

**ADDENDUM TO THE
INTEGRATED PRESCRIPTION DRUG PROGRAM
MASTER AGREEMENT**

THIS ADDENDUM is entered into as of the 1st day of July, 2014 by and between Express Scripts, Inc. ("ESI"), and The State of Delaware ("SPONSOR").

WHEREAS, SPONSOR retained ESI to provide certain pharmacy benefit management services under the Integrated Prescription Drug Program Master Agreement with an effective date of July 1, 2011, as amended from time to time (the "Agreement"); and

WHEREAS, the parties desire to modify the terms of the Agreement as set forth below.

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein, the parties hereto agree as follows:

1. In Section 6, Formulary, the following changes shall be made:
 - 1.1. Delete all references to "Basic Formulary" and replace with "National Preferred Formulary."
 - 1.2. Delete Section 6.3 and replace as follows:

6.3 **Guaranteed Rebates** – Within ninety (90) days following the end of each Contract Quarter during the Initial Term that SPONSOR participates in the Formulary, and complies fully with the Formulary management programs implemented by ESI, ESI will provide to SPONSOR Guaranteed Rebate amounts equal to the sum of (i) [REDACTED] times the total number of Brand Name Drug prescriptions, excluding Specialty Drug prescriptions, billed and paid for under SPONSOR's Retail Pharmacy Program, plus (ii) [REDACTED] times the total number of Brand Name Drug prescriptions, excluding Specialty Drug prescriptions, billed and paid for under SPONSOR's Mail Order Pharmacy Program during the same Contract Year plus (iii) [REDACTED] times the total number of Specialty Drug Covered Drug prescriptions billed and paid for under SPONSOR'S Retail Pharmacy Program during the same Contract Year, plus (iv) [REDACTED] times the total number of Specialty Drug Covered Drug prescriptions billed and paid for under SPONSOR's Mail Order Pharmacy Program during the same Contract Year (collectively the "Guaranteed Rebates"). ESI will pay SPONSOR the Guaranteed Rebates due and owing via wire transfer. Prescriptions for Compounds, OTC products, flu shots and vaccines are excluded from all calculations, measurements and payments of Total Rebates and Guaranteed Rebates. Any surplus savings realized in the guaranteed rebates for one Rebate Category shall not be used to fund any shortfall in the guaranteed rebates in another Rebate Category as part of the annual rebate reconciliation with actual Total Rebates. The parties acknowledge that these Guaranteed Rebates have been adjusted for and take into account the impact of the AUM Advantage Package detailed in the PBM Agreement Service Addendum attached hereto as Exhibit A. Sponsor elected to participate in this program following the date of the original PBM offer. ESI agrees to report on the results of this program on a schedule mutually acceptable to ESI and Sponsor. Sponsor reserves the right to amend their participation in the program and acknowledges that any changes to their program participation may invoke a review and adjustment to the rebate guarantees set forth in this section.

2. Delete and replace the first sentence of Section 10.1 with the following:

"This Agreement will remain in effect for an initial term of four (4) years from the Effective Date (the "Initial Term"), July 1, 2011, through June 30, 2015, and thereafter SPONSOR will have the option to renew for one (1) one-year term by giving written notice, at least one hundred fifty (150) days prior to the end of any such term, to ESI of its intent to renew this Agreement as of the end of the then current term."
3. Delete and replace Schedule A, Section 3.1 with the following:

REDACTED

Except as amended herein, the Agreement shall remain in full force and effect without modification. In the event of an inconsistency between the terms of the Agreement and this Amendment, the terms of this Amendment shall govern. Capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Agreement on the date indicated below.

EXPRESS SCRIPTS, INC.

Original on File

BY: _____
(signature)

NAME: _____

TITLE: Sean Donnelly
President - Commercial Division

DATE: 6/20/14

**THE STATE OF DELAWARE
OFFICE OF MANAGEMENT AND
BUDGET**

Original on File

BY: _____
(signature)

NAME: Brenda Lakeman
(type or print name)

TITLE: Director, HR & Benefits

DATE: 6/18/14