340B CONTRACT PHARMACY SERVICES AGREEMENT

This 340B CONTRACT PHARMACY SERVICES AGREEMENT ("Agreement") is entered into by and between Tulare County Health Services ("Covered Entity", on behalf of itself and all active eligible associated sites), located at 5957 South Mooney, Visalia, CA 93277, and Sierra Vista Pharmacy ("Pharmacy"), located at 650 E Visalia Rd, Farmersville, CA 93223, effective on January 1, 2020 ("Effective Date"). Both Pharmacy and Covered Entity may be referred to individually as "Party" and collectively as "Parties".

WHEREAS, the 1992 Veteran's Health Care Act created Section 340B of the Public Health Services Act, which classifies certain health care organizations eligible to purchase outpatient prescription drugs for their patients at favorable discounts from drug manufacturers who enter into drug purchasing agreements with the United States Department of Health and Human Services (the "Department").

WHEREAS, Covered Entity and Pharmacy desire to enter into a "ship to/bill to" arrangement under which the Covered Entity or a third-party administrator purchases the drugs through a wholesaler at 340B price and drugs are shipped to Pharmacy and billed to the Covered Entity. Pharmacy will dispense covered outpatient prescription drugs as defined in 340B on behalf of Covered Entity to eligible Covered Entity outpatients, charge and collect for such drugs, receive drug shipments ordered by Covered Entity or its agents to replace inventory of Pharmacy, in compliance with applicable laws and regulations.

WHEREAS, Covered Entity and Pharmacy mutually acknowledge that their intent in entering into this Agreement is solely to facilitate Covered Entity's participation in the 340B drug purchasing program. The services provided each to the other are only those necessary to fulfill this intent, and all financial arrangements established herein are mutually determined to represent either cost or fair market value for the items and services received.

NOW, THEREFORE, in consideration of the promises, covenants and agreements herein set forth, Covered Entity and Pharmacy hereby agree as follows:

DEFINITIONS

"**Cash Card**" shall mean CaptureRx's designated cash card program.

"**Claims**" shall mean the information transmitted to Pharmacy's claims processor and the content thereof, indicating among other things that a prescription has been submitted for payment.

"**Covered Drug(s)**" is a drug on the 340B drug list.

"**Eligible Patient(s)**" means those individuals who satisfy the patient definition criteria set forth at 61 Fed. Reg. 55, 156-58 (October 24, 1996).

"**HRSA**" shall refer to the Health Resources and Services Administration.

"**NDC**" refers to the National Drug Code Number to the 11th digit.

"**OOS Drugs**" refers to replenishable Claims with sufficient 340B accumulations where the NDC is unavailable.

"**OPA**" shall refer to the Office of Pharmacy Affairs.

"**Payment Batch**" shall mean a group of transactions/claims that are accumulated and reconciled collectively over a period of time.

"Payment Batch Period(s)" are 1st through the 15th, closed (batched and processed for billing) on the 16th, and the 16th through the end of the month, closed (batched and processed for billing) on the 1st of the following month.

"Pharmacy Dispense Fee(s)" or **"Dispense Fee"** is the fee paid by Covered Entity to Pharmacy for dispensing a single prescription of a Covered Drug for an Eligible Patient.

"Replenishment" shall mean the process by which Third-Party Administrator, on behalf of Covered Entity, purchases drugs from the Covered Entity's wholesaler at 340B drug prices to replace the Pharmacy's own inventory used to fill the Covered Entity's prescription requests for Eligible Patients.

"Slow Movers" shall mean any drug that is dispensed that does not meet a unit of issuance within a mutually agreed upon number of days.

"Switch Company" shall mean the claims processor that routes claims from the pharmacy to the plan/payer.

"Virtual Inventory" shall mean the tracking of physical inventory of drugs purchased through Covered Entity's wholesaler at 340B drug prices that is then reconciled with the physical inventory accumulated based on 340B eligible prescriptions.

1. OBLIGATIONS OF PHARMACY. During the term of this Agreement, Pharmacy shall:

A. Third-Party Administrator Contract, Claims Processor Authorization and Forms. Pharmacy must contract with Covered Entity's designated "Third-Party Administrator" or "TPA", NEC Networks, LLC d/b/a CaptureRx ("CaptureRx") using the CaptureRx's 340B Pharmacy Network Agreement, and any and all documents necessary for CaptureRx to process and adjudicate Covered Entity's Eligible Patient Claims.

B. Office of Pharmacy Affairs Self Certification. Pharmacy, in conjunction with Covered Entity, will submit the Office of Pharmacy Affairs Self Certification Form to the Office of Pharmacy Affairs, after Pharmacy and Covered Entity have signed this Agreement. Faxed copies can be sent to (301) 594-4982, however, the original signed OPA Self Certification Form must be sent to: Office of Pharmacy Affairs, 5600 Fishers Lane, Parklawn Building, Mail Stop 10C-03, Rockville, MD, 20857. Covered Entity and Pharmacy shall maintain accurate information in the HRSA 340B database and update such information as required.

C. Provide Comprehensive Pharmacy Services. Pharmacy shall provide comprehensive pharmacy services to Covered Entity's Eligible Patients by stocking and dispensing Covered Drugs, record keeping, drug utilization review, formulary maintenance, patient profile, patient counseling, and medication therapy management services and other clinical pharmacy services.

D. Pharmaceutical Services Charges. Pharmacy shall render pharmaceutical services to Covered Entity's Eligible Patients and charge for such services in accordance with the rate set forth on the Schedule A, attached hereto, as agreed upon by Covered Entity and Pharmacy. Changes to Dispense Fee(s), or other information contained in this Agreement or on the Schedule A, will only be implemented after a fully executed amendment has been received.

E. Dispensing 340B Covered Drugs. The Pharmacy will dispense 340B Covered Drugs only pursuant to proper prescriptions and in compliance with local, state, and federal regulations.

F. Ownership of 340B Covered Drugs. The 340B Covered Drugs ordered for Replenishment by Covered Entity are the property of the Covered Entity for use under the 340B program, less those amounts which have been dispensed by the Pharmacy from Pharmacy's own drug stock.

G. Acceptance of Replenishment Orders. Pharmacy shall accept all inventory Replenishments of 340B Covered Drugs from the wholesaler designated by Covered Entity so long as such drugs have identical labels and product code as those dispensed by Pharmacy. Pharmacy is not responsible for any fee associated with the delivery of 340B Covered Drugs from wholesaler. The Pharmacy will compare all shipments received to the orders and inform Covered Entity of any discrepancy within five (5) business days of receipt.

H. Collection of Payments. On behalf of Covered Entity, Pharmacy shall allow CaptureRx, via an ACH authorization, to collect any and all Cash Card and third-party payments and co-payments paid to Pharmacy for Covered Drugs less any Pharmacy Dispense Fees as set forth in Schedule A. All collected payments, less Dispense Fees due Pharmacy, shall be electronically transferred from Pharmacy's designated bank account, via a CaptureRx initiated ACH pull no earlier than thirty (30) days after the end of a Payment Batch Period, and no later than thirty-five (35) days after the end of the Payment Batch Period (for example, for a Payment Batch from June 1 through June 15th, the collection of ACH pull shall begin no earlier than July 16th or later than July 21st). Pharmacy will pay any collection fees, legal fees and court costs incurred by Covered Entity to collect past due amounts owed by Pharmacy except where such amounts are disputed by Pharmacy. Any amounts not disputed within ten (10) days of invoice date will be deemed valid.

I. Claims Captured by Switch. All Claims are collected by way of the Switch Company used by Pharmacy to process Claims pursuant to Pharmacy's data delivery authorization form. Notwithstanding any other provision to the contrary in this Agreement, this process shall have no effect on Pharmacy processing of Claims and/or shall not add any additional transaction charges to Pharmacy.

J. Maintenance of Records & Logs. Pharmacy agrees to maintain accurate, complete, up-to-date, pharmacy records for eligible persons, to permit effective patient care and quality review in compliance with all applicable regulations. Pharmacy agrees to retain such records for a period of five (5) years from the date of service. Pharmacy shall require Covered Entity's Eligible Patients to sign a signature log upon delivery of Covered Drug prescriptions and shall maintain such signatures on file. Notwithstanding the foregoing, as permitted by law, in lieu of a signature log, Pharmacy may maintain an electronic tracking system or use its point of sale to record and confirm the receipt of 340B Covered Drugs in accordance with industry standards.

K. Tracking System. The Covered Entity will verify, using Pharmacy's customary business records, that a tracking system exists which is suitable to prevent diversion of section 340B drugs to individuals who are not patients of the Covered Entity. The Covered Entity will establish a process for periodic comparison of its prescribing records with the Pharmacy's dispensing records to detect potential irregularities.

L. Reports. Pharmacy will provide Covered Entity with reports consistent with customary business practices.

M. Audits by Outside Parties. The Parties understand that they are subject to audits by outside parties (by the Department and participating manufacturers) of records that directly pertain to the Covered Entity's compliance with the drug resale or transfer prohibition and the prohibition against duplicate discounts pursuant to U.S.C. 256b(a)(5)(c). The Pharmacy will ensure that all pertinent reimbursement accounts and dispensing records, maintained by the pharmacy, will be

accessible separately from the Pharmacy's own operations and will be made available to the Covered Entity, HRSA, and the manufacturer in the case of an audit. Such auditable records will be maintained for a period of time that complies with all applicable Federal, State and local requirements. Audits will be conducted during Pharmacy's regular business hours and at the sole expense of the Covered Entity. It is understood that such audits may be made at any time during the term of this Agreement, to ensure the efficacy of the tracking system, and within one year after its expiration. Pharmacy agrees to make any and all adjustments to their tracking system which the Covered Entity advises are reasonably necessary to prevent diversion of Covered Drugs to individuals who are not patients of the Covered Entity.

N. Availability of Information. Covered Entity and Pharmacy will identify the necessary information for the Covered Entity to meet its ongoing responsibility of ensuring that the elements listed herein are being complied with and establish mechanism to ensure availability of information for periodic independent audits performed by the Covered Entity.

O. Insurance. Pharmacy shall maintain appropriate Professional Malpractice and General Liability insurance including blanket contractual liability in amounts not less than one million dollars (**$1,000,000**) per occurrence and three million dollars (**$3,000,000**) aggregate. Pharmacy shall provide Covered Entity, or its agent, evidence of such insurance upon request during the term of this Agreement and shall notify Covered Entity, or its agent, of any changes, modifications, or cancellations of such coverage. Upon request, Pharmacy shall issue to Covered Entity, or its agent, certificates of coverage, including for each renewal, in the foregoing amounts. Pharmacy hereby acknowledges that it shall return the signed Agreement along with a copy of its license and current insurance certificates. Under no circumstances shall the failure of Covered Entity, or its agent, to collect such certificates of coverage be construed or deemed as a waiver of the obligation of Pharmacy to maintain such insurance coverage.

P. Indemnification.

(a) To the fullest extent permitted by law, PHARMACY must indemnify, defend (at PHARMACY'S sole cost and expense and with legal counsel approved by COVERED ENTITY, which approval may not be unreasonably withheld), protect and hold harmless COVERED ENTITY, all subsidiaries, divisions and affiliated agencies of COVERED ENTITY, and all of their representatives, partners, designees, officers, directors, employees, consult- ants, agents, successors and assigns, (each, an "Indemnified Party" and collectively, the "Indemnified Parties"), from and against all claims (including, with- out limitation, claims for bodily injury, death or damage to property), demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including, without limitation, attorneys' fees, disbursements and court costs, and all other professional ex- pert or consultants' fees and costs and COVERED ENTITY general and administrative expenses) of every kind and nature whatsoever (individually, a "Claim"; collectively, "Claims") which may arise out of, pertain to, or relate (directly or indirectly) to the negligence, recklessness, or misconduct of PHARMACY with respect to any work performed or services provided under this Agreement (including, without limitation, the acts, errors and/or omissions of PHARMACY, its principals, officers, agents, employees, vendors, suppliers, consultants, sub-consultants, contractors, anyone employed directly or indirectly by any of them or for whose acts they may be liable or any or all of them). PHARMACY'S obligation to indemnify applies unless it is finally adjudicated that the liability was caused by the sole active negligence or sole willful misconduct of an Indemnified Party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an Indemnified Party, then PHARMACY'S indemnification obligation shall be reduced in proportion to the established comparativeliability.

(b) The duty to defend is a separate and distinct obligation from PHARMACY'S duty to indemnify. PHARMACY shall be obligated to defend, in all le- gal, equitable, administrative, or special proceedings, the Indemnified Parties immediately upon tender to PHARMACY of the Claim in any form or at any stage of an action or proceeding, whether or not liability is established. Payment to PHARMACY by any Indemnified Party or the payment or advance of defense costs by any Indemnified Party cannot be a condition precedent to enforcing the Indemnified Party's rights to indemnification under this Agreement. An allegation or determination that persons other than CON- TRACTOR are responsible for the Claim does not relieve PHARMACY from its separate and distinct obligation to defend under this section. The obligation to defend extends through final judgment, including exhaustion of any appeals. The defense obligation includes an obligation to provide independent defense counsel if PHARMACY asserts that liability is caused in whole or in part by the negligence or willful misconduct of an Indemnified Party. If it is finally adjudicated that liability was caused by the comparative active negligence or willful misconduct of an Indemnified Party, then PHARMACY may submit a claim to the COVERED ENTITY for reimbursement of reasonable attorneys' fees and defense costs in proportion to the established comparative liability of the Indemnified Party. PHARMACY'S indemnification obligations under this Agreement will survive the expiration or earlier termination of this Agreement until action against the Indemnified Parties for the matter indemnified is fully and finally barred by the applicable statute of limitations or statute of repose. CONTRAC- TOR'S liability for indemnification under this Agreement is in addition to any liability PHARMACY may have to COVERED ENTITY for a breach by PHARMACY of any of the provisions of this Agreement. Under no circumstances may the insurance requirements and limits set forth in this Agreement be construed to limit PHARMACY'S indemnification obligation or other liability under this Agreement. The terms of this Agreement are contractual and the result of negotiation between the Parties.

(c) PHARMACY must indemnify and hold COVERED ENTITY harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses, for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by COVERED ENTITY, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

Q. . Prohibition on Resale or Transfer. Pharmacy agrees that it will not divert a Covered Drug, by way of resale or transfer, that is owned by the Covered Entity as described in Section 1.F.

R. Duplicate Discounts. Neither Party will use drugs purchased under section 340B to dispense Medicaid prescriptions, unless the Covered Entity, the Pharmacy and the State Medicaid agency have established an arrangement to prevent duplicate discounts pursuant to 75 Fed. Reg. 10272 (March 5, 2010). Any such arrangement shall be reported to the OPA, HRSA, by the Covered Entity.

S. Covered Entity Location(s) Serviced. Pharmacy agrees it will provide pharmacy services contracted for under this Agreement at the locations specified in Schedule A.

T. Other Services. Pharmacy may provide other services to the Covered Entity or its patients at the option of the Covered Entity (home care, delivery, reimbursement services). Regardless of the services provided by the Pharmacy, access to 340B pricing will always be restricted to patients of the Covered Entity.

U. Representations from Pharmacy. Pharmacy represents and warrants that the signatory below is the owner of the Pharmacy or has full right, power, and authority to bind Pharmacy to this Agreement. Pharmacy warrants that (a) professional pharmaceutical services shall only be rendered by licensed pharmacists to eligible persons, (b) that each prescription ordered shall be dispensed in accordance with a lawful prescriber's directions, (c) that it is a pharmacy duly licensed under the pharmacy laws of the state in which it operates, and (d) that the Pharmacy hereby states it is not on probation with any State Board of Pharmacy. Pharmacy represents and warrants that it can legally dispense prescriptions for Medicare and Medicaid healthcare programs; and that it is not currently subject to exclusion, suspension or debarment from government healthcare programs. No representations or warranties have been made or relied upon other than those expressly set forth in this Agreement.

2. **OBLIGATIONS OF COVERED ENTITY.** During the term of this Agreement, Covered Entity shall:

A. Eligibility and Adjudication. CaptureRx, on behalf of Covered Entity, shall determine 340B eligibility for Covered Drugs dispensed by Pharmacy for Covered Entity's Eligible Patients. Pharmacy will provide to CaptureRx a list of prohibited third-party payers whose members and/or Claims may not be processed in any event as Covered Entity's Eligible Patients or 340B Covered Drugs, respectively. If Covered Entity disagrees with Pharmacy list of prohibited third-party payers, and the Parties cannot reach a consensus, Covered Entity has the right to terminate Agreement.

B. Virtual Inventory Management, Replenishment and True-Up. Approved quantities of 340B Covered Drugs are accumulated until the full package size has been reached and an order is placed from Covered Entity's drug wholesaler, using the NDC number, to replenish the approved quantity of 340B Covered Drugs. Delivery shall be provided by the drug wholesaler. All payments of drug wholesaler invoices are the sole responsibility of the Covered Entity. The Covered Entity will make timely payments for such drugs delivered to the Pharmacy. Slow Movers that do not reach full package size within the period of time established by the Covered Entity and Pharmacy pursuant to the Agreement, shall be removed from the Virtual Inventory. No less than once monthly, Covered Entity, through CaptureRx, shall True-Up the balance of OOS Drugs and all 340B Covered Drugs that were dispensed but have not reached full package size or have not had any order activity for 180 days or more. Covered Entity shall reimburse Pharmacy at the wholesale acquisition cost for those Slow Movers and OOS Drugs that have been dispensed and removed from the Virtual Inventory but have not been replenished ("True-Up").

C. Reprocessing. For a period of 30 days following the initial processing date, TPA will re-examine all claims that have been processed, and corresponding invoicing periods, and reprocess for qualification if applicable. If additional eligibility information has become available to make a previous claim now 340B eligible, TPA will add the additional 340B claims from those invoicing period(s) to the current invoicing period.

D. Reversals. Claims deemed to be ineligible for 340B due to diversion or duplicate discount shall be processed for reversal within 90 days. Reversing claims beyond the 90 days will require prior agreement by both Parties.

E. CaptureRx On-Line System – Cumulus®. Covered Entity and Pharmacy shall be provided with access to CaptureRx's On-Line System – Cumulus® which determines 340B eligibility and Covered Drugs, tracks and manages inventory, places orders for Replenishment, and allows for reporting and exportation of data. Cumulus® processes, methodologies, screen views, reports, recreations, reproductions or facsimiles of screen views and reports, access and/or demonstrations

of Cumulus® by non-pharmacy owners or direct employees are prohibited unless granted prior written permission of CaptureRx. This prohibition shall survive after the expiration and/or termination of this Agreement.

F. Core Reports. CaptureRx shall provide Covered Entity and Pharmacy users access to view their respective account ledger and reports, such as Covered Entity's approved 340B Claims as well as Covered Entity's claims which have not met Covered Entity's conditions, Virtual Inventory, Replenishment orders, and 340B financial information.

G. Medicaid Carve-Out. Covered Entity, through CaptureRx, shall carve-out processing and reporting Claims for 340B Covered Drugs that it identifies as reimbursed or paid through (i) Medicaid Managed Care Organizations or ii) Medicaid Fee-For-Service. It is the Covered Entity's sole responsibility to self-report any known Claims subject to duplicate discounts under 340B and to notify CaptureRx on a regular basis of all plans it intends to carve-out.

H. Patient Choice. Covered Entity will inform the patient of his or her freedom to choose a pharmacy provider. If the patient does not elect to use the contracted service, the patient may obtain the prescription from the Covered Entity and then obtain the drug(s) from the pharmacy provider of his or her choice.

I. Representations from Covered Entity. Covered Entity represents and warrants that the signatory below is a duly authorized representative of the Covered Entity or has full right, power, and authority to bind Covered Entity to this Agreement. In the event that Covered Entity chooses to Carve-In Medicaid claims, Covered Entity represents and warrants that it will not use drugs purchased under section 340B to dispense Medicaid prescriptions, unless the Covered Entity, the Pharmacy and the State Medicaid agency have established an arrangement to prevent duplicate discounts pursuant to 75 Fed. Reg. 10272 (March 5, 2010). Any such arrangement shall be reported to the OPA, HRSA, by the Covered Entity. Covered Entity further represents and warrants that all clinics located off-site of the parent hospital, regardless of whether those clinics are in the same building, are registered as child sites of the parent 340B eligible hospital if the Covered Entity purchases and/or provides 340B drugs to patients of those facilities as required by Section 340B(a)(4) of the Public Health Service Act (PHSA). Covered Entity shall maintain accurate information in the HRSA 340B database, including covered entity contact information, contract pharmacy information, and Medicaid billing information.

3. TERM. This Agreement shall commence on the Effective Date and shall continue for an initial term of three (3) years. Thereafter, the Agreement shall automatically renew for additional, successive, one (1) year renewal terms, unless terminated by either Party by delivery of written termination notice, at least sixty (60) days prior to the end of the then current term.

4. TERMINATION. This Agreement may be terminated at any time by either Party, without cause, upon providing ninety (90) days' written notice to the other Party. This Agreement may also be terminated by either Party upon a material breach by the other Party of any representation, covenant, or agreement under this Agreement without further notice if the Party in breach fails to cure the breach within thirty (30) days of receipt of written notice from the non-breaching Party of the specific breach(es). Further, either Party may terminate this Agreement immediately if (i) either Party loses eligibility, for any reason, to participate in 340B, or (ii) the other Party is debarred or excluded from participation in federal health care programs, as the term is defined in 42 U.S.C § 1320z-7b(f).

5. EFFECT OF TERMINATION. 340B Covered Drugs ordered for Replenishment by Covered Entity, subject to this Agreement, are the property of the Covered Entity, less those amounts which have been dispensed from Pharmacy's own drug stock. 340B Covered Drugs which are the property of the Covered

Entity, must be reconciled upon termination of this Agreement within thirty (30) days of termination of this Agreement. 340B Covered Drugs which are property of Covered Entity which cannot be returned to Covered Entity or accounted for by Pharmacy as destroyed outdated drugs or drugs previously released to Covered Entity for its own use shall be reconciled under this Agreement. Pharmacy will be considered to have fulfilled reconciliation for such underage by payment to Covered Entity of the wholesale acquisition cost for such 340B Covered Drugs.

6. COMPLIANCE WITH LAWS. The Pharmacy and Covered Entity will adhere to all Federal, State, and local laws and requirements. Both the Covered Entity and Pharmacy are aware of the potential for civil or criminal penalties under Federal and/or State law. The Department reserves the right to take such action as may be appropriate if it determines that such a violation has occurred.

7. NOTICE. Any notice or other communication required or permitted to be given pursuant to any provisions of this Agreement will be deemed given if in writing, signed by or on behalf of the person giving the notice, and will be deemed received when (a) personally delivered (with receipt acknowledged by the recipient), (b) deposited through the U.S. mail, registered or certified, first class, postage prepaid, (c) transmitted by facsimile with confirmation of receipt (d) via email with an email address for Pharmacy at fadygaballa@sbcglobal.net or if to Covered Entity at gcdiaz@tularehhsa.org with confirmation of receipt or (e) deposited for delivery by overnight courier service and addressed to the respective addresses first indicated in this Agreement.

8. RELATIONSHIP BETWEEN PARTIES. All Parties are independent entities and nothing in this Agreement shall be construed or be deemed to create a relationship of employer and employee or principal and agent or any relationship other than that of independent parties contracting with each other solely for the purpose of carrying out the provisions of this Agreement.

9. ENTIRE AGREEMENT. This Agreement, including Schedule A and any other Schedules or attachments, contains the entire agreement of the Parties and supersedes all prior agreements, representations and understandings, whether written or oral, between the Parties relating to the subject matter hereof and shall not be altered or amended except in writing and dually executed by both Parties. The Parties' intent is that this Agreement represents an entirely new agreement between the Parties as to the subject matter hereof and not a renewal of any prior or existing agreement between the Parties. Any prior or existing agreements between the Parties relating to the subject matter hereof are hereby terminated as of the date of this Agreement. This Agreement may be executed in any number of counterparts (including by facsimile or portable document format (PDF)), each of which shall be deemed an original for purposes, and all of which when taken together, will constitute a single counterpart instrument.

10. CONFIDENTIALITY. Pharmacy may not use or disclose any information it receives from Covered Entity under this Agreement that Covered Entity has previously identified as confidential or exempt from mandatory public disclosure except as necessary to carry out the purposes of this Agreement or as authorized in advance by Covered Entity. Unless required to do so by law, including but not limited to, the Ralph M. Brown Act or the California Public Records Act, Covered Entity many not disclose to third parties any information it receives from Pharmacy that Pharmacy has previously identified as confidential. If Covered Entity determines that it must disclose any information that Pharmacy previously identified as confidential, then it shall promptly give Pharmacy written notice of its intention to disclose such information and the authority for such disclosure. Pharmacy shall have a period of five (5) calendar days thereafter within which to seek a protective court order to prevent such disclosure or to notify Covered Entity that it will not seek such an order. Covered Entity shall cooperate with Pharmacy in any efforts to seek such a court order. Covered Entity shall not disclose the information until the five (5) day period has expired without a response from Pharmacy, or Pharmacy has notified Covered Entity that it will not seek such an order, or Pharmacy has sought and a court has declined to issue a protective order for such information. If Pharmacy seeks a protective order for such information, Pharmacy shall defend and indemnify Covered Entity from any and all loss, injury or

claim arising from Covered Entity's withholding of the information from the requestor. This includes attorneys' fees awarded to the requestor. The duty of Covered Entity and Pharmacy to maintain confidentiality of information under this section continues beyond the term of this Agreement.

11. HIPAA COMPLIANCE. The Parties recognize that each may be a healthcare provider and a "covered entity" within the meaning of the Federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and therefore responsible for compliance with HIPAA standards. The Parties agree to protect and respect the rights of the patients of Covered Entity and Pharmacy to privacy and confidentiality concerning their medical and pharmaceutical records, and to protect all individually identifiable health information as protected health information from misuse or disclosure, in compliance with all applicable state and federal law. Without limiting the generality of the foregoing, the Parties agree to use patients' specific information only for permitted treatment, billing and related record-keeping purposes, and to protect patient-specific information from unnecessary disclosure to persons not employed or contracted for by the Parties, and from their own employees and contractors unless they have a need to know and agree to maintain the confidentiality of patient specific information. If any patient information created, maintained or transmitted in connection with this Agreement is to be transmitted electronically, the Parties agree that they shall comply in all respects with the requirements of HIPAA governing electronic transmissions of protected health information. Failure by either Party to abide by these requirements shall be a basis for immediate termination of this Agreement.

13. MISCELLANEOUS PROVISIONS. Time is of the essence in the performance of each and every obligation herein imposed. The laws of the State of California, without reference to California conflict of laws principles, govern this Agreement and its interpretation. The Parties agree that this Agreement is made in and will be performed in Tulare County, California. In the event any provision or part thereof contained in the Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability or any other provision or part thereof contained herein.

14. ATTACHMENTS. Schedule A shall be attached hereto and incorporated herein as referenced.

IN WITNESS WHEREOF, Covered Entity and Pharmacy have executed this 340B Pharmacy Services Agreement by their representatives duly authorized as of the Effective Date first written above.

Sierra Vista Pharmacy:
Pharmacy

By: _____
Name: Feby Salem
Title: CEO / President
Date: 12/3/19

By: _____
Name: Fady Gaballa
Title: Treasurer
Date: 12/3/19

COUNTY OF TULARE

Date: _____

By _____
Chairman, Board of Supervisors

ATTEST: JASON T. BRITT
County Administrative Officer/Clerk of the Board
of Supervisors of the County of Tulare

By _____
Deputy Clerk

Approved as to Form
County Counsel

By _____
Deputy
Matter # 20191797
12-17-19

340B PHARMACY SERVICES AGREEMENT

Schedule A

Pharmacy:

Sierra Vista Pharmacy
650 E Visalia Rd
Farmersville, CA 93223

COVERED ENTITY LOCATION(S) SERVICED:

This Agreement is with the Covered Entity, as set forth on the signature page of the 340B PHARMACY SERVICES AGREEMENT, and all its active eligible associated sites as listed on the OPAIS.

Tulare County Health Services 5957 South Mooney, Visalia, CA 93277

Covered Entity is the designated billing entity for all active eligible associated sites.

340B PHARMACY DISPENSE FEES:

Covered Entity Cash Card Patient Prescriptions:
The Dispense Fee to be paid for each prescription dispensed for a Covered Drug shall be:

Ten dollars and zero cents ($10.00) for approved brand and generic drugs.

Patient Third-Party Prescriptions*:
The Dispense Fee to be paid for each prescription dispensed for a Covered Drug shall be:

Ten dollars and zero cents ($10.00) plus Fourteen percent (14%) of total paid for approved brand and generic drugs.

* **This is a profit model dispense fee agreement. If the total amount paid from a qualifying claim is not greater than the Dispense Fee plus cost of goods, the claim will not be approved.**

Class II Controlled Substances: _____ Included or __X___ Excluded from the 340B Contract Pharmacy Agreement relationship. If they are to be included in the program, Covered Entity and Pharmacy must both agree to include CII drugs. Pharmacy agrees to place order for CII drugs through Covered Entity's wholesaler 340B account using Pharmacy's DEA number to replenish approved quantities.

Blocked NDC Numbers: _____ None or __X___ Covered Entity and Pharmacy to provide Quarterly listing to TPA. Covered Entity and Pharmacy must both agree in order for either party to block certain NDC numbers from 340B Claims processing. Covered Entity and Pharmacy may provide quarterly listing of all blocked NDC numbers to TPA. TPA bears no liability for the failure of updates to the blocked NDC list.