable federal or state laws, or pursuant to court orders or subpoenas; (d) maintain the records and information in an accurate and timely manner; and (e) ensure timely access by Enrollees to the records and information that pertain to them. [42 CFR § 422.118; Manual Ch. 11 § 100.4]

**13. Continuation of Services.** CollabHealth shall require Providers to, upon termination of this Agreement for any reason (except for immediate termination), continue to provide covered services (a) for all Enrollees, for the duration of the CMS Contract Period for which CMS payments have been made, and (b) for Enrollees who are hospitalized on the date the CMS Contract terminates or, in the event of an insolvency, through discharge. [42 CFR § 422.504(g)(2); Manual Ch. 11 § 100.3]

**14. Post-Hospital Extended Care Services.** CollabHealth shall have Provider relationships in place to ensure that Enrollees are provided post-hospital extended care services, should an Enrollee elect such services, through a home skilled nursing facility. [42 CFR § 422.133; 42 CFR § 422.504(a)(3)]

**15. Hours of Operation.** CollabHealth shall require its subcontractors to ensure that (a) the hours of operation of the Providers are convenient to the Enrollee population served under Benefit Plans subject to CMS Contracts and do not discriminate against Medicare Enrollees, and (b) Covered Services are available 24 hours a day, 7 days a week, when medically necessary. [42 CFR § 422.112(a)(7)]

**16. Cultural Considerations.** CollabHealth shall require Providers to ensure that services are provided in a culturally competent manner to all Enrollees, including those with limited English proficiency or reading skills, and diverse cultural and ethnic backgrounds. [42 CFR § 422.112(a)(8)]

**17. Compliance Program.**

**17.1.** CollabHealth shall, and shall require its subcontractors to, comply with Soundpath's compliance program elements regarding effective training and education between Soundpath's compliance officer and CollabHealth or its subcontractors. Such training and education shall occur at a minimum annually and must be made a part of the orientation for CollabHealth, its subcontractors and their respective employees. Providers who have met the fraud, waste, and abuse certification requirements through enrollment into the Medicare program are deemed to have met the training and educational requirements for fraud, waste, and abuse (but not necessarily other elements of Soundpath's compliance program). [42 CFR §§ 422.503(b)(4)(vi)(C)]

**17.2.** CollabHealth shall, and shall require its subcontractors to, comply with Soundpath's compliance program elements regarding effective lines of communication, ensuring confidentiality, between Soundpath's compliance officer and CollabHealth or its subcontractors. Such lines of communication must be accessible to all and allow compliance issues to be reported including a method for anonymous and confidential good faith reporting of potential compliance issues as they are identified. [42 CFR § 422.503(b)(4)(vi)(D)]

**18. Selection of Providers, Contractors or Subcontractors.** If Soundpath delegates selection of Providers, contractors, or subcontractors to CollabHealth or its subcontractor, Soundpath retains the right to approve, suspend, or terminate any such arrangement. [42 CFR § 422.504(i)(5)]

**19. Delegation Requirements.** CollabHealth shall not, and shall require its subcontractors not to, delegate any services or activities under this Agreement to any other individual or entity except upon Soundpath's prior written consent, and such delegation agreements, if made, shall be in writing and conform to MA program requirements, including the following:

**19.1.** Written arrangements shall specify delegated activities and reporting responsibilities. [42 CFR § 422.504(i)(4)(i)]

**19.2.** Written arrangements shall either provide for revocation of the delegated activities and reporting requirements or specify other remedies in instances where CMS or Soundpath determine that such parties have not performed satisfactorily. [42 CFR § 422.504(i)(4)(ii)]

**19.3.** Written arrangements must specify that the performance of the parties is monitored by Soundpath on an ongoing basis. [42 CFR § 422.504(i)(4)(iii)]

**19.4.** Written arrangements must specify that (i) the credentials of medical professionals affiliated with the party or parties will be either reviewed by Soundpath, or (ii) the credentialing process shall be reviewed and approved by Soundpath and Soundpath must audit the credentialing process on an ongoing basis. [42 CFR § 422.504(i)(4)(iv)]

**19.5.** All contracts or written arrangements must specify that the CollabHealth or subcontractor must comply with all applicable Medicare laws, rules, regulations and CMS instructions. [42 CFR § 422.504(i)(4)(v)]

**SCHEDULE D**

**Reporting Requirements**

CollabHealth is responsible for the timely and accurate submission of all reports and files listed below in a format acceptable to Soundpath. Additional reports may be requested, as needed, for purposes of compliance, financial oversight, and successful administration of benefits for Enrollees. Such reports will be requested with as much advanced notice as feasible.

Reports shall, among other functions, support Soundpath's obligation to develop, compile, evaluate, and report to CMS, to its Enrollees, and to the general public, at the times and in the manner that CMS requires, and while safeguarding the confidentiality of the doctor patient relationship, statistics and other information as required by CMS. [42 CFR § 422.516]

All reports will be prepared within the time frames set forth by the applicable policies and procedures or as otherwise required by CMS, the OIC or Soundpath.

Claims Adjudication and Payment - Report Description
Claims Inventory <ol style="list-style-type: none"> <li>1. Days on hand</li> <li>2. Number of claims on hand</li> </ol>
Compliance Report Quality and Accuracy <ol style="list-style-type: none"> <li>1. Data entry</li> <li>2. Payment (dollar accuracy)</li> <li>3. Procedural accuracy</li> <li>4. Trends on above</li> </ol>
Random sampling of 30 Claims (ten Participating Provider claims, ten non-contracted Provider claims, and ten denied claims) for Soundpath review for claims processed in the prior quarter. Files to include copies of the following: <ol style="list-style-type: none"> <li>1. Claim</li> <li>2. Billing Provider contract/rate agreement (Participating Provider claims only)</li> <li>3. Remittance advice</li> <li>4. Explanation of Benefits (to Assigned Enrollee)</li> <li>5. Denial letter, if applicable</li> <li>6. Check (front and back)</li> </ol>
837i and 837p claim files (as applicable)
Provider companion (837) file (as applicable)
Audited Financial Statement

Participate in annual plan claims administration audit and provide all requested information
Ad hoc reports
<b>Care Management Reports</b>
Case Management Trigger Report to include identification of high risk Assigned Enrollees
Utilization and Cost-Savings Reports
Ad hoc reports

## SCHEDULE E

### **Compensation**

The Administration Fees payable to CollabHealth for Services rendered under this Agreement are as follows:

Year 1 of this Agreement. The Administration Fee will be \$81.66 Per Member Per Month ("PMPM").

Years 2 through 5 of this Agreement. The Administration Fee will be adjusted on an annual basis based upon the Consumer Price Index but under no circumstances shall it be in excess of twelve percent (12%) of the total premiums collected by Soundpath in the previous twelve (12) month period.

## BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is entered into by between Soundpath Health, Inc. ("Covered Entity") and Polsinelli Shughart PC ("Business Associate") and is effective as of the date ("Effective Date") accepted and signed by Business Associate. Business Associate and Covered Entity may each be referred to as a "Party" or collectively as the "Parties."

### RECITALS

WHEREAS, Covered Entity is a "covered entity" and Business Associate is a "business associate", as both terms are defined in the federal privacy regulations developed by the U.S. Department of Health and Human Services at 45 C.F.R. Parts 160 and 164 (the Standards for Privacy of Individually Identifiable Health Information or "Privacy Rule") promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Pub. L. No. 104-191, 42 U.S.C. §§ 1320d-1329d-8; and the HITECH Act (as defined below); and

WHEREAS, the Business Associate and Covered Entity seek to comply with the Privacy Rule; and

WHEREAS, Covered Entity may disclose to Business Associate certain Individually Identifiable Health Information deemed Protected Health Information ("PHI") (as defined below) for purposes of due diligence activities related to a transaction to which Covered Entity may be a party (the "Activities"); and

WHEREAS, the purpose of this Agreement is to satisfy certain standards and requirements of the Privacy Rule,

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements hereinafter addressed, the parties agree as follows:

#### Article 1 – Definitions

- 1.1 "Breach" shall have the same meaning as the term "breach" in 45 C.F.R. 164.402.
- 1.2 "Electronic PHI" shall have the meaning as the term "electronic protected health information" in 45 CFR 160.103.
- 1.3 "HITECH Act" shall mean the Health Information Technology for Economic and Clinical Health Act, found in Title XIII of the American Recovery and Reinvestment Act of 2009, Public law 111-005, and the regulations promulgated thereunder by the Secretary (as defined below).
- 1.4 "Individual" shall have the same meaning as the term "individual" in 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).
- 1.5 "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information and 45 CFR part 160 and part 164, subparts A and E.
- 1.6 "Protected Health Information" ("PHI") shall have the same meaning as the term "protected health information" in 45 CFR § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- 1.7 "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR § 164.103.
- 1.8 "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his/her designee.

- 1.9 "Security Rule" shall mean the Security Standards for the Protection of Electronic Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.
- 1.10 "Unsecured PHI" shall have the same meaning as the term "unsecured protected health information" in 45 C.F.R. 164.402.
- 1.11 Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy Rule, the Security Rule, the HITECH Act or any future regulations promulgated or guidance issued by the Secretary thereunder.

#### Article 2 – Obligations and Activities of Business Associate

- 2.1 Business Associate agrees to not use or further disclose PHI other than as permitted or required by the Agreement or as permitted or Required By Law.
- 2.2 Business Associate will make reasonable efforts, to the extent practicable, to limit requests for and the use and disclosure of PHI to a Limited Data Set (as defined in 45 C.F.R. § 164.514(e)(2)) or, if needed by Business Associate, to the minimum necessary PHI to accomplish the intended purpose of such use, disclosure or request as they relate to the Activities, and as applicable, in accordance with the regulations and guidance issued by the Secretary on what constitutes the minimum necessary.
- 2.3 Business Associate agrees to use appropriate safeguards to prevent use or disclosure of the PHI other than as provided for by this Agreement. Business Associate shall comply with the standards of the Security Rule made applicable to Business Associate by the HITECH Act.
- 2.4 Business Associate agrees to take steps to mitigate any harmful effect that is caused by use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.
- 2.5 Business Associate agrees to report to Covered Entity any known and/or discovered impermissible use or disclosure of the PHI not provided for by this Agreement, including any Breach of Unsecured PHI, without unreasonable delay and in no case later than sixty (60) days after any discovered impermissible use or disclosure. To the extent that Business Associate creates, receives, maintains or transmits Electronic PHI, Business Associate agrees to report as soon as practicable to Covered Entity any Security Incident, as determined by Business Associate, involving PHI of which Business Associate becomes aware. Business Associate hereby notifies Covered Entity of the ongoing existence and occurrence of attempted but unsuccessful Security Incidents and Covered Entity acknowledges and agrees that no additional notification to Covered Entity of such unsuccessful Security Incidents is required.
- 2.6 Business Associate agrees to require any agent or subcontractor of Business Associate, to whom it provides PHI, to agree in writing to the same restrictions and conditions that apply under this Agreement to Business Associate with respect to such PHI.
- 2.7 Business Associate agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from Covered Entity, or received by Business Associate on behalf of Covered Entity, available to the Secretary for the purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- 2.8 Business Associate agrees to document disclosures of PHI and information related to disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.

- 2.9 Business Associate agrees to provide to Covered Entity information in its possession that permits Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
- 2.10 To the extent Business Associate maintains a Designated Record Set, Business Associate agrees to provide access to PHI in the Designated Record set to Covered Entity or an Individual in accordance with 45 CFR § 164.524, and to make any amendment to PHI contained in a Designated Record Set that Covered Entity directs or agrees to in accordance with 45 CFR § 164.526 at the request of Covered Entity or an Individual. The Parties acknowledge and agree that Business Associate does not maintain a Designated Record Set.

### Article 3 – Permitted Use and Disclosures by Business Associate

- 3.1 Except as otherwise set forth in this Agreement, Business Associate may use or disclose PHI to perform the Activities, provided that such use or disclosure would not violate the Privacy Rule.
- 3.2 Business Associate reserves the right to use PHI for the proper management and administration of Business Associate and to carry out the legal responsibilities of Business Associate.
- 3.3 Business Associate may disclose PHI in its possession for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the third party to whom the information is disclosed that such PHI will be held confidentially and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the third party, and the third party notifies Business Associate of any instances of which it is aware in which the confidentiality of the PHI has been breached.
- 3.4 Except as otherwise provided in this Agreement, Business Associate may use PHI to provide data aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

### Article 4 – Obligations of Covered Entity

- 4.1 Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 CFR § 164.520, as well as any changes to such notice.
- 4.2 Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose PHI, if such changes affect Business Associate's permitted or required uses and disclosures.
- 4.3 Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent such restrictions affect Business Associate's permitted or required uses and disclosures. Covered Entity shall not agree to a restriction which would prevent Business Associate from performing the Activities.

### Article 5 – Permissible Requests by Covered Entity

- 5.1 Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule.

## Article 6 – Term and Termination

- 6.1 This Agreement shall be in force on the Effective Date and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if the Parties mutually agree that it is not feasible to return or destroy PHI, protections are extended to such information in accordance with the termination provisions in this Article 6.
- 6.2 Upon either Party discovering a material breach by the other Party, the aggrieved Party shall provide a period of at least thirty (30) days for the other Party to cure the breach or end the violation. If the breaching Party does not cure the breach or end the violation within the time specified, the aggrieved Party may terminate this Agreement. A Party may terminate this Agreement immediately if the other Party has breached a material term of this Agreement and cure is not possible. If neither termination nor cure is feasible, the aggrieved Party shall provide notice of the Breach to the Secretary.
- 6.3 Effect of Termination:
- (a) Upon termination of this Agreement, Business Associate shall return or destroy all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate.
  - (b) In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible and shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction not feasible, for so long as Business Associate maintains such PHI.

## Article 7 – Miscellaneous

- 7.1 A reference in this Agreement to a section of the Privacy Rule means the section of the Privacy Rule in effect or as amended and for which compliance is required.
- 7.2 The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for them to remain in compliance with the requirements of the Privacy Rule and HIPAA.
- 7.3 Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits the Parties to comply with the Privacy Rule.
- 7.4 In the event any term or provision contained in this Agreement shall be determined to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforcement of any other term or provision in this Agreement.
- 7.5 The Parties agree that this Agreement was reached through the negotiation of the Parties, and that no presumption shall attach to the Party drafting this Agreement regarding the construction, operation, or interpretation of this Agreement.
- 7.6 Any Party's failure to enforce any provision or provisions of this Agreement shall not in any way be construed as a waiver of such provision or provisions or prevent that party thereafter from enforcing each and every provision of this Agreement.

7.7 All notices required by this Agreement shall be in writing and shall be deemed effective when personally delivered; when mailed by certified or registered mail, return receipt requested; or when deposited with an alternative postage delivery service addressed to the other Party as follows:

Soundpath Health, Inc.  
32129 Weyerhaeuser Way S Ste 201  
Federal Way, WA 98007-9346  
Attention: Compliance

Polsinelli Shughart  
100 S. Fourth Street, Suite 1000  
St. Louis, MO 63102  
Attention: \_\_\_\_\_

- 7.8 Each of the undersigned individuals has authority to sign this Agreement on behalf of the entity that he or she represents and to bind that entity to the terms of this Agreement. Each of the undersigned individuals has sufficient authority such that no further action by any other person or entity is required to bind such entity to the terms of this Agreement.
- 7.9 This Agreement and any exhibits hereto constitute the entire understanding of the Parties with regard to the matters herein set forth, and supersedes all prior negotiations, representations or agreements, either written or oral.

[Balance of page left intentionally blank,  
Signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement.

Soundpath Health, Inc.

Christine M. Tomcala  
Signature

Christine Tomcala  
Name

Chief Executive Officer  
Title

\_\_\_\_\_  
Date

Business Associate

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Signature Page to Business Associate Agreement