

State of Wisconsin Department of Employee Trust Funds 4822 Madison Yards Way Madison, WI 53705-9100

> P. O. Box 7931 Madison, WI 53707-7931

Contract by Authorized Board

Commodity or Service:

Contract No./Request for Bid/Proposal No:

Administrative Services for the State of Wisconsin Pharmacy Benefit Program

ETG0013 Amendment #7 dated June 18, 2024

Authorized Board: Group Insurance Board

Contract Period: January 1, 2022 through December 31, 2025.

- 1. This Contract Amendment #7 is entered into by the State of Wisconsin, Department of Employee Trust Funds (Department) on behalf of the State of Wisconsin Group Insurance Board (Board) and Navitus Health Solutions, LLC (Contractor), whose address and principal officer appears on page 2 below. The Department is the sole point of contact for this Contract.
- Whereby the Department agrees to direct the purchase and Contractor agrees to supply the Contract requirements in accordance with the Department Terms and Conditions, and the documents specified in the order of precedence below, hereby made a part of the Contract by reference.
- 3. By executing Contract Amendment #1 dated June 13, 2018, the Department and Contractor hereby agree to modify the Contract as follows:
 - (a) The Contract is extended for one (1) year, from January 1, 2019 through December 31, 2019.
 - (b) Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement dated July 11, 2017 is modified as shown in the attached Amendment #1, and replaced with the attached, revised Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement dated June 1, 2018.
 - (c) Addition of Exhibit C, Contractor's Guaranteed Pricing Terms from January 1, 2019 December 31, 2019.
- 4. By executing Contract Amendment #2 dated November 12, 2018, the Department and Contractor hereby agree to modify the Contract as follows:
 - (a) The Contract is extended for two (2) years, from January 1, 2020 through December 31, 2021.
 - (b) Addition of Exhibit D, Contractor's Guaranteed Pricing Terms from January 1, 2020 December 31, 2021.
- 5. By executing the Contract Amendment #3 dated June 22, 2020 the Department and Contractor hereby agree to modify RFP Exhibit 1 - State of Wisconsin Pharmacy Benefit Program Agreement dated June 1, 2018 as described in Amendment #3A.
- 6. By executing the Contract Amendment #4 dated January 29, 2021 the Department and the Contractor hereby agree to modify the Contract as follows:
 - (a) The Contract is extended for three (3) years, from January 1, 2022 through December 31, 2024.
 - (b) Addition of Exhibit E, Contractor's Guaranteed Pricing Terms effective from January 1, 2022 December 31, 2024.
 - (c) Deletion of RFP Exhibit 4 Department Terms and Conditions, dated April 27, 2017.
 - (d) Addition of Exhibit F Department Terms and Conditions, dated May 1, 2019 effective upon signature of this Amendment #4.
- 7. By executing this Contract Amendment #5 dated November 5, 2021 the Department and Contractor hereby agree to modify the Contract as described in the attached Amendment #5A.
- 8. By executing the Contract Amendment #6 dated August 2, 2023, the Department and Contractor hereby agree to:
 - (a) Extend the Contract for one (1) year from January 1, 2025 through December 31, 2025.
- By executing Contract Amendment #7 dated June 18, 2024, the Department and Contractor hereby agree to modify Amendment #4, Exhibit E Sections "Rebate Guarantees – Commercial" and "Rebate Guarantees – EGWP" as described in the attached Amendment 7A Updates to Rebate Guarantee Calculations beginning January 1, 2024.
- 10. For purposes of administering this Contract, the order of precedence is:
 - (a) This Amendment #7 dated June 18, 2024;
 - (b) The Amendment #6 dated August 2, 2023;
 - (c) The Amendment #5 dated November 5, 2021;

- (d) The Amendment #4 dated January 29, 2021;
- (e) The Amendment #3 dated June 22, 2020;
- (f) The Amendment #2 dated November 12, 2018;
- (g) The Amendment #1 dated June 13, 2018;
- (h) The Contract between the Department and Navitus Health Solutions, LLC dated July 19, 2017;
- (i) Exhibit F Department Terms and Conditions, dated May 1, 2019;
- (j) Exhibit A, Contract clarifications and changes;
- (k) RFP Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement, dated June 1, 2018;
- (I) RFP Exhibit 1 State of Wisconsin Pharmacy Benefit Program Agreement, dated July 11, 2017;
- (m) RFP Appendix 2 Data Specifications Pharmacy, dated June 20, 2017;
- (n) Request for Proposal (RFP) ETG0013 dated November 18, 2016, including all appendices, attachments, and amendments thereto;
- (o) Exhibit E Guaranteed Pricing Terms: January 1, 2022 December 31, 2024, dated January 30, 2021;
- (p) Exhibit D Guaranteed Pricing Terms: January 1, 2020 December 31, 2021, dated November 12, 2018;
- (q) Exhibit C Guaranteed Pricing Terms: January 1, 2019 December 31, 2019, dated June 1, 2018;
- (r) Exhibit B Guaranteed Pricing Terms: January 1, 2018 December 31, 2018, dated July 18, 2017; and
- (s) Contractor's proposal dated January 25, 2017.

<u>Contract</u>: ETG0013 Amendment #7 Administrative Services for the State of Wisconsin Pharmacy Benefit Program

State of Wisconsin Department of Employee Trust Funds	Contractor
Authorized Board: Group Insurance Board	Legal Company Name: Navitus Health Solutions, LLC
By (Name) & (Title): Herschel Day Chair, Group Insurance Board	Trade Name: Navitus Health Solutions, LLC
Signature:	Taxpayer Identification Number: 94-3151780 04-3608530
Date of Signature: 6/21/2024 Contact A. John Voelker, ETF Deputy Secretary, if questions arise: (608) 266-9854	Contractor Address (Street Address, City, State, Zip): 361 Integrity Drive Madison, WI 53719
	Name & Title (print name and title of person authorized to legally sign for and bind Contractor): Gayle Fisher, VP Strategic Accounts & Contract Analysis
	Signature: Layle Fisher
	Date of Signature:6/26/2024Email:gayle.fisher@navitus.comPhone:(512) - 231-3131

Amendment 7A Updates to Rebate Guarantee Calculations beginning January 1, 2024

Add to Amendment 4 Exhibit E Sections "Rebate Guarantees – Commercial" and "Rebate Guarantees – EGWP" as follows:

<u>Humira Biosimilars</u>

Rebate guarantees reflect a Humira biosimilar strategy instead of a Brand Humira strategy. By implementing a Humira biosimilar strategy, Client's Rebates for biosimilar versions of Humira are used in addition to the Humira Rebate Substitution Calculation, as defined below, in the generation and reconciliation of Rebate guarantees ("Humira Rebate Substitution"). The biosimilar versions used in a Humira Rebate Substitution include, but are not limited to, the following options for commercial and exchange lines of business: low WAC Hulio, low WAC Hyrimoz, or Hadlima.

A "Humira Rebate Substitution Calculation" is determined by calculating the difference in wholesale acquisition cost ("WAC") between the Humira biosimilar NDC and the corresponding Humira[®] NDC as of the date of fill. The same days' supply, units, quantity and service date on the paid Claim for the biosimilar NDC will be utilized to calculate the corresponding Humira[®] WAC. The difference between the corresponding WAC figures for all distributed Humira biosimilars will be added to the actual Rebate dollars collected for final reconciliation.

For example:

<u>Step 1: Humira Rebate Substitution Calculation</u> (Humira NDC WAC) - (biosimilar NDC WAC) = Rebate Substitution (Rebate Substitution)

<u>Step 2: Total Rebate Calculation</u> (Rebate Substitution) + (Actual Rebates Earned) = Total Rebates (Total Rebates)

Step 3: Reconciliation with Rebate Substitution Calculation (Total Rebates) – (**Guaranteed total) = Rebate Performance

** (Qualifying Brand Claims by channel) x (Guarantee by channel) = Guaranteed Total Qualifying Brand Claims = Total Brand Claims – exclusions under this Agreement.

<u>Insulin</u>

Rebate guarantees for insulin are calculated utilizing a rebate substitution pricing methodology, instead of a high-WAC Brand insulin strategy ("Insulin Rebate Substitution"). The Insulin Rebate Substitution is determined by calculating the difference between the WAC price on the impacted insulin Covered Product as of March 1, 2023, and the reduced WAC price on the same or comparable preferred Covered Product. The difference between the corresponding WAC figures for all impacted insulins will be added to the actual Rebate dollars collected for the final reconciliation of Rebate guarantees. This applies to all lines of business.