LIVINGCONNECTED



DIABETES MANAGEMENT PROGRAM AGREEMENT

This agreement ("Agreement") is entered into this ___1st__ day of ___July____ 2020 ("Effective Date"), by and between CCS Medical, Inc. ("CCS") and Town of Apex (hereinafter referred to as "Health Plan") (collectively referred to hereafter as the "Parties" or individually as a "Party").

RECITALS

Whereas, CCS is a provider of durable medical equipment and supplies to patients with chronic conditions (including, but not limited to diabetic testing supplies, insulin pumps and pump supplies, incontinence, urological, ostomy, wound care, and orthotic products and supplies);

Whereas, CCS has established or provides access to additional services related to the durable medical equipment and supplies it offers, including its LivingConnected Diabetes Management Program (the "Program") and other related services;

Whereas, Health Plan is a municipal corporation which has established a self-funded employee benefit plan, which provides for payment of certain health and welfare benefits to and for certain individuals pursuant to Health Plan's master plan document ("Plan Members"); and

Whereas, Health Plan seeks to provide Plan Members with enhanced quality durable medical equipment, supplies, and services through participation in the Program ("Participants").

TERMS

The Parties therefore agree as follows:

1. COMMENCEMENT DATE AND TERM

1.1 <u>Term of Agreement</u>. This Agreement shall commence on the Effective Date and shall run for a period of three (3) years (the "Term"), subject to earlier termination as provided in this Agreement. At the end of the Term, unless this Agreement has been terminated in accordance with the termination provisions contained herein, the Agreement shall renew automatically for periods of one (1) year.

2. SERVICES AND RESPONSIBILITIES

2.1 <u>Diabetes Management Program</u>. CCS agrees to provide the Program to Participants. In order for CCS to make the Program available, Health Plan shall provide CCS with a file containing at a minimum, a listing of all Plan Members eligible for the Program, claims data, and member target lists ("Participant File"). The Participant File shall contain all applicable and necessary information regarding all Participants, including phone numbers, and be in a format acceptable to CCS. Health Plan will be required to update the Participant File on a monthly basis and provide CCS with the updated Participant File by the fifteenth (15th) of every month during the term of this Agreement. CCS shall enroll all Plan Members listed in the Participant File in the Program and make its Program available to Participants, unless the Plan Member disenrolls from the Program.

2.2 <u>Products and Services</u>. CCS agrees to provide and make available those durable medical equipment, supplies, and services it offers, including those identified in Exhibit A (collectively, the "Products and Supplies"), to Participants in accordance with the terms and conditions of this Agreement.



2.3 <u>Delivery</u>. CCS will deliver Products and Supplies, as applicable, to Participants in a timely manner. Specifically, CCS, at its sole and reasonable discretion, will ship either a Starter Kit (as that term is defined in Exhibit A) or a resupply package to Participants after receipt of Participant files enrolling Plan Member in the Program and receipt of all necessary information and shall timely deliver subsequent orders of Products and Supplies. CCS will supply Products and Supplies reimbursed by Health Plan to Participants F.O.B. Shipping Point.

2.4 <u>Program Implementation</u>. Health Plan or third party administrator providing administrative services to, and authorized to act on behalf of, the plan sponsor ("Third Party Administrator") will participate in implementing the Program, including attending training sessions, performing file builds where applicable, creating data feeds, and other reasonable requests by CCS regarding the Program implementation.

2.5 <u>Program Education and Outreach</u>. Health Plan will inform Plan Members of CCS's services and in doing so shall have the right to use CCS's name, address, telephone number, and other information, with CCS's approval, for purposes of informing current and prospective Plan Members of CCS and the Program available to Plan Members. Except as provided herein, Health Plan and CCS each reserve the right to, and control of the use of, its name, symbols, trademarks, and service marks presently existing or later established. In addition, except as provided herein, neither Health Plan nor CCS shall use the other's name, symbols, trademarks or service marks in advertising or promotional material or otherwise, without the prior written consent of that party, and shall cease any such usage immediately upon written notice of the party or upon termination of this Agreement. Health Plan will provide relevant employees, agents, and contractors, including those in plan sponsor's human resources, with information and training related to the Program.

2.6 <u>Communication with Participants</u>. CCS may communicate directly with Participants and Plan Members regarding the Program and the Products and Supplies it offers. Prior to providing the Participant File or any other contact information, Health Plan shall have obtained any necessary consents and authorizations to permit CCS to communicate, by any means, including but not limited to, SMS messaging, prerecorded/artificial voice messages and/or automatic dialing devices, as applicable, with Participants and Plan Members using the information provided by Health Plan.

2.7 <u>Compliance</u>. In performing this Agreement, the Parties warrant they shall each comply with all applicable federal, state, and local laws. CCS and Health Plan agree that each are "Covered Entities" for purposes of HIPAA and other privacy laws. The Parties warrant they shall maintain Plan Member information and medical records in accordance with federal and state laws related to privacy and confidentiality of Plan Member information and medical records, including HIPAA, and shall use and disclose such information or records only in accordance with such laws and requirements. Further, the Parties shall comply with laws designed to prevent or ameliorate fraud, waste, and abuse, including applicable provisions of federal criminal law, the False Claims Act (31 U.S.C. § 3729 et. seq.), and the Anti-Kickback Statute (42 U.S.C. § 1320a-7b et. seq.).

3. COMPENSATION AND BILLING

3.1 <u>Fees and Invoicing Process</u>. CCS shall seek payment from Health Plan for the provision of Products and Services. CCS will bill and Health Plan shall pay through the Benefit Plan or as requested the fees provided for in Exhibit A or as amended. Health Plan is ultimately responsible for payment, irrespective of payment by any other party that may be responsible for covering the service such as a Benefit Plan, Insurer, Third Party Administrator, etc. and CCS shall be reimbursed at one-hundred percent (100%) of its billed charges within thirty (30) days of receipt of an invoice or claim from CCS, with no reduction of payment due to copays or deductibles, for all claims submitted pursuant to this Agreement.



3.2 <u>Fair Market Value</u>. To the extent applicable to the products and services to be provided by CCS pursuant to this Agreement, the Parties acknowledge that any amounts paid under this Agreement shall at all times be in compliance with all applicable laws, rules, regulations, policies and interpretations and shall not exceed the fair market value for the services provided and is not determined in a manner that takes into account the volume or value of any referrals or business that otherwise may be generated by either Party for which payment may be made, in whole or in part, under any Federal health care program, including Medicare or Medicaid. If either Party reasonably determines at any time or is reliably informed by governmental authorities that the compensation or other terms set forth herein violate or are likely to be determined by a governmental authority to violate such laws, rules, regulations, policies or interpretations, the Parties agree to meet immediately and in good faith to amend this Agreement so as to eliminate such concern or violation with respect to such government healthcare insurance programs and to bring this Agreement into compliance with the foregoing.

3.3 Health Plan acknowledges and understands that CCS and AOR (as defined in Section 8.2) have entered into a separate services agreement, under which AOR provides certain services to CCS with respect to the Program and Services, and that CCS compensates AOR for the provision of such services.

4. TERMINATION

4.1 <u>Without Cause</u>. Either Party may terminate this Agreement without cause upon ninety (90) days advance, written notice to the other Party.

4.2 <u>With Cause</u>. In addition to the other terms of this Agreement permitting immediate termination, if any Party commits a material breach of any of the terms of this Agreement and has not corrected such breach within thirty (30) days' of written notice from the non-breaching party, then the non-breaching party may terminate this Agreement upon written notice to the breaching party.

4.3 <u>Effect of Termination</u>. The termination of this Agreement shall not limit either Party from seeking other remedies available to it, including injunctive relief. Upon expiration or termination of this Agreement, the Program will no longer be available to Plan Members, and all amounts due and owing shall immediately become due and payable to CCS. Additionally, except as otherwise provided herein, the provisions of this Agreement which by their terms should survive expiration or termination of this Agreement shall survive the expiration or termination of this Agreement including but not limited to Sections 2.6, 3, 4, 5, 6, 7, and 8, which shall survive termination or expiration of this Agreement. CCS shall have no obligation to Health Plan or to Participants after such termination with respect to fulfillment of orders under the Program or the provision of Services, nor will CCS be required to maintain or transfer any data to Health Plan after such termination other than as specifically required herein.

5. INDEMNIFICATION

5.1 Intentionally Omitted

6. CONFIDENTIAL INFORMATION

6.1 <u>General</u>. Each Party recognizes and acknowledges that, by virtue of entering into this Agreement and performing their respective obligations hereunder, each Party may have access to certain information of the other Party that is confidential and constitutes proprietary, valuable, special and unique property of the other Party. For the purposes of this Agreement:



6.1.1 "Confidential Information" means, without limitation, all information proprietary to either Party, whether or not marked "confidential," that constitutes trade secrets and/or confidential information as construed by applicable law or information that is not already available to the public, all of which the parties hereto agree constitutes trade secrets under the Uniform Trade Secrets Act, including, but not limited to, all information relating directly or indirectly to the business of either Party, prospect lists, referral sources, customer lists and customer information, information concerning services and supplies, marketing programs, computer program and systems, business and supplier contracts, techniques, processes, methods, technologies, business information, financial data, financial plans, products, equipment, sales information, costs data, personnel, product tests, pricing policies, distributorship arrangements, business plans or business strategies, information regarding any acquisition or joint venture arrangements or other enterprises with whom either Party has business relationships.

6.1.2 Confidential Information does not include information that (a) is now, or hereafter becomes, through no act or failure to act on the part of the receiving Party, generally known or available; (b) is known by the receiving Party at the time of receiving such information as evidenced by its records; (c) is hereafter furnished to the receiving Party by a third party, as a matter of right and without restriction on disclosure; (d) is independently developed by the receiving Party without use of any Confidential Information; or (e) is required to be disclosed by judicial or administrative process or by law or regulation, provided that the Party so required to disclose the Confidential Information shall notify the other Party and shall provide reasonably cooperate with the other Party to enable the other Party to take action designed to protect such Party's interests. Notwithstanding anything to the contrary in this Agreement the Parties recognize that public records as defined by Chapter 132 of the North Carolina General Statutes are not Confidential Information as defined in this Agreement and may be released in accordance with North Carolina law without notification to either Party.

6.2 <u>Duty to Keep Confidential Information Confidential</u>. Each Party hereby agrees and undertakes that with respect to Confidential Information each Party will:

6.2.1 treat and keep all Confidential Information of the other Party as secret and confidential;

6.2.2 not divulge, reveal, publish, communicate or disclose any Confidential Information, directly or indirectly, of the other Party to any other person except with the prior written consent of the disclosing Party, as may be required by law, in which case the receiving Party agrees to provide the disclosing Party with prior written notice and to cooperate with the disclosing Party in seeking such legal remedies as may be available to prevent such disclosure;

6.2.3 not use any Confidential Information of the other Party in any way or for any purpose other than for the purpose of fulfilling the terms and obligations of this Agreement;

6.2.4 not use any Confidential Information of the other Party for personal benefit or for the personal benefit of any other person or entity;

6.2.5 use commercially reasonable efforts to maintain the secrecy and confidentiality of Confidential Information of the other Party and ensure that Confidential Information is not disclosed by any person, in whole or in part, contrary to any of the terms of this Agreement; and

6.2.6 not disclose the terms of this Agreement to any person who is not a party or signatory, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to in writing by the other Party, such that the unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement and shall provide the other Party with the option of pursuing remedies for breach or termination of this Agreement.



6.3 <u>Misuse of Confidential Information</u>. The receiving Party's failure to fulfill the obligations and conditions with respect to any use, disclosure, publication, release, or dissemination to any third party of the disclosing Party's Confidential Information constitutes a material breach of this Agreement. In that event the disclosing Party may, at its option and in addition to any other remedies that it may have, terminate this Agreement. In addition to any other remedies it may have, the disclosing Party has the right to demand the immediate return of all copies of Confidential Information provided to the receiving Party under this Agreement. The receiving Party recognizes that disclosure of Confidential Information in violation of this Agreement may result in irreparable harm to the disclosing Party. The disclosing Party shall have the right to seek injunctive relief in the event of a disclosure in violation of this Agreement.

6.4 <u>Survival</u>. The provisions of this Section 6 shall survive expiration or other termination of this Agreement, regardless of the cause of such termination. The obligations of confidentiality set forth in this Section 6 shall commence as of the Effective Date and shall continue (a) at all times thereafter with respect to trade secrets (so long as they qualify as trade secrets under applicable law) and (b) with respect to all other Confidential Information, for a period of three (3) years after the termination or expiration of this Agreement.

7. LIMITATIONS OF LIABILITY

7.1 <u>Exclusive Warranties</u>. THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE AND THE ONLY WARRANTIES MADE BY CCS TO HEALTH PLAN HEREUNDER. CCS MAKES AND HEALTH PLAN RECEIVES NO OTHER WARRANTY, EXPRESS OR IMPLIED, AND ANY AND ALL WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY EXCLUDED. CCS DOES NOT WARRANT THAT THE PROGRAM WILL MEET ANY PARTICIPANT'S REQUIREMENTS OR THAT THE OPERATION OF THE PROGRAM WILL BE UNINTERRUPTED OR ERROR FREE.

7.2 Limitation of Liability. EXCEPT AS OTHERWISE PROVIDED FOR IN THIS AGREEMENT, IN NO EVENT SHALL CCS BE LIABLE TO HEALTH PLAN, ANY PLAN MEMBER, OR OTHER THIRD PARTY IN ANY MANNER FOR ANY SPECIAL, NON-COMPENSATORY, CONSEQUENTIAL, INDIRECT, INCIDENTAL, STATUTORY, OR PUNITIVE DAMAGES OF ANY KIND, INCLUDING WITHOUT LIMITATION, FOR LOST PROFITS, LOST SALES, LOST REVENUE, OR LOSS OF USE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT PRODUCTS LIABILITY, OR OTHERWISE, EVEN IF CCS HAS BEEN INFORMED OF OR IS AWARE OF THE POSSIBILITY OF DAMAGES IN ADVANCE. HEALTH PLAN AGREES THAT CCS'S LIABILITY FOR ANY CLAIM OR COMBINATION OF CLAIMS, INCLUDING BUT NOT LIMITED TO, THOSE LISTED ABOVE IN THIS SECTION 7.2 AND AS COVERED UNDER SECTION 5.2, SHALL BE, IN THE TOTAL AMOUNT, LIMITED TO THE FEES PAID BY HEALTH PLAN TO CCS UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. HEALTH PLAN HAS ACCEPTED THIS LIMITATION OF LIABILITY AS PART OF A BARGAIN WITH RESPECT TO THE PRICING OF THE PRODUCTS AND SUPPLIES WITH THE UNDERSTANDING THAT THE PRICING WOULD BE HIGHER IF CCS WERE REQUIRED TO BEAR LIABILITY IN EXCESS OF THAT STATED HEREIN.

7.3 <u>Information Tool Only</u>. HEALTH PLAN UNDERSTANDS AND AGREES THAT CCS IS NOT ENGAGED IN THE PRACTICE OF MEDICINE AND THAT THE PROGRAM IS AN INFORMATION TOOL ONLY AND IS NOT A SUBSTITUTE FOR PROFESSIONAL JUDGMENT OF HEALTHCARE PROVIDERS IN DIAGNOSING AND TREATING PATIENTS. HEALTH PLAN



ACKNOWLEDGES THAT PROVIDERS SHALL HAVE FULL AND SOLE RESPONSIBILITY FOR THE CARE AND WELL BEING OF THEIR PATIENTS, AND ANY RELIANCE UPON THE PROGRAM SHALL NOT DIMINISH OR ALTER SUCH RESPONSIBILITY.

8. MISCELLANEOUS

8.1 <u>Notices</u>. All notices or other communications required or permitted under this Agreement shall be in writing and shall be deemed given to a Party when (i) delivered to the appropriate address by hand or by a nationally recognized overnight courier service (costs prepaid) or (ii) received or rejected by the addressee, if sent by certified mail, postage prepaid, return receipt requested, and addressed to the recipient. Notices shall be delivered to the following addresses:

If to CCS:

If to Health Plan:

CCS Medical, Inc.	Town of Apex
1505 LBJ Freeway, Suite 550	P.O. Box 250
Farmers Branch, TX 75234	Apex, NC 27502
ATTN: Michael Capone	ATTN: Drew Havens, Town Manager

Either Party may change its address by written notice to the other Party given in accordance with this Section.

8.2 <u>Agency of Record</u>. Health Plan has engaged Marsh & McLennan Agency, LLC as its Agent of Record ("AOR") for the provision of services, as outlined in this Agreement, on Health Plan's behalf. Health Plan agrees to immediately notify CCS if Health Plan intends to change or makes any change in AOR and the parties agree to cooperate in facilitating any such change to ensure continuity of the Program.

8.3 <u>Nature of Relationship</u>. In the performance of their respective obligations under this Agreement, it is mutually understood and agreed that the nature of the Parties' relationship will be that of an independent contractor. Nothing herein will be interpreted or applied (or is intended to be interpreted or applied) to create a partnership, joint venture, principal and agent, employment or other relationship between CCS and Health Plan other than that of solely independent contractors.

8.4 <u>Entire Agreement</u>. This Agreement contains the entire agreement between the Parties and supersedes all prior negotiations or agreements, whether written or oral, between them with respect to the matters set forth herein.

8.5 <u>Severability</u>. If any provision or term of this Agreement is found to be unenforceable or void, in whole or in part, the offending term or provision will be construed as valid and enforceable to the maximum extent permitted and the balance of this Agreement will remain in full force and effect.

8.6 <u>Non-Exclusive Arrangement</u>. Nothing in this Agreement or otherwise will, or is intended by the Parties to, prevent either Party from utilizing, marketing and selling the Products and Services or products and services similar to or competitive with the Products and Services, either directly or via a contract or arrangement with a third party provider of such products and services or substitutes therefore.

8.7 <u>No Exclusions</u>. Neither party, nor any of its officers, directors or owners is subject to any disciplinary order, sanction or decree of any federal or state governmental agency having jurisdiction over the



services it provides, including eligibility for participation in Medicare and Medicaid, and no such action is presently pending. Neither party has been sanctioned by the Department of Health and Human Services, Office of the Inspector General, Cumulative Sanctions Report, or excluded by the General Services Administration, List of Excluded Providers [see http://exclusions.oig.hhs.gov/ and https://www.epls.gov]. Each party agrees to notify the other party of any such actions or proposed actions within five (5) days of occurrence.

8.8 <u>Assignments</u>. Neither party may assign any right or interest or delegate any obligation under this Agreement without the prior written approval of the other party, such approval not to be unreasonably withheld. Any assignment in violation of this Section 8.8 shall be invalid and will constitute a material breach of this Agreement.

8.9 <u>Modifications and Amendments</u>. Except as otherwise provided for in this Agreement, CCS retains the right to amend this Agreement or any attachments or addenda, by making a good faith effort to provide notice to Health Plan not less than thirty (30) days before the effective date of the amendment.

8.10 <u>Waiver</u>. The failure of either Party to insist upon strict performance of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent fault by the other Party of the same or a similar nature. If one provision is deemed modified or waived by the mutual consent of the Parties, this Agreement will continue to be valid between the parties with a modification as agreed upon.

8.11 <u>Force Majeure</u>. CCS will not be liable for any failure or delay in its performance or in the delivery of services or shipment of products, or for any damages suffered by Health Plan by reason of such failure or delay, when such failure or delay is caused by, or arises in connection with, any fire, flood, accident, riot, earthquake, severe weather, war, governmental interference or embargo, strike, shortage of labor, fuel, power, materials or supplies, delay in delivery by CCS's suppliers, product manufacturers, or other contracted entity or any other cause or causes beyond CCS's reasonable control. CCS reserves the right to allocate in its sole discretion among customers or potential customers, or defer or delay the shipment of, any product which is in short supply.

8.12 <u>Successors</u>. Except as otherwise provided in the preceding section, all of the obligations, conditions, terms, covenants, and provisions of this Agreement will inure to the benefit of and be binding upon the parties hereto and their successors and assigns.

8.13 <u>Governing Law</u>. This Agreement as well as all rights and obligations of the parties hereunder shall be governed by the laws of the state of North Carolina without giving effect to the principles of conflicts of laws applied by any jurisdiction. Venue for any action brought hereunder shall be proper exclusively in Wake County, North Carolina.

8.14 <u>Counterparts</u>. This Agreement may be executed in any number of counterparts. All counterparts taken together shall constitute a single agreement. Signatures executed and delivered via electronic mail or facsimile transmission shall be deemed original signatures.

8.15 <u>Headings and Titles</u>. The headings and titles of the several paragraphs contained herein are for convenience only and shall not be considered in construing this Agreement.

8.16 <u>Insurance</u>. Each Party shall maintain general liability, professional liability, and employee dishonesty insurance policies or bonds in amounts and forms standard and adequate for each Party's business and acceptable to the other Party. Each Party shall provide proof of such insurance upon request and shall immediately give written notice to the other Party in the event the Party receives notice of any termination, cancellation or material modification to or change in such insurance or bonds.



8.17 <u>No Third-Party Beneficiaries</u>. This Agreement is entered into by and between the Parties hereto solely for their benefit. The Parties have not created or established any third-party beneficiary status or rights in any person or entity not a party hereto including, but not limited to, any Participant, subcontractor, or other third-party, and no such third-party will have any right to enforce any right or enjoy any benefit created or established under this Agreement.

8.18 E-Verify Compliance. CCS shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (E-Verify). CCS shall require all of its subcontractors to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (E-Verify).

8.19 Anti-Human Trafficking. CCS warrants and agrees that no labor supplied by CCS or its subcontractors in the performance of this Agreement shall be obtained by means of deception, coercion, intimidation or force, or otherwise in violation of North Carolina law, specifically Article 10A, Subchapter 3 of Chapter 14 of the North Carolina General Statutes, Human Trafficking.

8.20 Electronic Signature. Pursuant to Article 40 of Chapter 66 of the North Carolina General Statutes (the Uniform Electronic Transactions Act) this Agreement and all documents related hereto containing an electronic or digitized signature are legally binding in the same manner as are hard copy documents executed by hand signature. The Parties hereby consent to use electronic or digitized signatures in accordance with the Town's Electronic Signature Policy and intend to be bound by the Agreement and any related documents. If electronic signatures are used the Agreement shall be delivered in an electronic record capable of retention by the recipient at the time of receipt.

[Signatures are on the following page.]



•

LIVINGCONNECTED DIABETES MANAGEMENT PROGRAM AGREEMENT

SIGNATURES

This Agreement is entered into effective as of the Effective Date as evidenced by the signatures of the duly authorized officers of each Party below.

CCS MEDICAL, INC.

By:			

Title: _____

Date: _____

HEALTH PLAN

By: Drew Havens

Title: Town Manager

Date: _____



EXHIBIT A FEE SCHEDULE

1. <u>Reimbursement for Products and Supplies</u>. CCS shall be entitled to reimbursement for the Products and Supplies, inclusive of related services explicitly covered under this Agreement, as follows:

Products and Services	Reimbursement
Starter Kits	\$304.00
Replacement Meter	\$100.00
Blood Glucose Test Strips (50 count vial)	\$65.00
Control Solutions High and Low	\$7.00 (each)
Lancing Device	\$15.00
Lancets 30G (100 count box)	\$7.50

1.1 As necessary CCS provides Participants with Starter Kits includes four (4) vials of Blood Glucose Test Strips and two (2) boxes of Lancets 30G and may also include the following items:

- a. One (1) Bluetooth/Cellular Blood Glucose Meter
- b. Ten (10) Blood Glucose Test Strips
- c. One (1) each of Control Solution High and Low
- d. One (1) Lancing Device
- e. Ten (10) Lancets
- f. One (1) Battery Charger
- g. One (1) Meter Case

1.2 Defective Starter Kit Meters, as determined to be defective by CCS, in its sole and reasonable discretion, will be replaced by CCS at no cost to the Participant.

1.3 Ninety (90) day supplies of additional Products and Supplies are provided to Participants following enrollment or receipt of Starter Kit based on utilization or need, which may include appropriate quantities of the following:

- a. Fifty (50) count vials of Blood Glucose Test Strips
- b. Control Solutions High and Low
- c. Lancing Devices
- d. One-hundred (100) count boxes of Lancets 30G

1.4 All products under provided for under this Agreement will be shipped FOB shipping point. Unused delivered products may only be returned in accordance with CCS's return policy.

1.5 The above charges shall not change unless mutually agreed to by the Parties in writing. However, CCS may adjust such charges in proportion to any increase in CCS's cost of acquiring such goods, upon providing Health Plan thirty (30) days advance notice of such adjustments, which shall be considered accepted by Health Plan unless Health Plan provides CCS with written notice within the thirty (30) days provided objecting to such changes, in which case, the Parties agree to enter into good-faith negotiations for the cost of goods adjustment to charges. Any adjustment to charges made pursuant to this Section shall be attached hereto as an amendment to this Exhibit A.

Exhibit A – Page 1of 2



Accepted and Agreed to:

CCS MEDICAL, INC.	HEALTH PLAN
By:	By: Drew Havens
Title:	Title: Town Manager
Date:	Date: