

**MANAGEMENT SERVICES AGREEMENT
BY AND BETWEEN
UNITEDHEALTHCARE OF KENTUCKY, LTD.
AND
UNITED HEALTHCARE SERVICES, INC.**

This Management Services Agreement (this "Agreement") is entered into as of January 1, 2011 by and between UnitedHealthcare of Kentucky, Ltd. (the "Company"), and United HealthCare Services, Inc. ("UHS").

WHEREAS, UHS is engaged in the business of providing management and operational support to its affiliates; and

WHEREAS, the parties desire that UHS provide to the Company the management and operational support described in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein, the parties agree as follows:

**ARTICLE I
DUTIES**

1.1 UHS Duties. UHS shall provide, or arrange for the provision of, those management, administrative, and other services the parties deem necessary or appropriate for UHS to provide management and operational support to the Company pursuant to this Agreement, including but not limited to any of the categories of services described in Exhibit A. UHS shall provide to the Company access to UHS' assets and its affiliates' assets as the parties deem necessary or appropriate for UHS to provide such management and operational support hereunder, including but not limited to any of the categories of assets described in Exhibit A.

1.2 Company Control and Oversight. UHS shall be subject to the reasonable direction of the Company, as it pertains to the services provided pursuant to this Agreement. The Company shall maintain oversight of UHS for functions UHS provides to, or arranges for, the Company, and will monitor services for quality assurance in conformity with applicable state law and other regulatory requirements as set forth in Exhibit B. The parties shall cooperate with and assist each other as reasonably necessary or appropriate in the performance of this Agreement.

ARTICLE II PAYMENT

2.1 Certain Definitions. When used in this Agreement, the following capitalized terms shall have the meanings set forth below:

- (a) “Expenses” shall mean the amounts incurred by UHS to provide the services directly to the Company, amounts incurred by UHS for services provided by an affiliate or third party, and, where applicable, amounts in consideration of the Company’s use of the assets of UHS and its affiliates.
- (b) “Health Plans” means, collectively, those affiliates of UHS for which UHS renders management and operational support of the type provided pursuant to this Agreement.

2.2 Determination of Management Fees. The Company will pay fees to UHS pursuant to this Agreement (“Management Fees”) equal to: (a) UHS’s Expenses for services or use of assets provided solely to the Company, and (b) the Company’s allocated portion of UHS’s Expenses where the services or use of assets are shared among the Company and other Health Plans. UHS will determine allocations to the Company each year based on appropriate and rational methods, such as (i) the ratio of the Company’s membership to the total membership of the Health Plans sharing such services and assets; (ii) the ratio of the Company’s utilization of the services or assets to the total utilization by the Health Plans; or (iii) the ratio of the Company’s revenue to the total revenue of the Health Plans. The parties agree that, with respect to some services and use of assets, calculating the Management Fees pursuant to this Section 2.2 will involve management’s reasonable estimate of the Company’s Expenses. All Management Fees will be fair and reasonable and all allocations to the Company will be fair, reasonable, and in conformity with required and customary insurance accounting practices.

2.3 Monthly Payments. The Company shall pay the Management Fees to UHS on or before the 10th calendar day of each month. For Management Fees that are based on management’s reasonable estimate of Expenses, the parties agree that, on an annual basis, UHS will review the year-to-date Expenses incurred for the then current calendar year and evaluate whether to adjust the Management Fees on a prospective basis in order to ensure that the Management Fees continue to reflect a reasonable estimate of UHS’ Expenses and are fair and reasonable.

2.4 No Advancement of Funds. The Company may not advance funds to UHS under this Agreement, except to pay UHS for its performance hereunder.

2.5 Ownership and Use of Assets.

- (a) All funds and assets of UHS are the property of UHS, held for the benefit of UHS and are subject to the control of UHS; provided that UHS agrees to grant the

Company access to UHS' assets and its affiliates' assets as necessary to perform the duties under this Agreement, or as may reasonably assist UHS and its affiliates to perform hereunder; or as otherwise permitted by UHS and by applicable law. Neither this Agreement nor the performance of duties pursuant to this Agreement shall grant the Company any ownership interest in the assets of UHS or its affiliates used by Company pursuant to this Agreement.

(b) All funds and assets of the Company are the property of the Company, held for the benefit of the Company and are subject to the control of the Company; provided that the Company agrees to grant UHS and its affiliates access to the Company's assets as necessary to perform the duties under this Agreement, or as may reasonably assist UHS and its affiliates to perform hereunder, including without limitation to assist UHS, in concert with other Health Plans, to achieve cost efficiencies on the Company's behalf; or as otherwise permitted by the Company and by applicable law. Neither this Agreement nor the performance of duties pursuant to this Agreement shall grant UHS or its affiliates any ownership interest in the Company's assets used by UHS or its affiliates pursuant to this Agreement.

ARTICLE III TERM AND TERMINATION

3.1 Term and Termination. This Agreement shall commence as of the date first set forth above and shall continue until terminated as follows:

- (a) By mutual agreement of the parties,
- (b) By either party upon at least 60 days prior written notice to the other party,
- (c) By either party, upon at least 30 days prior written notice to the other party in the event of a material breach of this Agreement by the other party unless the material breach has been cured before the end of the notice period; or
- (d) Upon the written order of any applicable insurance regulatory authority.

In the event this Agreement is terminated, the Company shall provide notice thereof in accordance with all requirements of the insurance laws of the State in which the Company is domiciled.

3.2 Rights of Renegotiation. In addition to the termination rights set forth in Section 3.1, each party shall have the right, exercisable at each three-year anniversary of the date set forth above, to request that this Agreement be renegotiated, and to terminate this Agreement if mutually acceptable terms are not reached during any such renegotiation.

3.3 Company Receivership. If the Company is placed in receivership pursuant to the relevant state receivership act:

- (a) UHS shall have no automatic right to terminate this Agreement;
- (b) UHS shall continue to maintain any systems, programs or other infrastructure notwithstanding such receivership and will make them available to the receiver for as long as UHS continues to receive timely payment for services rendered;
- (c) all of the rights of the Company under this Agreement shall extend to the receiver; and
- (d) the Company's books and records shall immediately be made available to the receiver and shall be turned over to the receiver immediately upon the receiver's request.

ARTICLE IV REGULATORY COMPLIANCE

4.1 Regulatory Compliance. UHS and the Company shall comply with all laws and regulations applicable to the services provided hereunder, including without limitation the regulatory provisions set forth in Exhibit B, which provisions are hereby incorporated into and made a part of this Agreement. The parties may update Exhibit B from time to time as necessary to comply with applicable law without amending this Agreement.

4.2 Protected Data. The parties acknowledge and agree that, in the course of performing hereunder, UHS will receive on behalf of the Company personal data identifying individuals covered by the Company, protected health information, and other data protected by law. With respect to such data, UHS and the Company shall comply with the Health Insurance Portability and Accountability Act of 1996, the Gramm-Leach-Bliley Act, and all other applicable confidentiality, privacy and data security laws and regulations.

ARTICLE V MISCELLANEOUS

5.1 Records Maintenance; Ownership of Company Records.

(a) The books, accounts and records of each party shall be so maintained as to clearly and accurately disclose the transactions contemplated by this Agreement, including such accounting information as is necessary to calculate and support the amount of the payments made by the Company under this Agreement. All books, accounts and records shall be maintained in compliance with the applicable laws and regulations of the State in which the Company is domiciled and in accordance with prudent standards of insurance record keeping.

(b) UHS shall maintain at its principal administrative office adequate books and records of all transactions related to the services provided pursuant to this Agreement. UHS shall maintain such books and records for the duration of this

Agreement and for ten years thereafter, unless a different retention period is specified by applicable law, then such books and records shall be maintained for such period as required by applicable law. The insurance regulatory authority in each applicable state shall have access to books and records maintained by UHS for the purpose of examination, audit, inspection and investigation, upon reasonable notice to UHS and during normal business hours.

(c) Any books and records provided by the Company to UHS pursuant to this Agreement, or developed or maintained by the Company under or related to this Agreement, shall be owned by the Company and are subject to the control of the Company.

(d) This Agreement shall be retained as part of the official records of both UHS and the Company for the duration of the Agreement and for ten years thereafter.

5.2 Notices. All notices or other communications required under this Agreement shall be in writing (which may be electronic) and shall be deemed delivered when delivered personally or by e-mail, one day after delivery by commercial overnight delivery service, or if mailed, five days after the date of mailing.

5.3 Indemnification. UHS shall not be liable to the Company for any loss or liability for any action performed or omitted in connection with the services provided hereunder unless caused by the gross negligence or willful misconduct of UHS; provided, however, that UHS shall defend, indemnify and hold harmless the Company from and against any and all losses, liabilities, damages, costs and expenses (including reasonable attorneys' fees) ("Losses") incurred by or alleged against the Company in connection with the services provided hereunder to the extent any such Loss results solely from UHS's gross negligence or willful misconduct. The Company shall defend, indemnify and hold harmless UHS from and against any and all Losses incurred by or alleged against UHS in connection with the services provided hereunder, except to the extent any such Loss results solely from UHS's gross negligence or willful misconduct.

5.4 Amendment. Except as may otherwise be set forth in this Agreement, this Agreement may be amended only by both parties agreeing to the amendment in writing and complying with any and all notice or approval requirements of the insurance laws of the State in which the Company is domiciled.

5.5 Assignment; Subcontracting; Successors and Permitted Assigns. Neither the Company nor UHS may assign its rights or responsibilities under this Agreement without the prior written consent of the other party, with the exception that UHS may assign its rights and responsibilities under this Agreement to an affiliate. With respect to any assignment of this Agreement, the parties shall comply with any and all notice or approval requirements of the insurance laws of the State in which the Company is domiciled. To the extent permitted by law, UHS shall have the right to subcontract all or a portion of its obligations pursuant to Section 1.1 to any third party or affiliate; provided, however, that (a) UHS shall be responsible to the Company for those duties to

the same extent that it would have been responsible without the use of an affiliate or subcontractor, and (b) UHS will ensure that its affiliates and subcontractors comply with all the terms of this Agreement, including, without limitation, the obligation to perform the services hereunder in compliance with all applicable laws and regulations. This Agreement shall be binding upon, inure to the benefit of, and be specifically enforceable by and against the parties and their respective successors and permitted assigns. Except as expressly set forth in Section 3.3, nothing expressed or referred to in this Agreement will be construed to give any person or entity other than the parties hereto any rights, remedies or claims under or with respect to this Agreement.

5.6 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State in which the Company is domiciled.

5.7 Entire Agreement; Counterparts. This Agreement, with its exhibits, constitutes the entire agreement between the parties governing the subject matter of this Agreement. This Agreement replaces any prior written or oral communications or agreements between the parties relating to the subject matter of this Agreement. The headings and titles within this Agreement are for convenience only and are not part of the Agreement. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument.

In witness whereof, the parties have executed this Agreement to be effective as of the date first set forth above.

**UNITED HEALTHCARE
SERVICES, INC.**

By: _____

Name: T. Jeffrey Putnam
Title: Senior Vice President

**UNITEDHEALTHCARE OF
KENTUCKY, LTD.**

By: _____

Name: Deborah English
Title: Chief Financial Officer

EXHIBIT A
to
Management Services Agreement
by and between
UnitedHealthcare of Kentucky, Ltd.
and
United HealthCare Services, Inc.

Management and General Administration

- Banking
- Financial analysis and reporting
- Human resources
- Information technology systems and related activities
- Internal audit
- Legal, compliance, and regulatory affairs
- Real estate, office equipment, and supplies
- Tax
- Treasury and investments

Operations

- Actuarial and underwriting
- Benefit design and benefit administration
- Call centers and related activities, including, without limitation, enrollee and provider support activities
- Claims adjudication and payment systems and related activities
- Cost containment
- Data clearinghouse and data warehouse systems and related activities
- Data management (e.g., maintenance of data, oversight of use and disclosure of data, data accuracy and integrity)
- Disease management
- Financial administration systems, including, without limitation, health savings accounts and systems for electronic customer payments and statements; and related activities
- Health care decision support

- Marketing, sales, and public relations
- Medical management, including, without limitation, utilization review and utilization management
- Pharmacy administration
- Provider networks and related activities, including, without limitation, contracting processes and provider relations
- Quality oversight
- Specialty benefit management systems and related activities
- Third party administration
- Wellness management

EXHIBIT B
to
Management Services Agreement
by and between
UnitedHealthcare of Kentucky, Ltd.
and
United HealthCare Services, Inc.

REGULATORY ADDENDA

Last Updated: January 1, 2011

In accordance with Section 4.1 of the Agreement, the addenda described below and attached to this Exhibit B are made a part of the Agreement as of the effective date indicated.

Addendum	Effective Date	Description
B-1	January 1, 2011	Third Party Administrator Provisions
B-2	January 1, 2011	Medicare Provisions

ADDENDUM B-1
Third Party Administrator Provisions
(See Attached)

ADDENDUM B-1
to
Management Services Agreement
between
UnitedHealthcare Insurance Company and
United HealthCare Services, Inc.

THIRD PARTY ADMINISTRATOR PROVISIONS

With respect to any third party administrator (“TPA”) services provided by UHS pursuant to this Agreement, the parties shall comply with the following provisions to the extent that such provisions are applicable to the type of TPA services being provided. If any provision of this Addendum B-1 is deemed to be in conflict with any other provision of this Agreement, this Addendum B-1 shall control.

1. Advertising. UHS may use only such advertising pertaining to the Company’s business as has been approved by the Company in advance of its use.
2. Underwriting Standards. With respect to all business underwritten by the Company, UHS shall use the underwriting and other standards, including, without limitation, criteria and procedures applicable to insurance coverage and reinsurance, if any, all as approved by the Company and as provided by the Company to UHS from time to time.
3. Premium Collection and Payment of Claims.
 - (a) Any insurance charges or premiums collected by UHS on behalf of or for the Company, and any return premiums received by UHS from the Company, shall be held by UHS in a fiduciary capacity.
 - (b) If funds deposited in a fiduciary account maintained or controlled by UHS have been collected on behalf of or for more than one insurer, or for the payment of claims associated with more than one policy, UHS shall keep records clearly recording the deposits in and withdrawals from such account on behalf of or for each insurer and relating to each policyholder. UHS shall, upon request of the Company, furnish the Company with copies of such records pertaining to deposits and withdrawals of or for the Company, and at least quarterly make available to the Company an accounting detailing all deposits into and withdrawals from the fiduciary account performed by UHS pertaining to the business underwritten by the Company.
 - (c) UHS shall not pay any claim by withdrawals from a fiduciary account in which premiums or charges are deposited. Withdrawals from a fiduciary account shall be permitted only for any of the following: (i) remittance to

the Company as the Company becomes entitled to such remittance, (ii) deposit in an account maintained in the name of the Company, (iii) transfer to and deposit in a claims-paying account, with claims to be paid in accordance with paragraph 3(d) below, (iv) payment to a group policyholder for remittance to the Company, (v) payment to UHS of its compensation, fees or charges, (vi) remittance of return premium to the person or persons entitled to such return premium, and (vii) as permitted by the Company.

- (d) All claims paid by UHS from funds collected on behalf of the Company shall be paid only as authorized by the Company.
4. Delivery of Policies and Notices. Any policies, certificates, booklets, termination notices or other written communications delivered by the Company to UHS for delivery to the Company's customers shall be delivered by UHS promptly after receipt of instructions from the Company to do so.
 5. Communications with Claimants. Communications between UHS and claimants shall avoid deceptive statements with regard to the responsibilities of UHS (as the TPA) and the Company with regard to claims or premiums.
 6. Compensation for Adjusting or Settling Claims. Compensation to UHS for any policies where UHS adjusts or settles claims shall in no way be contingent on claims experience or loss ratios in those instances where such contingency fees are prohibited by law; provided, however, this shall not prevent the compensation of UHS from being based on premiums or charges collected or number of claims paid or processed. UHS shall only be entitled to compensation for its services as expressly set forth in this Agreement.
 7. Bond Required. UHS shall maintain any and all deposits and bonds in favor of state insurance regulatory authorities that are required to be held by applicable law.

ADDENDUM B-2
Medicare Provisions
(See Attached)

**MEDICARE REGULATORY REQUIREMENTS APPENDIX
UHS – DELEGATED ENTITY**

THIS MEDICARE REGULATORY REQUIREMENTS APPENDIX (this “Appendix”) supplements and is made part of the Management Services Agreement (the “Agreement”) by and between United HealthCare Services, Inc. (“UHS”) and the affiliated insurance company or health maintenance organization that is party to the Agreement (“Medicare Plan Entity”). The Appendix will supersede and replace any previous provisions relating to Medicare regulatory requirements, whether those be in attachments, appendices, or other provisions specific to Medicare benefit plans.

**SECTION 1
APPLICABILITY**

This Appendix applies to the services performed by UHS pursuant to the Agreement solely as such services relate to Medicare Benefit Plans. In the event of a conflict between this Appendix and other appendices or any provision of the Agreement, the provisions of this Appendix shall control except: (1) with regard to Benefit Plans outside the scope of this Appendix; or (2) as required by applicable law.

**SECTION 2
DEFINITIONS**

For purposes of this Appendix, the following terms shall have the meanings set forth below.

2.1 **Benefit Plan:** A certificate of coverage, summary plan description, or other document or agreement, whether delivered in paper, electronic, or other format, under which a Payer is obligated to provide coverage of Covered Services for a Customer.

2.2 **CMS Contract:** A contract between the Centers for Medicare & Medicaid Services (“CMS”) and Medicare Plan Entity for the provision of Medicare benefits pursuant to Title XVIII, Part C and/or Part D of the Social Security Act.

2.3 **Cost Sharing:** Those costs, if any, pursuant to a Benefit Plan that are the responsibility of the Customer, including deductibles, coinsurance, and copayments.

2.4 **Covered Service:** A health care service or product for which a Customer is entitled to receive coverage from a Payer, pursuant to the terms of the Customer’s Benefit Plan with that Payer.

2.5 **Customer:** A person eligible and enrolled to receive coverage from a Payer for Covered Services.

2.6 **Dual Eligible Customer:** A Medicare Advantage Customer who is: (a) eligible for Medicaid; and (b) for whom the state is responsible for paying Medicare Part A and B Cost Sharing.

2.7 Medicare Advantage Benefit Plans: Benefit Plans sponsored, issued or administered by a Medicare Advantage Organization as part of the Medicare Advantage program or as part of the Medicare Advantage program together with the Prescription Drug program pursuant to Title XVIII, Part C and Part D, respectively, of the Social Security Act (as those program names may change from time to time).

2.8 Medicare Advantage Organization: For purposes of this Appendix, Medicare Advantage Organization is Medicare Plan Entity.

2.9 Medicare Benefit Plans: Medicare Advantage Benefit Plans and PDP Plans.

2.10 Medicare Customer: A Customer eligible for and enrolled in a Medicare Benefit Plan that is covered pursuant to the Agreement.

2.11 Part D Plan Sponsor: For purposes of this Appendix, Part D Plan Sponsor is Medicare Plan Entity.

2.12 PDP Plan: CMS-approved stand-alone Medicare Part D prescription drug coverage offered pursuant to a policy, contract or plan that is sponsored, issued or administered by Part D Plan Sponsor pursuant to a contract with CMS, as defined in 42 C.F.R. §423.4, including, but not limited to, any CMS demonstration program that provides prescription drug benefits. For purposes of this Agreement, PDP plans also includes any employer-sponsored group prescription drug plans, as defined in 42 C.F.R. §423.454.

2.13 Payer: An entity obligated to a Customer to provide reimbursement for Covered Services pursuant to the Customer's Benefit Plan.

SECTION 3 DELEGATED ACTIVITIES

3.1 Medicare Plan Entity Accountability; Delegated Activities. UHS acknowledges and agrees that Medicare Plan Entity oversees and is accountable to CMS for any functions and responsibilities described in the CMS Contract and applicable Medicare regulations, including those that Medicare Plan Entity has delegated to UHS pursuant to the Agreement. In addition to the other provisions of this Appendix, the following shall apply with respect to any functions and responsibilities pursuant to the CMS Contract that Medicare Plan Entity has delegated to UHS pursuant to the Agreement:

(a) UHS shall perform or arrange for the provision of those delegated activities set forth in the Agreement.

(b) UHS shall comply with any reporting responsibilities as set forth in the Agreement.

(c) If Medicare Plan Entity has delegated to UHS any activities related to the credentialing of health care providers, UHS must comply with all applicable CMS requirements for credentialing, including but not limited to the requirement that the credentials of medical professionals must either be reviewed by Medicare Plan Entity, or

the credentialing process must be reviewed, preapproved, and audited on an ongoing basis by Medicare Plan Entity.

(d) If Medicare Plan Entity has delegated to UHS the selection of health care and/or prescription drug providers to be participating providers in Medicare Plan Entity's Medicare network, or the selection of contractors or subcontractors to perform services pursuant to the CMS Contract, Medicare Plan Entity retains the right to approve, suspend or terminate the participation status of such health care and/or prescription drug providers and the agreements with such contractors or subcontractors.

(e) UHS acknowledges that Medicare Plan Entity shall monitor UHS's performance of delegated activities on an ongoing basis. If CMS or Medicare Plan Entity determines that UHS has not performed satisfactorily, or has failed to meet all reporting and disclosure requirements in a timely manner, Medicare Plan Entity may revoke any or all of the delegated activities and reporting requirements. UHS shall cooperate with Medicare Plan Entity regarding the transition of any delegated activities or reporting requirements that have been revoked by Medicare Plan Entity.

SECTION 4 UHS REQUIREMENTS

4.1 **Data.** UHS shall cooperate with Medicare Plan Entity in Medicare Plan Entity's efforts to report to CMS all statistics and other information related to its business, as may be required or requested by CMS, including but not limited to risk adjustment data as defined in 42 CFR 422.310(a), if applicable. By submitting data to Medicare Plan Entity, UHS represents to Medicare Plan Entity, and upon Medicare Plan Entity's request, shall certify in writing, that the data is accurate, complete, and truthful, based on UHS's best knowledge, information and belief.

4.2 **Customer Protection.** UHS agrees that in no event, including but not limited to, non-payment by Payer or Medicare Plan Entity, insolvency of Payer or Medicare Plan Entity, or breach of the Agreement, shall UHS bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against any Medicare Customer or person (other than Medicare Plan Entity) acting on behalf of the Medicare Customer for any fees that are the legal obligation of Medicare Plan Entity pursuant to the CMS Contract.

4.3 **Eligibility.** UHS agrees to immediately notify Medicare Plan Entity in the event UHS is or becomes excluded from participation in any federal or state health care program pursuant to Section 1128 or 1128A of the Social Security Act. UHS shall not employ or contract for the provision of health care services, utilization review, medical social work or administrative services, with or without compensation, with any individual or entity that has been excluded from participation in any federal or state health care program pursuant to Section 1128 or 1128A of the Social Security Act.

4.4 **Laws.** UHS shall comply with all applicable federal and Medicare laws, regulations, and CMS instructions, including but not limited to: (a) federal laws and regulations designed to prevent or ameliorate fraud, waste, and abuse, including but not limited to, applicable provisions of federal criminal law, the False Claims Act (31 U.S.C. §3729 et seq.), and the anti-kickback statute (§1128B of the Social Security Act); and (b) HIPAA administrative simplification rules at 45 CFR Parts 160, 162, and 164.

4.5 **Federal Funds.** UHS acknowledges that Medicare Plan Entity receives federal payments pursuant to the CMS Contract and that payments UHS receives from or on behalf of Medicare Plan Entity are, in whole or in part, from federal funds. UHS is therefore subject to certain laws that are applicable to individuals and entities receiving federal funds.

4.6 **CMS Contract.** UHS shall perform the services set forth in the Agreement in a manner consistent with and in compliance with Medicare Plan Entity's contractual obligations pursuant to the CMS Contract.

4.7 **Records.**

(a) Maintenance; Privacy and Confidentiality; Customer Access. UHS shall maintain records and information related to services performed by UHS pursuant to the Agreement in an accurate and timely manner. UHS shall maintain such records for at least ten (10) years or such longer period as required by law. UHS shall safeguard Medicare Customer privacy and confidentiality, including but not limited to the privacy and confidentiality of any information that identifies a particular Medicare Customer, and shall comply with all federal and state laws regarding confidentiality and disclosure of medical records or other health and enrollment information, including the requirements established by Medicare Plan Entity and the Medicare program, as applicable. UHS shall ensure that Medicare Customers have timely access to medical records and information that pertain to them, in accordance with applicable law.

(b) Government Access to Records. UHS acknowledges and agrees that the Secretary of Health and Human Services, the Comptroller General, or their designees shall have the right to audit, evaluate and inspect any pertinent books, contracts, medical records, patient care documentation and other records and information belonging to UHS that involve transactions related to the CMS Contract. This right shall extend through ten (10) years from the later of the final date of the CMS Contract period in effect at the time the records were created or the date of completion of any audit, or longer in certain instances described in the applicable Medicare regulations. For the purpose of conducting the above activities, UHS shall make available its premises, physical facilities and equipment, records relating to the services performed pursuant to the Agreement, and any additional relevant information CMS may require.

(c) Medicare Plan Entity Access to Records. UHS shall grant Medicare Plan Entity or its designees such audit, evaluation, and inspection rights identified in subsection 4.7(b) as are necessary for Medicare Plan Entity to comply with its obligations pursuant to the CMS Contract. Whenever possible, Medicare Plan Entity will give UHS reasonable notice of the need for such audit, evaluation or inspection, and will conduct such audit, evaluation or inspection at a reasonable time and place.

4.8 **Offshoring.** Unless previously authorized by Medicare Plan Entity in writing, all services provided by UHS pursuant to the Agreement that are subject to this Appendix must be performed within the United States, the District of Columbia, or the United States territories. The following provisions apply to Medicare-related services that involve Medicare beneficiary protected health information ("PHI") performed pursuant to the Agreement at locations outside of one of the fifty

United States, the District of Columbia, or one of the United States territories (American Samoa, Guam, Northern Marianas, Puerto Rico and Virgin Islands):

(a) UHS represents and warrants to Medicare Plan Entity that UHS has in place and will comply with policies and procedures to ensure that all PHI and other personal information remains secure. UHS will provide written evidence of the policies and procedures upon Medicare Plan Entity's request.

(b) UHS will provide prior written notice to Medicare Plan Entity of (a) any material change in the Medicare-related services that involve PHI that UHS performs offshore, (b) any material change in UHS' policies and procedures to ensure that all PHI and other personal information remains secure, and (c) any material change in the tools and systems used by UHS to ensure that all PHI and other personal information remains secure.

(c) UHS is prohibited from receiving access to any PHI or other personal information that is not associated with its contractual relationship with Medicare Plan Entity. If UHS receives access to PHI or other personal information of Medicare Plan Entity's members that is not associated with UHS' contractual relationship with Medicare Plan Entity, UHS will immediately notify Medicare Plan Entity that it has received such access, return all PHI or personal information accessed by UHS, and destroy any such PHI or personal information that remains in UHS' possession after doing so (i.e. copies, electronic records, back-ups or temporary files).

(d) UHS' services pursuant to the Agreement may be terminated immediately upon discovery of a significant security breach.

(e) UHS authorizes Medicare Plan Entity or its designee to conduct an audit of UHS at least annually.

(f) UHS acknowledges and agrees that Medicare Plan Entity will use the results of its audit of UHS to evaluate the continuation of Medicare Plan Entity's relationship with UHS.

(g) UHS authorizes Medicare Plan Entity or its designee to share the results of audits of UHS with CMS.

4.9 Subcontracts. If UHS has any arrangements, in accordance with the terms of the Agreement, with affiliates, subsidiaries or any other subcontractors, directly or through another person or entity, to perform any of the services UHS is obligated to perform or provide pursuant to the Agreement that are the subject of this Appendix, UHS shall ensure that all such arrangements are in writing, duly executed, and include all the terms contained in this Appendix. UHS shall provide proof of such to Medicare Plan Entity upon request. In addition, UHS agrees to oversee and monitor, on an ongoing basis, the services UHS has subcontracted to another person or entity. UHS further agrees to promptly amend its agreements with such subcontractors, in the manner requested by Medicare Plan Entity, to meet any additional CMS requirements that may apply to the performance of the services or the provision of the products.

SECTION 5
OTHER

5.1 **Regulatory Amendment.** Medicare Plan Entity may unilaterally amend this Appendix to comply with applicable laws and regulations and the requirements of applicable regulatory authorities, including but not limited to CMS. Medicare Plan Entity shall provide written notice to UHS of such amendment and its effective date. Unless such laws, regulations or regulatory authority(ies) direct otherwise, the signature of UHS will not be required in order for the amendment to take effect.