JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
STATE CAPITOL
P.O. BOX 44294, CAPITOL STATION
BATON ROUGE, LOUISIANA 70804
(225) 342-1964

REPRESENTATIVE JACK MCFARLAND
CHAIR

SENATOR GLEN WOMACK
VICE-CHAIR

AGENDA

Thursday, October 15, 2026
10:00 a.m.
House Committee Room 5

I. CALL TO ORDER

II. ROLL CALL

III. BUSINESS

1. Fiscal Status Statement and Five-year Baseline Budget

2. BA-7 Agenda

3. Facility Planning and Control Agenda

4. Interpretation of legislative intent for appropriations contained in Acts 3 and 961 of the 2026 Regular Session of the Legislature and Act 461 of the 2025 Regular Session of the Legislature, in accordance with the provisions of R.S. 24:653(E)

5. Review and approval of Deputy Sheriffs' Supplemental Pay in accordance with the provisions of R.S. 40:1667.8

6. Review and approval of the Fiscal Year 2026-2027 operating budget for the Greater New Orleans Expressway Commission, in accordance with Section 2(C) of Act 875 of 1988

7. Review and approval of contract extensions between the Louisiana Department of Health and the following entities, in accordance with the provisions of R.S. 39:1615(J):

    A. Atena Better Health of Louisiana, Inc.

    B. AmeriHealth Caritas Louisiana, Inc.

    C. Humana Health Benefit Plan of Louisiana, Inc. d/b/a Humana Health

    D. Louisiana Healthcare Connections, Inc.

8. Review and approval of the Louisiana Department of Health's guidelines for the Broadband Damage Reimbursement Program, in accordance with the provisions of Act 636 of the 2026 Regular Session of the Legislature

9. Review and approval of a contract extension between the Office of Risk Management and Arthur J. Gallagher Risk Management Services, LLC, in accordance with the provisions of R.S. 39:1615(J)

10. Review and approval of contracts between the Office of Group Benefits and the following entities, in accordance with the provisions of R.S. 42:802(D)(1):

    A. Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana

B. New Orleans Regional Physician Hospital Organization, LLC, d/b/a Peoples Health

C. Humana Health Benefits Plan of Louisiana, Inc.

D. HMO Louisiana, Inc.

11. Review and approval of amendments to 2026 emergency contracts between the Office of Group Benefits and the following entities, in accordance with the provisions of R.S. 42:802(D)(2):

A. SilverScript Insurance Company

B. Southern Scripts, LLC d/b/a Liviniti, LLC

12. Review and approval of an amendment to the 2024 contract between the Office of Group Benefits and Total Administrative Services Corporation, in accordance with the provisions of R.S. 39:1615(J)

IV. CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE COMMITTEE

V. ADJOURNMENT

Any interested person or any committee member may file with the committee a prepared statement concerning a specific instrument or matter under consideration by the committee or concerning any matter within the committee's scope of authority, and the committee records shall reflect receipt of such statement and the date and time thereof.

NOTE: Statements may be filed with the Joint Legislative Committee on the Budget via email at fosterj@legis.la.gov. Statements submitted, and the information contained therein, are public records and subject to disclosure pursuant to public records laws.

Audio/visual presentations, such as PowerPoint, shall be filed with the Joint Legislative Committee on the Budget via email at fosterj@legis.la.gov at least 24 hours prior to the scheduled start of the committee meeting. No flash or thumb drives will be accepted.

JACK MCFARLAND, CHAIR

PLEASE SUBMIT A WITNESS CARD TO THE COMMITTEE ADMINISTRATIVE ASSISTANT BEFORE THE MEETING BEGINS IF YOU WANT TO TESTIFY BEFORE THE COMMITTEE.

Agenda Item No. 1

Fiscal Status Statement and Five-year Baseline Budget

STATE OF LOUISIANA
State General Fund Fiscal Status Statement
Fiscal Year 2026-2027
($ in millions)

October 2026

	SEPTEMBER 2026	OCTOBER 2026	OCTOBER 2026 Over/(Under) SEPTEMBER 2026
GENERAL FUND REVENUE			
Revenue Estimating Conference - May 8, 2026	$12,512.600	$12,512.600	$0.000
FY 25-26 Revenue Carried Forward into FY 26-27	$465.077	$449.621	($15.456)
Total Available General Fund Revenue	**$12,977.677**	**$12,962.221**	**($15.456)**
APPROPRIATIONS AND REQUIREMENTS			
Non-Appropriated Constitutional Requirements			
Debt Service	$445.113	$445.113	$0.000
Interim Emergency Board	$1.323	$1.323	$0.000
Revenue Sharing	$90.000	$90.000	$0.000
Total Non-Appropriated Constitutional Requirements	**$536.436**	**$536.436**	**$0.000**
Appropriations			
General (Act 3 of 2026 RS)	$11,957.429	$11,941.973	($15.456)
Ancillary (Act 906 of 2026 RS)	$0.000	$0.000	$0.000
Judicial (Act 910 of 2026 RS)	$206.124	$206.124	$0.000
Legislative (Act 912 of 2026 RS)	$94.542	$94.542	$0.000
Capital Outlay (Act 4 of 2026 RS)	$7.250	$7.250	$0.000
Total Appropriations	**$12,265.344**	**$12,249.888**	**($15.456)**
Other Requirements			
Funds Bill (Act 636 of 2026 RS)	$2.400	$2.400	$0.000
Funds Bill (Act 636 of 2026 RS - Veto Transfers)	$1.482	$1.482	$0.000
Funds Bill (Act 636 of 2026 RS - Minimum Foundation Program Transfer)	$168.000	$168.000	$0.000
Total Other Requirements	**$171.882**	**$171.882**	**$0.000**
Total Appropriations and Requirements	**$12,973.662**	**$12,958.207**	**($15.456)**
General Fund Revenue Less Appropriations and Requirements	**$4.014**	**$4.014**	**$0.000**

II. FY 2025-2026 Fiscal Status Summary:

In accordance with Act 1092 of the 2001 Regular Session and Act 107 of the 2002 First Extraordinary Session (R.S. 39:75), the first budget status report presented after October 15th shall reflect the fund balance for the previous fiscal year. "At the first meeting of the Joint Legislative Committee on the Budget after publication of the Comprehensive Annual Financial Report for the state of Louisiana, the commissioner of administration shall certify to the committee the actual expenditures paid by warrant or transfer and the actual monies received and any monies or balances carried forward for any fund at the close of the previous fiscal year which shall be reflected in the budget status report."

FY26 GENERAL FUND DIRECT SURPLUS/(DEFICIT) - ESTIMATED (millions)

FY25 Surplus/(Deficit)		**$577.074**
FY26 General Fund - Direct Revenues:		
Actual General Fund Revenues	$13,124.806	
General Fund - Direct Carryforwards to FY25	$453.548	
Other Transfers	$0.800	
Total FY26 General Fund - Direct Revenues		**$13,579.154**
FY26 General Fund - Direct Appropriations & Requirements:		
Draws of General Fund - Direct Appropriations	($11,685.193)	
General Obligation Debt Service	($448.788)	
Transfers to Revenue Sharing Fund (Z06) - Constitution 7:26	($90.000)	
Transfers Out to Various Funds for 20-XXX	($85.309)	
Transfer to Coastal Protection and Restoration Fund (Z12) - Constitution 7:10.2 and R.S. 49:214.5.4	($14.030)	
Transfers to Various Funds per Various Legislative Acts	($26.516)	
Transfer to Revenue Stabilization Fund (Z25) - Constitution 7:10.15. (D) and 7:10.16. (B)(2)	($183.199)	
Use of FY25 surplus	($577.071)	
Net transfer to LDR for 1% FSGR MOF	($68.310)	
Transfer to Early Childhood Education Fund (E51) - Act 636 of 2026 RLS	($8.691)	
Total FY26 General Fund - Direct Appropriations & Requirements		**($13,187.106)**
Adjusted General Fund Direct Cash Balance (FY26)		**$969.122**
Obligations Against the General Fund Direct Cash Balance:		
General Fund - Direct Carryforwards to FY27	($449.621)	
Unappropriated Use of FY25 Surplus	($0.003)	
FY26 transactions processed in FY27:		
Transfer from Remote Sellers - June 2026 taxes collected by remote sellers in July and distributed to LDR in August	$38.095	
Early Childhood Education Fund (E51) - Correcting deposit above $20M cap	$7.466	
Total Adjustments		**($404.063)**
Net General Fund Direct Surplus/Deficit		**$565.058**

III. Current Year Items Requiring Action

IV. Horizon Issues Not Contained in 5-Year Plan

The Hurricane and Storm Damage Risk Reduction System (HSDRSS) Projects were completed May 2022. At that time, the State's share of the total cost was $1.19 billion, and in addition, the State faced accrued construction interest in excess of $600 million. Federal legislation passed in December 2020 and December 2022, provides an option to forgive the accrued construction interest if the State makes specified required payments by September 30, 2021 and by September 30, 2023, which was achieved through payments totaling $800 million and approved crediting of other projects totaling $110 million.

The State must pay the remaining principal by June 1, 2032. According to the U.S. Army Corps of Engineers, as of September 27, 2023, the State's remaining share of the total costs of the HSDRRS is $239 million. However, additional crediting is under review by the Corp, which will further reduce the remaining amount owed.

STATE OF LOUISIANA
Five Year Baseline Projection
Appropriated for FY 2026 - 2027

REVENUES:	Prior Fiscal Year 2025-2026	Official Current Fiscal Year 2026-2027	Projected Fiscal Year 2027-2028	Projected Fiscal Year 2028-2029	Projected Fiscal Year 2029-2030
Taxes, Licenses & Fees	$15,780,100,000	$15,864,000,000	$15,950,800,000	$16,033,900,000	$15,893,400,000
Less Dedications	($3,385,700,000)	($3,351,400,000)	($3,736,100,000)	($3,748,100,000)	($3,750,100,000)
TOTAL REC REVENUES	**$12,394,500,000**	**$12,512,600,000**	**$12,214,700,000**	**$12,285,800,000**	**$12,143,300,000**
ANNUAL REC GROWTH RATE		**0.95%**	**-2.38%**	**0.58%**	**-1.16%**
Other Revenues:					
Carry Forward Balances	$453,547,880	$449,620,867	$0	$0	$0
Total Other Revenue	**$453,547,880**	**$449,620,867**	**$0**	**$0**	**$0**
TOTAL REVENUES	**$12,848,047,880**	**$12,962,220,867**	**$12,214,700,000**	**$12,285,800,000**	**$12,143,300,000**
EXPENDITURES:					
General Appropriation Bill (Act 3 of 2026 RS)	$11,390,014,685	$11,492,352,325	$11,907,249,468	$12,190,952,162	$12,494,343,617
Ancillary Appropriation Bill (Act 906 of 2026 RS)	$0	$0	$5,663,502	$11,525,226	$17,592,111
Non-Appropriated Requirements	$540,513,414	$536,436,282	$529,526,315	$554,233,991	$548,498,562
Judicial Appropriation Bill (Act 910 of 2026 RS)	$187,855,555	$206,123,567	$213,276,239	$213,276,239	$213,276,239
Legislative Appropriation Bill (Act 912 of 2026 RS)	$94,514,289	$94,541,665	$94,541,665	$94,541,665	$94,541,665
Special Acts	$0	$0	$5,120,716	$5,120,716	$5,120,716
Capital Outlay Bill (Act 4 of 2026 RS)	$0	$7,250,000	$0	$0	$0
TOTAL ADJUSTED EXPENDITURES (less carryforwards)	**$12,212,897,943**	**$12,336,703,839**	**$12,755,377,905**	**$13,069,649,999**	**$13,373,372,910**
ANNUAL ADJUSTED GROWTH RATE		**1.01%**	**3.39%**	**2.46%**	**2.32%**
Other Expenditures:					
Carryforward BA-7s Expenditures	$453,547,880	$449,620,867	$0	$0	$0
Funds Bill (Act 365 of 2025 RS) (Act 636 of 2026 RS)	$23,582,093	$2,400,000	$0	$0	$0
Supplemental Bill (Act 961 of 2026 RS)	$154,599,679	$0	$0	$0	$0
Overcollections Fund (Vetoes per Act 636 of 2026 RS)	$2,933,619	$1,482,000	$0	$0	$0
Overcollections Fund (Minimum Foundation Program transfer per Act 636 of 2026 RS)	$0	$168,000,000	$0	$0	$0
Total Other Expenditures	**$634,663,271**	**$621,502,867**	**$0**	**$0**	**$0**
TOTAL EXPENDITURES	**$12,847,561,214**	**$12,958,206,706**	**$12,755,377,905**	**$13,069,649,999**	**$13,373,372,910**
PROJECTED BALANCE	**$486,666**	**$4,014,161**	**($540,677,905)**	**($783,849,999)**	**($1,230,072,910)**
Oil Prices included in the REC forecast	$59.76	$79.51	$71.99	$70.31	$68.63

Agenda Item No. 2

BA-7 Agenda

JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
BA-7 AGENDA
October 2026

A. Fiscal Status Statement

B. Regular BA-7s

1	ELOF	Department of Insurance (04-165) Commissioner of Insurance
2	WFIS	Department of Wildlife and Fisheries (16-514) Office of Fisheries

Alan M. Boxberger
Legislative Fiscal Officer

STATE OF LOUISIANA

Legislative Fiscal Office
BATON ROUGE

Post Office Box 44097
Baton Rouge, Louisiana 70804
Phone: 225.342.7233

To: The Honorable Jack McFarland, Chairman
Joint Legislative Committee on the Budget
The Honorable Members of the Joint Legislative Committee on the Budget

From: Alan Boxberger, Legislative Fiscal Officer AMB
Patrice Thomas, Deputy Fiscal Officer PT

Date: October 08, 2026

Subject: Joint Legislative Committee on the Budget
Meeting October 15, 2026

Attached is the Legislative Fiscal Office BA-7 (Budget Adjustment) write-up for the October 15th meeting of the Joint Legislative Committee on the Budget.

The LFO recommends approval of both BA-7's.

Please contact me if you have questions or need additional information.

LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST

DEPARTMENT: Insurance

AGENCY: Commissioner of Insurance

AGENDA NO.: 1

ANALYST: Garrett Ordner

Means of Financing		**Expenditures by Program**		**T. O.**
State General Fund:	$0	Administrative & Fiscal	$50,000,000	0
Interagency Transfers:	$0	Market Compliance	$0	0
Self-Generated Revenue:	$0			
Statutory Dedications:	$50,000,000			
Federal Funds:	$0			
Total	**$50,000,000**	**Total**	**$50,000,000**	**0**

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase budget authority by $50 M in Statutory Dedications out of the LA Fortify Homes Program Fund to award financial grants to homeowners through the LA Fortify Homes Program (LFHP). The original source of the funding is excess emergency assessment monies received by the Louisiana Citizens Property Insurance Corporation and transferred into the LA Fortify Homes Program Fund pursuant to Act 416 of the 2026 Regular Session.

The current FY 27 appropriation from this fund is $30 M. This BA-7 will increase the total amount appropriated to $80 M.

FY 27 Louisiana Fortify Homes Program Fund

Beginning Balance (per the Treasury)	$ 8,159,931
Stat. Ded. Anticipated Collection*	81,010,000
Stat. Ded. Appropriation	(30,000,000)
Undesignated Fund Balance	59,169,931
BA-7 Request	50,000,000
Projected Fund Balance**	**$ 9,169,931**

*As recognized by the Revenue Estimating Conference. Note that Act 79 of the 2025 Regular Session, effective beginning in FY 27, established dedicated funding sources for the program: (1) the first $5 M of tax collected on surplus lines and unauthorized insurance; (2) $1,000 from each annual financial regulation fee; (3) $15 from each of several applicant and renewal fees; (4) $15 from each claims adjuster license and registration fee; (5) $15 from each public adjuster license fee; and (6) $5 M from taxes collected on fire, marine, transportation, casualty, surety, or other insurance.

**If this BA-7 request is approved by the Joint Legislative Committee on the Budget (JLCB).

Expenditures for this BA-7 request are as follows:

Other Charges - $50 M

The LFHP will provide financial grants of up to $10,000 for homeowners to upgrade their roofs to the standard of FORTIFIED Roof™ as designated by the Insurance Institute for Business and Home Safety (IBHS). The LFHP was created by Act 554 of the 2022 Regular Session and made a permanent program by Act 8 of the 2024 Regular Session. The goal of the program is to increase the number of "FORTIFIED Roof™" designations from IBHS throughout the state. Through the LFHP, the LA Department of Insurance (LDI) makes financial grants to homeowners to retrofit roofs of insurable properties so that losses due to hurricanes, tornadoes, or other catastrophic windstorm events are mitigated.

To qualify for the program, homes must be primary residences with a homestead exemption on the property and have an active residential insurance policy with wind coverage and flood insurance policy if required. Before becoming eligible for the

LFHP, homes must be in good repair as determined by a FORTIFIED™ Evaluator. Homeowners are responsible for paying the evaluation fee. All roofing work must be completed by an approved FORTIFIED™ Contractor. The grant award is distributed directly to contractors once an IBHS fortified certificate has been issued for the home. Grant funding is only for construction costs. Any costs above the grant award are the responsibility of the homeowners.

For informational purposes, the grant award history for the program is shown below.

LA Fortify Home Program (LFHP) Grant Rounds

Round	Date	Grants	Amount
1	10/02/23	308	$ 3,073,129
2	10/16/23	457	4,544,804
3	11/06/23	495	4,932,253
4	11/27/23	485	4,822,030
5	09/25/24	1,165	11,543,318
6	02/18/25	949	9,415,480
7	09/16/25	249	2,485,736
8	11/24/25	1,161	11,582,046
9	06/01/26	136	1,355,898
Income-based Pilot	Ongoing	206	2,000,656
Total		**5,611**	**$ 55,755,349**

II. IMPACT ON FUTURE FISCAL YEARS

All unappropriated and unexpended monies in the LA Fortify Homes Program Fund remain in the fund and are available for appropriation in future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST

DEPARTMENT: Wildlife & Fisheries

AGENCY: Office of Fisheries

AGENDA NO.: 2

ANALYST: Richie Anderson

Means of Financing		Expenditures by Program		T. O.
State General Fund:	$0	Fisheries	$27,152,411	0
Interagency Transfers:	$0			
Self-Generated Revenue:	$0			
Statutory Dedications:	$0			
Federal Funds:	$27,152,411			
Total	**$27,152,411**	**Total**	**$27,152,411**	**0**

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase Federal funds budget authority by $27,152,411 for the Office of Fisheries within the Louisiana Department of Wildlife and Fisheries (LDWF). The source of funding is a National Oceanic and Atmospheric Administration (NOAA) Grant administered by the U.S. Department of Commerce. The NOAA Grant was awarded to LDWF, and does not require a state match. The grant funding period began on 10/01/26 and expires on 9/30/30.

The purpose of this grant is to provide the Louisiana seafood industry with hurricane recovery assistance to offset severe revenue and infrastructure impacts as a result of Hurricane Laura (2020) and Hurricane Ida (2021). LDWF did not include the grant in their FY 27 budget as it was not awarded until 9/25/26. A summary of the authorized uses of the grant and associated funding allocations is provided below.

Grant Summary	
2020 Hurricane Season (Laura)	$19,701,988
2021 Hurricane Season (Ida)	$7,450,423
Total Grant:	**$27,152,411**

The majority of the grant, $25.8 M will be provided to certain entities via subgrants. Entities eligible to receive subgrants include commercial fishermen, vessel owners, fresh product dealers, wholesale dealer docks, seafood processors (processing Louisiana wild caught seafood), and charter captains. Based on 2020 and 2021 trip ticket data, LDWF estimates that approximately 9,039 entities are eligible to receive funds related to Hurricane Laura, while approximately 9,756 entities are eligible to receive funds related to Hurricane Ida. Direct payments to these entities will be calculated and paid separately using the eligibility criteria associated with each allocation. Depending on the type of entity, LDWF estimates that the average payments will range from $1,101 to $2,700 for Hurricane Laura and $424 to $1,061 for Hurricane Ida.

The NOAA grant permits up to 5% of the total award, or approximately $1,357,621, to be used for administrative costs. These costs include program development, industry outreach, application processing, application review, and final payment determinations. LDWF projects $554,742 in direct administrative costs and plans to contract with EisnerAmper Gulf Coast for $802,878 to assist with administering the program. Combined, these amounts total $1,357,620, which is approximately 5% of the total grant award. The remaining $25,794,791 will be used for subgrants/direct payments to eligible seafood industry entities.

Expenditure Category Breakdown	
Salaries	$359,997
Related Benefits	$193,745
Travel	$1,000
Professional Services	$26,597,669
Total:	**$27,152,411**

Note: In addition to the $25,794,791 allocated to subgrants/direct payments to eligible entities, an $802,878 contract with EisnerAmper Gulf Coast is included in the $26,597,669 Professional Services category.

LDWF's $554,742 in direct administrative costs will support portions of Salaries, Related Benefits, and Travel expenses for three Biologist 3 positions, two Biologist Application/Data Positions, two Biologist Manager Positions, two Biologist Program Manager Positions, and one Biologist Director Position. These annual salaries for these positions range from $38,169 to $90,002. The projected grant-funded portions are shown below.

LDWF Administrative Costs Breakdown

Position Title	Salaries	Related Benefits
Biologist Manager	$71,510	$38,486
Biologist 3	$63,835	$34,355
Biologist Application	$54,812	$29,499
Biologist 3	$49,502	$26,641
Biologist 3	$38,168	$20,541
Biologist Director	$29,765	$16,019
Biologist Program Manager	$27,001	$14,532
Biologist Data	$9,162	$4,931
Biologist Program Manager	$8,363	$4,501
Biologist Manager	$7,879	$4,240
Total:	**$359,997**	**$193,745**

In addition to the salary and related benefit costs shown above, LDWF projects $1,000 in travel expenses, resulting in a total LDWF administrative costs of $554,742.

Professional Services Allocation Budget 2020 & 2021 (Projected)

Recipient/ Purpose	2020 Hurricane Laura	2021 Hurricane Ida
Vessel Owners	$5,459,252	$2,097,108
Appeals Reserve	$5,485,547	$2,048,866
Commercial Fishermen	$5,272,690	$1,969,370
Wholesale Dealer Docks	$1,462,063	$572,807
Seafood Processors	$455,158	$175,011
Charter Captains	$377,093	$144,836
Fresh Product Dealers	$205,086	$69,904
Direct Payment Subtotal	**$18,716,889**	**$7,077,902**
Administration	$985,099	$372,521
Total:	**$19,701,988**	**$7,450,423**

II. IMPACT ON FUTURE FISCAL YEARS

If approved, this BA-7 will allow the Office of Fisheries to fully expend the total grant funding in FY 27; however, depending on the timing of application and disbursement of subgrant awards, the associated expenditures may be carried forward into future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Department of Insurance	**FOR OPB USE ONLY**
AGENCY: Commissioner of Insurance	OPB LOG NUMBER: 116 / AGENDA NUMBER: 1
SCHEDULE NUMBER: 04-165	
SUBMISSION DATE: 09/23/2026	**Approval and Authority:**
AGENCY BA-7 NUMBER: #1	
HEAD OF BUDGET UNIT: Chris Cerniauskas	
TITLE: Chief of Staff	
SIGNATURE *(Certifies that the information provided is correct and true to the best of your knowledge)*:	

MEANS OF FINANCING	CURRENT FY 2026-2027	ADJUSTMENT (+) or (-)	REVISED FY 2026-2027
GENERAL FUND BY:			
DIRECT	$0	$0	**$0**
INTERAGENCY TRANSFERS	$0	$0	**$0**
FEES & SELF-GENERATED	$45,318,306	$0	**$45,318,306**
Regular Fees & Self-generated	$40,311,695	$0	**$40,311,695**
Subtotal of Fund Accounts from Page 2	$5,006,611	$0	**$5,006,611**
STATUTORY DEDICATIONS	$30,000,000	$50,000,000	**$80,000,000**
Louisiana Fortify Homes Program Fund (I14)	$30,000,000	$50,000,000	**$80,000,000**
[Select Statutory Dedication]	$0	$0	**$0**
Subtotal of Dedications from Page 2	$0	$0	**$0**
FEDERAL	$800,000	$0	**$800,000**
TOTAL	**$76,118,306**	**$50,000,000**	**$126,118,306**
AUTHORIZED POSITIONS	240	0	**240**
AUTHORIZED OTHER CHARGES	0	0	**0**
NON-TO FTE POSITIONS	0	0	**0**
TOTAL POSITIONS	**240**	**0**	**240**

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
Administration/Fiscal Program	$48,711,951	0	$50,000,000	0	**$98,711,951**	**0**
Market Compliance Program	$27,406,355	0	$0	0	**$27,406,355**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
Subtotal of programs from Page 2:	$0	0	$0	0	**$0**	**0**
TOTAL	**$76,118,306**	**0**	**$50,000,000**	**0**	**$126,118,306**	**0**

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Department of Insurance	FOR OPB USE ONLY	
AGENCY: Commissioner of Insurance	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 04-165		
SUBMISSION DATE: 09/23/2026	ADDENDUM TO PAGE 1	
AGENCY BA-7 NUMBER: #1		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2026-2027	ADJUSTMENT (+) or (-)	REVISED FY 2026-2027
GENERAL FUND BY:			
FEES & SELF-GENERATED			
Administrative Fund Account of the Department of Insurance (I08)	$1,230,367	$0	**$1,230,367**
Insurance Fraud Investigation Dedicated Fund Account (I09)	$3,776,244	$0	**$3,776,244**
[Select Fund Account]	$0	$0	**$0**
SUBTOTAL (to Page 1)	**$5,006,611**	**$0**	**$5,006,611**
STATUTORY DEDICATIONS			
[Select Statutory Dedication]	$0	$0	**$0**
[Select Statutory Dedication]	$0	$0	**$0**
[Select Statutory Dedication]	$0	$0	**$0**
[Select Statutory Dedication]	$0	$0	**$0**
[Select Statutory Dedication]	$0	$0	**$0**
[Select Statutory Dedication]	$0	$0	**$0**
[Select Statutory Dedication]	$0	$0	**$0**
SUBTOTAL (to Page 1)	**$0**	**$0**	**$0**

Use this section for additional Program Names, if needed.
The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
SUBTOTAL (to Page 1)	**$0**	**0**	**$0**	**0**	**$0**	**0**

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?
The source of funding is Statutory Dedications from the Louisiana Fortify Homes Program Fund derived from a transfer of $50,000,000 from the Louisiana Citizens Property Insurance Corporation, as authorized by Act 416 (HB 1187) of the 2026 Regular Session.
The requested budget authority will be used to administer grant awards through the Louisiana Fortify Homes Program. These grants provide financial assistance to eligible homeowners with a homestead exemption to retrofit roofs on insurable residential properties. The improvements are intended to enhance resilience against wind, water and storm-related damage and to achieve compliance with, or exceed, the Insurance Institute for Business & Home Safety (IBHS) FORTIFIED Roof™ standards.
This BA-7 requests additional expenditure authority for Program I14, Louisiana Fortify Homes Fund, to expend the transferred funds in accordance with the objectives of the Louisiana Fortify Homes Program.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031
GENERAL FUND BY:					
DIRECT	$0	$0	$0	$0	$0
INTERAGENCY TRANSFERS	$0	$0	$0	$0	$0
FEES & SELF-GENERATED	$0	$0	$0	$0	$0
STATUTORY DEDICATIONS	$50,000,000	$0	$0	$0	$0
FEDERAL	$0	$0	$0	$0	$0
TOTAL	**$50,000,000**	**$0**	**$0**	**$0**	**$0**

3. If this action requires additional personnel, provide a detailed explanation below:
This action does not require additional personnel.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.
This request can't be postponed because budget authority is needed in the current fiscal year to access and distribute the $50,000,000 transferred from Louisiana Citizens Property Insurance Corporation. Delaying the request would delay homeowner grant awards and the expansion of the Louisiana Fortify Homes Program.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.
No.

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

Approval of this BA-7 will provide for the distribution of financial grant funds to retrofit roofs of insurable property with a homestead exemption to resist loss and meet or exceed the fortified home standards of the Insurance Institute for Business and Home Safety.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. *(Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)*

OBJECTIVE:

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2026-2027	ADJUSTMENT (+) OR (-)	REVISED FY 2026-2027

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. (*For example: Are there any anticipated direct or indirect effects on program management or service recipients ? Will this BA-7 have a positive or negative impact on some other program or agency?*)

Not Applicable.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

There are no performance impacts associated with this BA-7 because the request provides additional funding for an existing program and does not change the program's mission, objectives, or performance measures.

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

Funding will not be available for the distribution of grants under the LA Fortify Homes Program if this BA-7 is not approved.

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: Administration/Fiscal Program

MEANS OF FINANCING:	CURRENT FY 2026-2027	REQUESTED ADJUSTMENT	REVISED FY 2026-2027	ADJUSTMENT OUTYEAR PROJECTIONS FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031
GENERAL FUND BY:							
Direct	$0	$0	**$0**	$0	$0	$0	$0
Interagency Transfers	$0	$0	**$0**	$0	$0	$0	$0
Fees & Self-Generated *	$17,911,951	$0	**$17,911,951**	$0	$0	$0	$0
Statutory Dedications **	$30,000,000	$50,000,000	**$80,000,000**	$0	$0	$0	$0
FEDERAL FUNDS	$800,000	$0	**$800,000**	$0	$0	$0	$0
TOTAL MOF	**$48,711,951**	**$50,000,000**	**$98,711,951**	**$0**	**$0**	**$0**	**$0**
EXPENDITURES:							
Salaries	$6,435,514	$0	**$6,435,514**	$0	$0	$0	$0
Other Compensation	$332,955	$0	**$332,955**	$0	$0	$0	$0
Related Benefits	$3,227,070	$0	**$3,227,070**	$0	$0	$0	$0
Travel	$187,520	$0	**$187,520**	$0	$0	$0	$0
Operating Services	$3,025,875	$0	**$3,025,875**	$0	$0	$0	$0
Supplies	$179,737	$0	**$179,737**	$0	$0	$0	$0
Professional Services	$2,550,826	$0	**$2,550,826**	$0	$0	$0	$0
Other Charges	$30,000,000	$50,000,000	**$80,000,000**	$0	$0	$0	$0
Debt Services	$0	$0	**$0**	$0	$0	$0	$0
Interagency Transfers	$2,062,842	$0	**$2,062,842**	$0	$0	$0	$0
Acquisitions	$709,612	$0	**$709,612**	$0	$0	$0	$0
Major Repairs	$0	$0	**$0**	$0	$0	$0	$0
UNALLOTTED	$0	$0	**$0**	$0	$0	$0	$0
TOTAL EXPENDITURES	**$48,711,951**	**$50,000,000**	**$98,711,951**	**$0**	**$0**	**$0**	**$0**
POSITIONS							
Classified	0	0	**0**	0	0	0	0
Unclassified	0	0	**0**	0	0	0	0
TOTAL T.O. POSITIONS	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Other Charges Positions	0	0	**0**	0	0	0	**0**
Non-TO FTE Positions	0	0	**0**	0	0	0	**0**
TOTAL POSITIONS	**0**	**0**	**0**	**0**	**0**	**0**	**0**
***Dedicated Fund Accounts:**							
Reg. Fees & Self-generated	$17,881,951	$0	**$17,881,951**	$0	$0	$0	$0
Insurance Fraud Investigation Dedicated Fund Account (I09)	$30,000	$0	**$30,000**	$0	$0	$0	$0
[Select Fund Account]	$0	$0	**$0**	$0	$0	$0	$0
[Select Fund Account]	$0	$0	**$0**	$0	$0	$0	$0
****Statutory Dedications:**							
Louisiana Fortify Homes Program Fund (I14)	$30,000,000	$50,000,000	**$80,000,000**	$0	$0	$0	$0
[Select Statutory Dedication]	$0	$0	**$0**	$0	$0	$0	$0
[Select Statutory Dedication]	$0	$0	**$0**	$0	$0	$0	$0
[Select Statutory Dedication]	$0	$0	**$0**	$0	$0	$0	$0
[Select Statutory Dedication]	$0	$0	**$0**	$0	$0	$0	$0
[Select Statutory Dedication]	$0	$0	**$0**	$0	$0	$0	$0
[Select Statutory Dedication]	$0	$0	**$0**	$0	$0	$0	$0
[Select Statutory Dedication]	$0	$0	**$0**	$0	$0	$0	$0

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: Administration/Fiscal Program

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	**$0**	**$0**	**$0**	**$50,000,000**	**$0**	**$50,000,000**
EXPENDITURES:						
Salaries	$0	$0	$0	$0	$0	**$0**
Other Compensation	$0	$0	$0	$0	$0	**$0**
Related Benefits	$0	$0	$0	$0	$0	**$0**
Travel	$0	$0	$0	$0	$0	**$0**
Operating Services	$0	$0	$0	$0	$0	**$0**
Supplies	$0	$0	$0	$0	$0	**$0**
Professional Services	$0	$0	$0	$0	$0	**$0**
Other Charges	$0	$0	$0	$50,000,000	$0	**$50,000,000**
Debt Services	$0	$0	$0	$0	$0	**$0**
Interagency Transfers	$0	$0	$0	$0	$0	**$0**
Acquisitions	$0	$0	$0	$0	$0	**$0**
Major Repairs	$0	$0	$0	$0	$0	**$0**
UNALLOTTED	$0	$0	$0	$0	$0	**$0**
TOTAL EXPENDITURES	**$0**	**$0**	**$0**	**$50,000,000**	**$0**	**$50,000,000**
OVER / (UNDER)	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	**0**	**0**	**0**	**0**	**0**	**0**
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	**0**	**0**	**0**	**0**	**0**	**0**

QUESTIONNAIRE ANALYSIS

(Please reference question numbers, provide detailed information and use continuation sheets as needed.)

GENERAL PURPOSE

1. This BA-7 is a request to increase Statutory Dedicated budget authority to access funds for the Louisiana Fortify Homes Program. The funds will be used to provide grants to eligible homeowners to retrofit roofs to meet or exceed the fortified home standards of the Insurance Institute for Business and Home Safety, in accordance with Act 554 of the 2022 Regular Legislative Session.

REVENUES

5. Statutory Dedicated
   - Act 554 of the 2022 Regular Legislative Session created the Louisiana Fortify Homes Program, and Act 416 of the 2026 Regular Legislative Session provided for the transfer of $50,000,000 from Louisiana Citizens Property Insurance Corporation to support the program.

Original Fund Balance:

I14-Louisiana Fortify Homes Program Fund	
FY 26/27 Beginning Fund Balance	$8,159,931
FY 26/27 Revenues	$31,013,925
Available Fund Balance	$39,173,856

Revised Fund Balance:

I14-Louisiana Fortify Homes Program Fund	
FY 26/27 Beginning Fund Balance	$8,159,931
FY 26/27 Revenues	$31,013,925
LA Citizens Property Insurance Corporation Transfer	$50,000,000
Available Fund Balance	$89,173,856

EXPENDITURES

9. The requested funds will be used to expand the Louisiana Fortify Homes Program by providing additional grants to eligible homeowners for Fortified Roof Improvements. Funding was calculated and based on the availability of $50,000,000 transferred from Louisiana Citizens Property Insurance Corporation.

11. Object Code Details

Fund	Cost Center	G/L Account	Description	Amount
16500I1400	1651021191	5620063	Other-MISC-Operating Services	$50,000,000

OTHER

13. The following individuals may be contacted for further information:

Chris Cerniauskas
Chief of Staff
Office of the Commissioner
Chris.Cerniauskas@ldi.la.gov
342-9202

Tarsha Crockett
Budget Administrator
Office of Management & Finance
Tarsha.Crockett@ldi.la.gov
342-5353

Lance Herrin
Assistant Commissioner
Office of Management & Finance
Lance.Herrin@ldi.la.gov
342-3981

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Louisiana Department of Wildlife and Fisheries	**FOR OPB USE ONLY**	
AGENCY: Office of Fisheries	OPB LOG NUMBER	AGENDA NUMBER
SCHEDULE NUMBER: 16-514	111	2
SUBMISSION DATE: 9/16/2026	**Approval and Authority:**	
AGENCY BA-7 NUMBER: 514-27-05		
HEAD OF BUDGET UNIT: Cara Tyler		
TITLE: Undersecretary		
SIGNATURE *(Certifies that the information provided is correct and true to the best of your knowledge):* Cara Tyler		

MEANS OF FINANCING	CURRENT FY 2026-2027	ADJUSTMENT (+) or (-)	REVISED FY 2026-2027
GENERAL FUND BY:			
DIRECT	$1,982,603	$0	**$1,982,603**
INTERAGENCY TRANSFERS	$16,525,732	$0	**$16,525,732**
FEES & SELF-GENERATED	$5,216,646	$0	**$5,216,646**
Regular Fees & Self-generated	$225,819	$0	**$225,819**
Subtotal of Fund Accounts from Page 2	$4,990,827	$0	**$4,990,827**
STATUTORY DEDICATIONS	$28,362,586	$0	**$28,362,586**
Conservation Fund (W01)	$10,041,675	$0	**$10,041,675**
Artificial Reef Development Fund (W04)	$8,917,044	$0	**$8,917,044**
Subtotal of Dedications from Page 2	$9,403,867	$0	**$9,403,867**
FEDERAL	$19,629,848	$27,152,411	**$46,782,259**
TOTAL	**$71,717,415**	**$27,152,411**	**$98,869,826**
AUTHORIZED POSITIONS	211	0	**211**
AUTHORIZED OTHER CHARGES	0	0	**0**
NON-TO FTE POSITIONS	51	0	**51**
TOTAL POSITIONS	**262**	**0**	**262**

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
Office of Fisheries	$71,717,415	262	$27,152,411	0	**$98,869,826**	**262**
Program 2	$0	0	$0	0	**$0**	**0**
Program 3	$0	0	$0	0	**$0**	**0**
Program 4	$0	0	$0	0	**$0**	**0**
Program 5	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
Subtotal of programs from Page 2:	$0	0	$0	0	**$0**	**0**
TOTAL	**$71,717,415**	**262**	**$27,152,411**	**0**	**$98,869,826**	**262**

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Louisiana Department of Wildlife and Fisheries	FOR OPB USE ONLY
AGENCY: Office of Fisheries	OPB LOG NUMBER / AGENDA NUMBER
SCHEDULE NUMBER: 16-514	
SUBMISSION DATE: 9/16/2026	ADDENDUM TO PAGE 1
AGENCY BA-7 NUMBER: 514-27-05	

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2026-2027	ADJUSTMENT (+) or (-)	REVISED FY 2026-2027
GENERAL FUND BY:			
FEES & SELF-GENERATED			
Aquatic Plant Control Dedicated Fund Account (W27)	$4,881,460	$0	**$4,881,460**
Oyster Sanitation Dedicated Fund Account (Q08)	$109,367	$0	**$109,367**
SUBTOTAL (to Page 1)	**$4,990,827**	**$0**	**$4,990,827**
STATUTORY DEDICATIONS			
Strategic Investments Across Louisiana Fund (ST2)	$200,000	$0	**$200,000**
Crab Development, Management, and Derelict Crab Trap Removal Account (W33)	$106,667	$0	**$106,667**
Oyster Development Fund (W18)	$208,131	$0	**$208,131**
Oyster Resource Management Account (W43)	$6,372,619	$0	**$6,372,619**
Saltwater Fish Research and Conservation Fund (W40)	$1,300,000	$0	**$1,300,000**
Shrimp Development and Management Account (W42)	$220,000	$0	**$220,000**
Shrimp Marketing & Promotion Account (W22)	$180,000	$0	**$180,000**
Charter Boat Fishing Fund (W44)	$816,450	$0	**$816,450**
SUBTOTAL (to Page 1)	**$9,403,867**	**$0**	**$9,403,867**

Use this section for additional Program Names, if needed.
The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:						
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
	$0	0	$0	0	**$0**	**0**
SUBTOTAL (to Page 1)	**$0**	**0**	**$0**	**0**	**$0**	**0**

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?
Approximately $27 million was allocated to Louisiana by the National Oceanic and Atmospheric Administration (NOAA) for fisheries disaster assistance programs under Section 115 of the Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006 (NOAA Grant Number NA26NMFX477C0003). Expenditures are limited to the tasks described in the approved spend plan which include grant adminsitration, seafood testing, and direct assistance payments.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2026-2027	FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031
GENERAL FUND BY:					
DIRECT	$0	$0	$0	$0	$0
INTERAGENCY TRANSFERS	$0	$0	$0	$0	$0
FEES & SELF-GENERATED	$0	$0	$0	$0	$0
STATUTORY DEDICATIONS	$0	$0	$0	$0	$0
FEDERAL	$27,152,411	$0	$0	$0	$0
TOTAL	**$27,152,411**	**$0**	**$0**	**$0**	**$0**

3. If this action requires additional personnel, provide a detailed explanation below:
No additional personnel will be required.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.
Postponing until next fiscal year will result in further delays in distributing disaster assitance. The commercial industry expects LDWF to start distributing funds as soon as possible after years of federal delays.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.
No.

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

If approved, LDWF will be able to start accepting applications and distributing disaster funds as soon as final approval is received. This will have a positive impact on the commercial fishing industry. LDWF operations will be slightly impacted as existing staff will be tasked with reviewing applications.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. *(Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)*

OBJECTIVE: N/A

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2026-2027	ADJUSTMENT (+) OR (-)	REVISED FY 2026-2027

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. (*For example: Are there any anticipated direct or indirect effects on program management or service recipients ? Will this BA-7 have a positive or negative impact on some other program or agency?*)

This BA-7 will not impact any objectives or performance indicators

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

The activities tied to this grant are unrelated to LDWF's defined performance indicators.

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

There are no specific performance indicators impacted, but failure to approve the BA-7 will prevent LDWF from distributing federal disaster assistance to the commercial fishing industry.

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: Office of Fisheries

MEANS OF FINANCING:	CURRENT FY 2026-2027	REQUESTED ADJUSTMENT	REVISED FY 2026-2027	ADJUSTMENT OUTYEAR PROJECTIONS FY 2027-2028	FY 2028-2029	FY 2029-2030	FY 2030-2031
GENERAL FUND BY:							
Direct	$1,982,603	$0	**$1,982,603**	$0	$0	$0	$0
Interagency Transfers	$16,525,732	$0	**$16,525,732**	$0	$0	$0	$0
Fees & Self-Generated *	$5,216,646	$0	**$5,216,646**	$0	$0	$0	$0
Statutory Dedications **	$28,362,586	$0	**$28,362,586**	$0	$0	$0	$0
FEDERAL FUNDS	$19,629,848	$27,152,411	**$46,782,259**	$0	$0	$0	$0
TOTAL MOF	**$71,717,415**	**$27,152,411**	**$98,869,826**	**$0**	**$0**	**$0**	**$0**
EXPENDITURES:							
Salaries	$14,166,452	$359,997	**$14,526,449**	$0	$0	$0	$0
Other Compensation	$437,194	$0	**$437,194**	$0	$0	$0	$0
Related Benefits	$8,439,234	$193,745	**$8,632,979**	$0	$0	$0	$0
Travel	$141,455	$1,000	**$142,455**	$0	$0	$0	$0
Operating Services	$15,744,943	$0	**$15,744,943**	$0	$0	$0	$0
Supplies	$5,586,230	$0	**$5,586,230**	$0	$0	$0	$0
Professional Services	$4,784,880	$26,597,669	**$31,382,549**	$0	$0	$0	$0
Other Charges	$18,228,555	$0	**$18,228,555**	$0	$0	$0	$0
Debt Services	$0	$0	**$0**	$0	$0	$0	$0
Interagency Transfers	$2,311,436	$0	**$2,311,436**	$0	$0	$0	$0
Acquisitions	$1,705,336	$0	**$1,705,336**	$0	$0	$0	$0
Major Repairs	$171,700	$0	**$171,700**	$0	$0	$0	$0
UNALLOTTED	$0	$0	**$0**	$0	$0	$0	$0
TOTAL EXPENDITURES	**$71,717,415**	**$27,152,411**	**$98,869,826**	**$0**	**$0**	**$0**	**$0**
POSITIONS							
Classified	210	0	**210**	0	0	0	0
Unclassified	1	0	**1**	0	0	0	0
TOTAL T.O. POSITIONS	**211**	**0**	**211**	**0**	**0**	**0**	**0**
Other Charges Positions	0	0	**0**	0	0	0	**0**
Non-TO FTE Positions	51	0	**51**	0	0	0	**0**
TOTAL POSITIONS	**262**	**0**	**262**	**0**	**0**	**0**	**0**
***Dedicated Fund Accounts:**							
Reg. Fees & Self-generated	$225,819	$0	**$225,819**	$0	$0	$0	$0
Aquatic Plant Control Dedicated Fund Account (W27)	$4,881,460	$0	**$4,881,460**	$0	$0	$0	$0
Oyster Sanitation Dedicated Fund Account (Q08)	$109,367	$0	**$109,367**	$0	$0	$0	$0
****Statutory Dedications:**							
Strategic Investments Across Louisiana Fund (ST2)	$200,000	$0	**$200,000**	$0	$0	$0	$0
Artificial Reef Development Fund (W04)	$8,917,044	$0	**$8,917,044**	$0	$0	$0	$0
Conservation Fund (W01)	$10,041,675	$0	**$10,041,675**	$0	$0	$0	$0
Crab Development, Management, and Derelict Crab Trap Removal Account (W33)	$106,667	$0	**$106,667**	$0	$0	$0	$0
Oyster Development Fund (W18)	$208,131	$0	**$208,131**	$0	$0	$0	$0
Oyster Resource Management Account (W43)	$6,372,619	$0	**$6,372,619**	$0	$0	$0	$0
Saltwater Fish Research and Conservation Fund (W40)	$1,300,000	$0	**$1,300,000**				
Shrimp Development and Management Account (W42)	$220,000	$0	**$220,000**	$0	$0	$0	$0
Shrimp Marketing & Promotion Account (W22)	$180,000	$0	**$180,000**				
Charter Boat Fishing Fund (W44)	$816,450	$0	**$816,450**	$0	$0	$0	$0

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

PROGRAM 1 NAME: Office of Fisheries

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
AMOUNT	**$0**	**$0**	**$0**	**$0**	**$27,152,411**	**$27,152,411**
EXPENDITURES:						
Salaries	$0	$0	$0	$0	$359,997	**$359,997**
Other Compensation	$0	$0	$0	$0	$0	**$0**
Related Benefits	$0	$0	$0	$0	$193,745	**$193,745**
Travel	$0	$0	$0	$0	$1,000	**$1,000**
Operating Services	$0	$0	$0	$0	$0	**$0**
Supplies	$0	$0	$0	$0	$0	**$0**
Professional Services	$0	$0	$0	$0	$26,597,669	**$26,597,669**
Other Charges	$0	$0	$0	$0	$0	**$0**
Debt Services	$0	$0	$0	$0	$0	**$0**
Interagency Transfers	$0	$0	$0	$0	$0	**$0**
Acquisitions	$0	$0	$0	$0	$0	**$0**
Major Repairs	$0	$0	$0	$0	$0	**$0**
UNALLOTTED	$0	$0	$0	$0	$0	**$0**
TOTAL EXPENDITURES	**$0**	**$0**	**$0**	**$0**	**$27,152,411**	**$27,152,411**
OVER / (UNDER)	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
POSITIONS						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL T.O. POSITIONS	**0**	**0**	**0**	**0**	**0**	**0**
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
TOTAL POSITIONS	**0**	**0**	**0**	**0**	**0**	**0**

QUESTIONNAIRE ANALYSIS

(Please reference question numbers, provide detailed information and use continuation sheets as needed.)

GENERAL PURPOSE

This BA-7 is to budget receipt of a federal grant. Approximately $27 million was allocated to Louisiana by the National Oceanic and Atmospheric Administration (NOAA) for fisheries disaster assistance programs under Section 115 of the Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006 (NOAA Grant Number NA26NMFX477C0003). Expenditures are limited to the tasks described in the approved spend plan which include grant administration and direct assistance payments.

REVENUES

LDWF is still waiting on finalized grant documents, but a NOAA RFA letter indicating the grant amount and purpose is attached. There are no matching requirements associated with this grant.

EXPENDITURES

The amount was provided as a Federal Fisheries Disaster award and was dictated to the Department by the Federal Government. The remainder will either be expended as administration of the direct payment program, or as direct payments. A professional service contract with an accounting firm will be used to distribute the checks to eligible individuals.

OTHER

Fiscal Contact:	Lakeesha Miles, Accountant Administrator, (225) 765-2696	LMiles@wlf.la.gov
Programmatic Contact:	Cara Tyler, Undersecretary, (225) 765-2950	ctyler@wlf.la.gov
Testifying before JLCB:	Cara Tyler, Undersecretary, (225) 765-2950	ctyler@wlf.la.gov

Department of Commerce
National Oceanic and Atmospheric Administration (NOAA)
Fisheries Headquarters Program Office (FHQ)

Notice of Award (NoA)
NA26NMFX477C0003-T1-01

RECIPIENT INFORMATION

1. Recipient Name
LOUISIANA DEPARTMENT OF WILDLIFE AND FISHERIES
2000 QUAIL DR
BATON ROUGE, LA 70808

2. Congressional District of Recipient
05

3. Employer Identification Number (EIN)
726000846

4. UEI
M22LMLG4VZ96

5. Recipient Point of Contact
Longman Melissa

6. Authorized Official
Mrs. Melissa Longman
mlongman@wlf.la.gov

FEDERAL AGENCY CONTACT INFORMATION

7. Grant Specialist
Sherita Mitchell
sherita.mitchell@noaa.gov

8. Program Officer
Kim Raneses
kim.raneses@noaa.gov

9. Grant Officer
Alan Conway
alan.p.conway@noaa.gov

FEDERAL AWARD INFORMATION

10. Award Number / FAIN
NA26NMFX477C0003-T1-01 / NA26NMFX477C0003 / Mod 0

11. Award Type
Cooperative Agreement

12. Period of Performance Start Date & End Date
10/01/2026 – 09/30/2030

13. Budget Period Start Date & End Date
10/01/2026 – 09/30/2030

14. Federal Share of Cost
$27,152,411

15. Recipient Share of Cost
$0

16. Total Federal and Recipient Cost
$27,152,411

17. Opportunity Number
NOAA-NMFS-SE-2024-27057

18. Project Title
Louisiana 2020_2021 Hurricane Disaster Grant

19. Assistance Listing Number and Name
11.477 Fisheries Disaster Relief

20. R&D Award?
No

21. Construction Award?
No

22. Grants Officer – Signature and Award Date
Sarah Sherlock – 09/25/2026

NOTICE OF NOAA AWARD COVER LETTER

You are the recipient of NOAA award Number NA26NMFX477C0003-T1-01.

The Notice of Award (NoA) serves as the official legal document issued to notify the recipient and others that an award has been made. The NoA contains all terms and conditions of the grant award.

The complete NoA can be found and downloaded under eRA Commons using the following instructions: View Notice of Award | eRA

This NoA was sent to the specified email address entered in the NoA email field by the recipient organization when completing the electronic Research Administration (eRA) Commons registration process. The Signing Official (SO) can update this email address through the Institutional Profile section in eRA Commons. The NoA can also be viewed from the Status Information page in eRA Commons. By accepting the award, the recipient agrees to comply with the award provisions specified on the award document.

As the Signing Official (SO) you are authorized to legally bind the institution in grant-administration matters. In providing your signature approval on the grant application submission you are responsible for monitoring grant related activities and authorizing expenditures under this award.

Additional Information about your award is shown below:

- Assistance Listing Number: 11.477
- Project Period: 10/01/2026 – 09/30/2030
- Program Office: Fisheries Headquarters Program Office (FHQ)
- Program Officer: Kim Raneses
- Program Officer Phone:
- Program Officer Email: kim.raneses@noaa.gov
- Total Federal Funding: $27,152,411
- Total Non-Federal Funding: $0
- Organization Name: WILDLIFE AND FISHERIES, LOUISIANA DEPARTMENT OF
- Project Title: Louisiana 2020_2021 Hurricane Disaster Grant
- Name of Principal Director/Project Investigator (PI/PD) as identified in the negotiated application:
    - Longman Melissa

This email was sent from a source that is not monitored for responses. If you need assistance, contact your Program/Project Officer (for programmatic issues) or the eRA Help Desk (for technical issues).

SECTION I – AWARD DESCRIPTION

The LDWF will administer economic assistance, in the form of direct payments to eligible entities in Louisiana, utilizing $19,601,988 allocated to the 2020 hurricane season and $7,450,423 allocated to the 2021 hurricane season.

SECTION II – BUDGET INFORMATION

Approved Budget

	Year 1 Federal	Year 2 Federal	Year 3 Federal	Year 4 Federal	Total
Personnel(non-research)	$465,743	$0	$0	$0	$465,743
Fringe Benefits	$250,849	$0	$0	$0	$250,849
Travel	$1,000	$0	$0	$0	$1,000
Contractual	$26,345,462	$0	$0	$0	$26,345,462
Total Direct Charges	$27,063,054	$0	$0	$0	$27,063,054
Indirect Charges	$89,357	$0	$0	$0	$89,357
Federal	$27,152,411	$0	$0	$0	$27,152,411
Non-Federal	$0	$0	$0	$0	$0

Authorized

	Cumulative
Federal	$27,152,411
Non-Federal	$0
Total	$27,152,411
Indirect Rate %	21.37%

Authorized Funding Codes

Project	Task	Expenditure Org	Expenditure Item	Fund Descriptor	Cumulative
14028LFD18	26P00	1430300000000000	41000100	FISHERY DISASTER	$27,152,411
				Total	$27,152,411

SECTION III – AWARD SUMMARY/REASON FOR AMENDMENT

SECTION IV – NOAA STANDARD TERMS AND CONDITIONS

- 2 CFR PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS, AS ADOPTED PURSUANT TO 2 CFR § 1327.101
  https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1

- DEPARTMENT OF COMMERCE FINANCIAL ASSISTANCE GENERAL TERMS AND CONDITIONS
  https://www.commerce.gov/oam/policy/financial-assistance-policy
  The Department of Commerce Financial Assistance General Terms and Conditions (GT&Cs) effective on the issue date of this notification, are incorporated by reference into this award.
- Bureau Financial Assistance Standard Terms and Conditions
  Administrative Standard Award Conditions for National Oceanic and Atmospheric Administration (NOAA) Financial Assistance Awards U.S. Department of Commerce

- Department of Commerce Pre-Award Notification Requirements for Grants and Cooperative Agreements (REF: 79FR 78390)
  https://www.govinfo.gov/content/pkg/FR-2014-12-30/pdf/2014-30297.pdf

SPECIAL TERMS

New Award

This award, number NA26NMFX477C0003-T1-01 to WILDLIFE AND FISHERIES, LOUISIANA DEPARTMENT OF supports the work described in the Recipient's proposal entitled Louisiana 2020_2021 Hurricane Disaster Grant, dated 06/25/2024, as revised on 07/12/2024, 11/07/2024, 06/30/2026, 09/15/2026, 09/23/2026 and 09/24/2026, which is incorporated into the award by reference. This award is made under the following statutory authorities: 16 U.S.C. 1861a (as amended), the Extending Government Funding and Delivering Emergency Assistance Act, Pub. L. 117-43 (Sept. 30, 2021), and the Consolidated Appropriations Act, 2023, Pub. L. 117-328 (Dec. 29, 2022). Where the terms of the award and proposal differ, the terms of the award shall prevail. The terms in Section IV of the Notice of Award applicable to this award are the version in effect at the time of award, unless the award is amended. Historical versions of 2 CFR 200 are available by clicking links at the top of the eCFR weblink in the Notice of Award.

Executive Order 14173: Ending Illegal Discrimination and Restoring Merit-Based Opportunity

This award term implements Executive Order 14173, 90 FR 8633 (Jan. 21, 2025), Ending Illegal Discrimination and Restoring Merit-Based Opportunity. By accepting this U.S. Department of Commerce financial assistance award, the recipient:

(1) agrees that compliance in all respects with all applicable Federal anti discrimination laws is material to the government s payment decisions for purposes of section 3729(b)(4) of Title 31 United States Code; and

(2) certifies to the Department that it does not operate any programs promoting diversity, equity, and inclusion that violate any applicable Federal anti-discrimination laws.

Prohibition on Using Federal Awards to Promote or Support Theories of Disparate Impact Liability

In accordance with Executive Order 14281, Restoring Equality of Opportunity and Meritocracy (April 23, 2025), it is the policy of the Federal Government to eliminate the use of disparate impact liability in all contexts to the maximum possible and permitted by law.

Incorporation of Funding Opportunity and Order of Precedence

All applicable requirements in the relevant Notice of Funding Opportunity are incorporated by reference into this award. See Additions for Review/Commons PI View in eRA for the text of the funding announcement. In case of a discrepancy between the funding announcement and the terms and conditions in the award, the terms and conditions prevail.

Procurement or use of Unmanned Aircraft Systems

The expenditure of federal funds for procurement or use of Unmanned Aircraft Systems (UAS, or drones) is prohibited under this award until the NOAA Grants Officer reviews and approves any such expenditure in writing, pursuant to the American Security Drone Act (ASDA), Pub. L. No. 118-31, 1821-32 (41 U.S.C. 3901 note) (2023).

If this award includes procurement or use of Unmanned Aircraft Systems (UAS or drones) by a recipient or subrecipient, or if such procurement or use of UAS arises during the course of the award, the recipient is required to notify NOAA at least 60 days before such procurement or usage.

For awards where UAS arises, the NOAA Federal Program Office will coordinate with the recipient and within NOAA regarding potential further action.

Restoring American Seafood Competitiveness

Pursuant to Executive Order (EO) 14276, Restoring American Seafood, the United States aims to address unfair trade practices, eliminate unsafe imports, level the unfair playing field that has benefited foreign fishing companies, promote ethical sourcing, reduce regulatory burdens, and ensure the integrity of the seafood supply chain. As applicable, the purpose, policies, and requirements of EO 14276 apply to awards made under this notice.

Illegal, Unreported, and Unregulated (IUU) and Overfishing Total

The World Trade Organization (WTO) Agreement on Fisheries Subsidies prohibits harmful fisheries subsidies and is accepted by the U.S. with the United States Trade Representative Agreement (USTRA). Since the program which this award is made under is recognized as a government fisheries subsidy by the WTO and the USTRA, no funds on this award may be obligated or distributed to any individual or entity who contributes, or has contributed in the past, to Illegal, Unreported, and Unregulated (IUU) fishing or overfishing. This includes all prime recipients, partnering agencies, subrecipients and subcontractors.

NMFS Technical Monitor

The Technical Monitor for this award is: Kim Raneses

Substantial Involvement For Cooperative Agreement

This award is created as a cooperative agreement because of the substantial involvement and oversight of NOAA personnel in the award activity. NOAA will have oversight of direct assistance disbursements to fishermen, and NOAA disaster program and LDWF program staff will meet Quarterly to discuss any challenges or potential changes to project objectives.

SPECIAL CONDITIONS

Last Interim Reporting Period

An Interim report is required for the last reporting period, in addition to a final comprehensive report.

CFV Safety Permitting

Pursuant to Title 46 U.S.C. Chapter 45, all commercial fishing vessels chartered for NMFS-sponsored research are subject to inspection in accordance with 46 C.F.R. Parts 24, 25, 26, and 28 (as applicable). NMFS financial assistance recipients are responsible for observing all laws and regulations applicable to their funded projects. Award recipients are encouraged to verify inclusion under valid agreements with the United States Coast Guard and seek any required permits or Letters of Designation to safely conduct research aboard a commercial fishing vessel. Obtaining the proper authorizations may prevent work interruptions resulting from enforcement inquiries. Fieldwork activities proposed in this award may require additional inspections and permitting. No on-water tasks may be performed until appropriate permits are applied for and obtained. Documentation must be filed with NOAA and approved prior to initiating on-water activities.

Administrative Expenses

By October 30, 2026, the recipient shall submit documentation to the Grants Officer for review and approval specifically detailing the manner in which it has complied with the five-percent administrative cap established in 16 U.S.C. 1861a (as amended). The recipient must identify each component of the award which it has determined to be an administrative expense and discuss the manner in which that determination was reached. Such documentation must also include a review of each activity or purchase made under contract(s) to determine its status under this inquiry. Recipient shall neither incur costs under the award, nor draw down funds from ASAP until the Grants Officer has issued a written decision regarding recipient s submission.

DUE DATE	TASK NAME	DUE DATE STATUS	DECISION DATE
10/30/2026		Unresolved	

STANDARD TERMS AND CONDITIONS

Performance Progress Report (PPR)-Award Start Date Semi-Annual

Project Progress Reports are due on a semi-annual basis, no later than 30 days following the end of each six (6) month period from the start date of the original award. A comprehensive final Project Progress Report is due within 120 days after the award expiration date and will include the last interim reporting period.

DUE DATE	TASK NAME	DUE DATE STATUS	DECISION DATE
05/01/2027	April 2027 Semi-Annual Report	Unresolved	
10/31/2027	October 2027 Semi-Annual Report	Unresolved	
05/01/2028	April 2028 Semi-Annual Report	Unresolved	
10/31/2028	October 2028 Semi-Annual Report	Unresolved	
05/01/2029	April 2029 Semi-Annual Report	Unresolved	
10/31/2029	October 2029 Semi-Annual Report	Unresolved	
05/01/2030	April 2030 Semi-Annual Report	Unresolved	
10/31/2030	October 2030 Semi-Annual Report	Unresolved	

Termination

In accordance with 2 CFR 200.340(a), this federal award may be terminated in part or in its entirety as follows:

1. By DOC or the pass-through entity if the recipient or subrecipient fails to comply with the terms and conditions of this federal award.
2. By DOC or the pass-through entity with the consent of the recipient or subrecipient, in which case the two parties must agree upon the termination conditions. These conditions include the effective date and, in the case of partial termination, the portion to be terminated.
3. By the recipient or subrecipient upon sending DOC or the pass-through entity a written notification of the reasons for termination, the effective date, and, in the case of partial termination, the portion to be terminated. If DOC or the pass-through entity determines that the remaining portion of this federal award will not accomplish the purposes for which this federal award was made, DOC or the pass-through entity may terminate this federal award in its entirety.
4. By DOC or the pass-through entity to the extent authorized by law, if the award no longer effectuates the program goals or agency priorities.

Agenda Item No. 3

Facility Planning and Control Agenda

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

DIVISION OF ADMINISTRATION
Facility Planning & Control

JOINT LEGISLATIVE COMMITTEE
ON THE
BUDGET

Briefing Book

FOR

October 2026

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

TABLE OF CONTENTS
JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
October 2026

1. **Act 751 Request**
   Approval of Projects for Funding through the College and University Deferred Maintenance and Capitol Improvement Program

2. **Combination of Appropriations Requst**
   City Council Chambers – New Construction, Planning and Construction (Iberville)
   Project No. 50-MW6-18-01, F.50000664
   And
   City Council Chambers Phase 2, Planning and Construction (Iberville)
   Project No. 50-MW6-21-01, F.50000929

3. **Supplemental Funds Request**
   City Park Maintenance Complex Improvements
   City Park New Orleans
   New Orleans, LA
   Project No. 06-A20-12-01

4. **Reporting of Change Orders over $50,000 and Under $250,000**

   A. **(CO #04) Roof Replacement – Repurposing Interim Hospital**
      Louisiana State University Medical Center
      New Orleans, LA
      Project No. 01-107-18-02, F.01004294; 19-671-22-01, F.19002434 (S); 01-107-06B-11, F.01004528 (S)

   B. **(CO #08) HVAC Renovations**
      Southern University Shreveport
      Shreveport, LA
      Project No. 19-618-23-02, F.19002516

   C. **(CO #01) Renovation of George T. Madison Hall**
      Louisiana Tech University
      Ruston, LA
      Project No. 19-625-22-01, F.19002428

   D. **(CO #02) Renovation of George T. Madison Hall**
      Louisiana Tech University
      Ruston, LA
      Project No. 19-625-22-01, F.19002428

   E. **(CO #04) Athletic Academic Center**
      Louisiana Tech University
      Ruston, LA
      Project No. 19-625-22-04, F.19002427

   F. **(CO #08) Health Science Complex Renovation, Sugar Hall**
      University of Louisiana at Monroe
      Monroe, LA
      Project No. 19-629-15-01, F.19002311

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

State of Louisiana
Office of Facility Planning and Control

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
P.O. Box 94095
Baton Rouge, Louisiana 70804-9095
Phone (225) 342-0820
Fax (225) 342-7624

October 15, 2026

The Honorable Jack McFarland, Chairman
Joint Legislative Committee on the Budget
Post Office Box 80372
Baton Rouge, Louisiana 70804

Re: Approval of Projects for Funding through the College and University Deferred Maintenance and Capital Improvement Program

Dear Chairman McFarland:

In accordance with R.S.17:3369.1(A)(4)(a)(ii), a list of projects approved by the Commissioner of Administration shall be submitted to the Joint Legislative Committee on the Budget for approval. The attached list includes an additional project requested from the university systems.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

Signed by:
Taylor Barras
B7A10951E518497...
Taylor F. Barras
Commissioner of Administration

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

College and University Deferred Maintenance and Capital Improvement Program (Act No. 751 - HB 940 of the 2024 Regular Session)

JLCB Project Approval Request - August 13, 2026

System	Item No.	Project No. (If Applicable)	Campus	Project	Building/Site	Project Scope (2-3 Sentences)	Approval Date
SUS	582		SU - Baton Rouge Campus	HVAC Repair/Replacement	Campuswide	Repair/replace damaged HVAC	October 15, 2026
ULS	583		Nicholls	Front Entrance Roof Structure Repair	Lindsley Hall	Demolition of front entrance and red metal roof due to deterioration, rust, and horrific interior smell that is likely due to roofing material in metal system. New front entrance will be redesigned to match the aesthetics of nearby structures.	October 15, 2026
ULS	584		Louisiana Tech	Elevator Modernization	Davison Hall	Repair and/or replace elevator components to modernize elevator within Davison Hall. Design will be performed with institutional funds.	October 15, 2026
ULS	585		Louisiana Tech	HVAC Improvements	Carson-Taylor Hall	Repair and/or replacement of chillers, cooling tower, pumps, and associated controls.	October 15, 2026
ULS	586		Louisiana Tech	HVAC Improvements	Davison Hall	Repair and/or replace AHUs, VAV boxes and HVAC controls throughout building.	October 15, 2026
ULS	587		GSU	Water Well # 4 Overhaul	Main Campus	Restore water well to service and turbine pump with submersible pump.	October 15, 2026
ULS	588		GSU	Carver Hall Air Handler Refurbishment	Carver Hall	Replacement of two AHU motors on rooftop unit that serves Carver Hall	October 15, 2026
ULS	589		GSU	Hobdy Assembly Center Air Handler Refurbishment	Fred Hobdy Assembly Center	Replacement of two AHU motors in units that serves arena. There is limited access to mechanical room which may require structural design.	October 15, 2026
ULS	590		GSU	McHall Dining Hall Sewer Main Replacement	McCall Dining Hall	Replace portions of sewer beneath building that are old, damaged, and/or collapsed.	October 15, 2026
ULS	591		GSU	Robinston Stadium Restroom Renovation	Robinston Stadium	Renovate outdated restrooms and bring to code throughout stadium and pressbox.	October 15, 2026
ULS	592		GSU	Younger Street Overlay	Younger Street	Overlay of street that runs through the residential village.	October 15, 2026
ULS	593		McNeese	Grounds Shop Metal Roof Replacement	Grounds Shop	Replace current existing metal roof at McNeese's Grounds Shop.	October 15, 2026
ULS	594		McNeese	Recreation Complex Metal Siding and Structural Repairs	Recreation Complex	Repair/Replace structural supports and metal siding on the west side of the Rec Complex addition.	October 15, 2026
ULS	595		McNeese	Smith Hall Fire Alarm Replacement	Smith Hall	Replace the existing 120-Volt Fire Alarm panel with an updated addressable fire alarm panel.	October 15, 2026
ULS	596		McNeese	Student Union Annex Control and Air Handler Upgrades	Student Union	Upgrade 6 AHUs and associated controls with the units.	October 15, 2026
ULS	597		McNeese	Frasch Hall Annex VRF System Upgrades	Frasch Hall	Upgrades to existing VRF HVAC system in Frasch Hall Annex.	October 15, 2026
ULS	598		ULL	Madison Hall Roof Replacement	Madison Hall	Replace existing modified bitumen roofing system to address aging, detioration, and ongoing building-envelope maintenance concerns. Work may include roof replacement, flashing repairs, drainage improvements, waterproofing, insulation enhancements, and associated roof system components necessary to protect the facility.	October 15, 2026
ULS	599		ULL	Campus Stormwater and Drainage Improvements Phase I	St. Mary St. to Lewis St. Corridor	This project will provide engineering, planning, and preliminary design services for subsurface stormwater drainage improvements along the Walk of Honor corridor between St. Mary Street and Lewis Street. Work may include drainage investigations, survey and utility coordination, hydraulic analysis, evaluation of existing drainage infrastructure, and development of design concepts in coordination with Lafayette Consolidated Government and other stakeholders. The project will establish the scope, priorities, and implementation strategy necessary for future drainage infrastructure improvements and long-term stormwater management enhancements.	October 15, 2026
ULS	600		ULM	Boiler Replacement	Hemphill Hall	Emergency project to replace 2,500,000 BTU boiler with new modulation boiler. Contractor will disconnect old boiler and dispose of spoilage, install new vent piping and vent cap for new boiler per manufacturer's recommendations, and re-connect new boiler to the existing BAS control system and re-insulate all modified piping.	October 15, 2026
ULS	601		ULM	Pump Replacement	University Library	Replace the condensing water pump for the University Library HVAC system. The pump is a vertical split case 50 HP pump (one for one replacement).	October 15, 2026
ULS	602		ULM	Switchgear Replacement	N/A	Replace existing switchgear with new 18.8 KV pad mounted switchgear.	October 15, 2026
ULS	603		ULM	University Library HVAC Repairs/Replacement	University Library	Install two new 650-ton cooling towers, rebuild one new 650-ton chiller and replace associated wiring and pumps. The existing equipment is original to the building and past its useful life.	October 15, 2026

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

ULS	604	Northwestern	Window/Exterior Envelope Repairs	Watson Library	Watson Library is experiencing water infiltration due to deteriorated window seals and weathering of the exterior exposed aggregate concrete panels. Moisture intrusion is causing deterioration of the interior plaster walls, including softening, separation, and sloughing of the plaster services. This project will include resealing, or replacement, of deteriorated windows, replacement of failed exterior sealants, and application of a protective seal coating to the exposed aggregate concrete panels. Once the envelope has been properly sealed and water infiltration corrected, damaged interior plaster walls will be repaired and refinished. The project will prevent continued moisture intrusion, address existing interior damage, and extend the useful life of the facility.	October 15, 2026
LCTCS	605	NLTCC	Resolve Buildings B & C Drainage Issues	Building B and Building C and Campus Wide	Add additional area drains in the area in front of the building and provide new outfall to drainage ditch along Market Street	October 15, 2026
LCTCS	606	SOWELA	Underground Sewer Line Repairs and Replacement	Quad Area on Main Campus	Investigate a significant obstruction in the campus sanitary sewer system and implement the appropriate corrective action, including repair or replacement of the affected sewer line(s). The project will also provide a new lift station to enhance system functionality and reliability.	October 15, 2026

Docusign Envelope ID: 9061B310-18B9-8FFA-80F7-A10BB04F0F3D

State of Louisiana
Office of Facility Planning and Control

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
P.O. Box 94095
Baton Rouge, Louisiana 70804-9095
Phone (225) 342-0820
Fax (225) 342-7624

September 15, 2026

The Honorable Jack McFarland, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294, Capital Station
Baton Rouge, Louisiana 70804

RE: Combination of Appropriations Request
City Council Chambers – New Construction, Planning and Construction (Iberville)
Project No. 50-MW6-18-01, F.50000664
And
City Council Chambers Phase 2, Planning and Construction (Iberville)
Project No. 50-MW6-21-01, F.50000929

Dear Chairman McFarland,

Act 4 of 2026 includes a project for the City of St. Gabriel: City Council Chambers – New Construction, Planning and Construction (Iberville) Project No. 50-MW6-18-01, F.50000664 and Act 485 of 2021 includes a project for the City of St. Gabriel: City Council Chambers Phase 2, Planning and Construction (Iberville) Project No. 50-MW6-21-01, F.50000929. Both projects are intended to complete a 6,500-square-foot municipal council chamber designed to support City Council meetings, public hearings, and other administrative and emergency operation functions while meeting modern operational, accessibility, and life-safety standards for public facilities. Therefore, Facility Planning and Control is requesting to combine both appropriations under FP&C Project No. 50-MW6-18-01 for accounting purposes and to combine the scope of work for these projects.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

Signed by:

A31E881B49CE4BA...
Matthew H. Baker
Director

Docusign Envelope ID: 9061B310-18B9-8FFA-80F7-A10BB04F0F3D

CC: Kha Nguyen, FPC
Chris Haftek, FPC
Margaret Hill, FPC
Matthew Baker, FPC
Janelle Kirvin, FPC
Colleen Gill, OPB
Samuel Roubique, OPB
Paul Fernandez, OPB
Brittany Lea, House Fiscal Division
Mark Mahaffey, House Fiscal Division
Daniel Waguespack, House Fiscal Division
Bobbie Hunter, Senate Fiscal Division
Debra Vivien, Senate Fiscal Division
Raynel Gascon, Senate Fiscal Division

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

State of Louisiana
Office of Facility Planning and Control

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
P.O. Box 94095
Baton Rouge, Louisiana 70804-9095
Phone (225) 342-0820
Fax (225) 342-7624

September 23, 2026

The Honorable Jack McFarland, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294, Capitol Station
Baton Rouge, Louisiana 70804

RE: City Park Maintenance Complex Improvements
City Park New Orleans
New Orleans, Louisiana
Project No.: 06-A20-12-01

Dear Chairman McFarland:

Act 2 of 2025 appropriated $365,524.00 for the Planning and Construction of the City Park Maintenance Complex at City Park in New Orleans, Louisiana.

Facility Planning and Control is requesting authorization to accept supplemental funding from City Park in the amount of $120,000.00. This funding is essential to providing the necessary scope of work for this facility. The source of the funding will be Fees and Self-Generated Revenue from City Park New Orleans.

We ask that this item be placed on the agenda for the next meeting of the Committee.

Sincerely,

Signed by:
Taylor Barras
B7A10951E518497

Taylor F. Barras
Commissioner of Administration

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

State of Louisiana
Office of Facility Planning and Control

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
P.O. Box 94095
Baton Rouge, Louisiana 70804-9095
Phone (225) 342-0820
Fax (225) 342-7624

September 15, 2026

The Honorable Jack McFarland, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294, Capitol Station
Baton Rouge, Louisiana 70804

RE: Reporting of Change Orders over $50,000 and Under $250,000

Dear Chairman McFarland:

In accordance with R.S. 39:126, any change order in excess of fifty thousand dollars but less than two hundred fifty thousand dollars shall be submitted to the Joint Legislative Committee on the Budget for review but shall not require committee approval. Pursuant to this authority, Facility Planning & Control has issued change orders which are itemized on the attached list.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

Signed by:
A31E881B49CE4BA...
Matthew H. Baker
Director

Approved: Signed by: Taylor Barras
B7A10051E518407...
Taylor F. Barras

CC: Janelle Kirvin, FPC
Margaret Hill, FPC
Colleen Gill, OPB
Samuel Roubique, OPB
Matt Gillen, OPB
Julia Gradney, OPB
Brittany Lea, House Fiscal Division
Alison Pryor, House Fiscal Division
Daniel Waguespack, House Fiscal Division
Bobbie Hunter, Senate Fiscal Division
Raynel Gascon, Senate Fiscal Division
Lily Dugas, Senate Fiscal Division

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

JLCB Backup
Reporting Change Orders over $50,000 and under $250,000
October 2026

Roof Replacement - Repurposing Interim Hospital
Louisiana State University Medical Center
New Orleans, Louisiana

Project No.: **01-107-18-02, F.01004294;**
19-671-22-01, F.19002434 (Supplement);
01-107-06B-11. F.01004528 (Supplement)

State ID: S09923
Site Code: 1-36-069
Date of Contract: 1/24/2024

Original Contract Amount:	**$2,418,028.00**	
Changes by previous change orders:		
Change Order 01:	$0.00	(Executed 08.15.2024)
Change Order 02:	$25,916.00	(Executed 08.18.2025)
Change Order 03:	$0.00	(Executed 08.17.2026)
Total Changes by Previous Change Orders:	**$25,916.00**	
Contract amount increased by this change order:		
Change Order 04:	**$68,808.00**	(Executed 08.17.2026)
New Contract Sum:	**$2,512,752.00**	

History

The project consists of a new roof for the Center for Advanced Learning & Simulation (CALS) Building on the campus of Louisiana State University Medical Center.

Change Order No. 04 increased the project amount due to multiple items: cutting new reglets in existing pre-cast walls for new flashing where the existing flashing, installed with a termination bar, was leaking; shimming to provide flush hat-channel support under new metal wall panels. Shimming was required to account for uneven surfaces discovered after removing the existing metal wall panels; and required tuckpointing of cracked mortar in existing CMU walls that were discovered after removing existing metal wall panels.

The increase of $68,808.00 includes material and labor costs associated with all items. The change orders cost will be covered by the project construction contingency.

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

Facility Planning & Control

CHANGE ORDER

PROJECT NAME:	Roof Replacement - Repurposing Interim Hospital LSU Medical Center	CHANGE ORDER No.	4
PROJECT & WBS No:	01-107-18-02; WBS F.01004294	CONTRACT DATE:	01/24/24
CONTRACTOR:	Lakeshore Roofing and Construction, Inc.	NTP DATE:	02/19/24
SITE CODE:	1-36-069 STATE ID: S09923	SRM No.:	4400028737

You are directed to make the following change(s) in this contract. Attach SUMMARY, BREAKDOWN and/or UNIT PRICE BREAKDOWN forms as required and give a brief description of each change below, including RFI No., cost and days from Summary

PCO #6: Cutting reglets in preast walls; 0 days and $43,822.00 | PCO #7: Shimming existing penthouse walls due to existing conditions; 0 days and $17,336.00 | PCO #8-R1: Tuckpointing existing CMU on penthouse walls; 0 days and $8,050.00

The Original Contract Sum			$2,418,028.00
Total Changes by Previous Change Order(s)			$25,916.00
Current Contract Sum			$2,443,944.00
Contract Sum will be ☐ unchanged ☑ increased by ☐ decreased by:			$68,808.00
New Contract Sum			**$2,512,752.00**
The Original Contract Completion Date and Contract Time.	Date: 5/19/2024		90 DAYS
Total Time extended by Previous Change Order(s)			750 DAYS
Contract Time will be ☑ unchanged ☐ increased by ☐ decreased by:			DAYS
New Contract Completion Date & Contract Time	Date: 6/8/2026		840 DAYS
Added Building Area			(Sq. Ft.)

NOTE*: *No additional increase in time or money will be considered for a Change Order item after it has been executed.

RECOMMENDED	**ACCEPTED**	**APPROVED**
Designer's Name: Christian Rodriguez, Principal EskewDumezRipple	Contractor's Name: Markel as surety pursuant to Takeover Agreement dated May 26, 2026	Project Manager: David Poche
Address: 400 Lafayette St, Suite 300 New Orleans, LA 70130	Address: 9500 Arboretum Blvd., Suite 400, Austin, TX 78759	Facility Planning & Control
Email Address: crodriguez@eskewdumezripple.com	Email Address: Arpi.Mnatsakanyan@markel.com	
By:	By: Arpi Mnatsakanyan, Claims Counsel	By:
Date: August 13, 2026	Date: August 11, 2026	Date: 08.17.2026

FACILITY PLANNING AND CONTROL USE ONLY

Classification	**Amount**	**Classification**	**Amount**
Omission (Type "O")*		**Miscellaneous (Type "M")**	$68,808.00
Error (Type "E")*		**Owner Requested (Type "R")**	
COMMENTS:		Senior Manager/Assistant Director approval:	

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

JLCB Backup
Reporting Change Orders over $50,000 and under $250,000
October 2026

HVAC Renovations
Southern University Shreveport
Shreveport, Louisiana

Project No. 19-618-23-02, F.19002516

State ID: Multiple
Site Code: 7-09-025
Date of Contract: 06/05/2025

Original Contract Amount:	**$6,121,000.00**	
Change Order 01:	($18,728.00)	Executed 11/24/2025
Change Order 02:	$1,948.00	Executed 12/02/2025
Change Order 03:	$4,400.27	Executed 02/09/2026
Change Order 04:	$845.00	Executed 03/12/2026
Change Order 05:	$18,099.00	Executed 03/23/2026
Change Order 06:	$34,404.00	Executed 04/20/2026
Change Order 07:	$39,649.00	Executed 04/20/2026
Total Changes by Previous Change Orders:	**$80,617.27**	
Contract amount increased by this change order:		
Change Order 08:	$55,075.00	Executed 06/08/2026
New Contract Sum:	**$6,256,692.27**	

History

This project replaces the entire HVAC controls system across five buildings with a new unified BACnet-based system, including all new devices, a central workstation, and building-level interfaces. Work includes installing new VFDs for air handling units and hydronic pumps, upgrading hydronic controls with differential pressure and temperature sensing, replacing deteriorated ductwork, piping, and insulation, and relocating mechanical equipment as needed to meet code clearances. The mechanical room will be sealed to prevent air infiltration, hydronic pumps serving the library will be replaced and relocated to improve system performance, and new chemical feed systems, expansion tanks, and make-up-water meters will be installed throughout the HVAC system.

The change orders include deleting AHU-L1 and the CW pump while adding inertia bases; adding required circuitry for FCU loads in the Fine Arts and Jesse Stone Buildings; providing new power to two VAV units in the Library; correcting the replacement of pump CWP-5-1; completing NCR-related lighting and grille replacements; and adding diffusers in the Administration Building's first-floor East Wing. Together, these

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

revisions result in a mix of increases and reductions to the contract amount, with no changes to the project schedule.

The increase of $55,075.00 for Change Order 08 includes labor and material costs associated with the items. Change order costs are covered by existing construction contingency.

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

Facility Planning & Control
Shreveport, LA
JUN 04 2026
Received

Major
BA

Facility Planning & Control

CHANGE ORDER

PROJECT NAME:	HVAC Renovations, Southern University Shreveport, Shreveport, LA	CHANGE ORDER No.	8
PROJECT & WBS No:	19-618-23-02; F.19002516	CONTRACT DATE:	06/05/25
CONTRACTOR:	DOVE GROUP, LLC	NTP DATE:	06/30/25 ~~06/30/26~~
SITE CODE:	7-09-025 STATE ID: Multiple	SRM No.:	4400032763

You are directed to make the following change(s) in this contract. Attach SUMMARY, BREAKDOWN and/or UNIT PRICE BREAKDOWN forms as required and give a brief description of each change below, including RFI No., cost and days from Summary

ADMIN Bldg 1st Fl. East Wing ADD Diffusers M2.11.

The Original Contract Sum			$6,121,000.00
Total Changes by Previous Change Order(s)			$80,617.27
Current Contract Sum			$6,201,617.27
Contract Sum will be ☐ unchanged ☑ increased by ☐ decreased by:			$55,075.00
New Contract Sum			**$6,256,692.27**
The Original Contract Completion Date and Contract Time.	Date: 6/30/2027		730 DAYS
Total Time extended by Previous Change Order(s)			0 DAYS
Contract Time will be ☑ unchanged ☐ increased by ☐ decreased by:			0 DAYS
New Contract Completion Date & Contract Time	Date: 6/30/2027		730 DAYS
Added Building Area			N/A (Sq. Ft.)

***NOTE**: No additional increase in time or money will be considered for a Change Order item after it has been executed.*

RECOMMENDED	ACCEPTED	APPROVED
Designer's Name:	Contractor's Name:	Project Manager:
John J. Guth Associates, Inc.	DOVE GROUP, LLC	Evan Dowden
Address: 208 Milam Street Shreveport, LA 71101	Address: 36598 Luke Dr Geismar, LA 70734	Facility Planning & Control
Email Address: cbullard@guthassoc.com	Email Address: brett@dovegroupmep.com	
By: John C Bullard	By: Brett Dove	By: Evan D
Date: 06/04/2026	Date: 6-4-26	Date: 6/8/2026

FACILITY PLANNING AND CONTROL USE ONLY

Classification	Amount	Classification	Amount
Omission (Type "O")*		Miscellaneous (Type "M")	
Error (Type "E")*		Owner Requested (Type "R")	$55,075.00 ES
COMMENTS:		Senior Manager/Assistant Director approval:	Bryan Chelette 6/12/26

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

JLCB Backup
Reporting Change Orders over $50,000 and under $250,000
October 2026

Renovation of George T. Madison Hall
Louisiana Tech University
Ruston, Louisiana

Project No. 19-625-22-01, F.19002428

State ID: S07869
Site Code: 7-31-002
Date of Contract: 01/20/2026

Original Contract Amount:	**$23,701,700.00**	
Change Order 01:	$117,962.00	Executed 04/16/2026
New Contract Sum:	**$23,819,662.00**	

History

This project renovates George T. Madison Hall at Louisiana Tech University to modernize the facility and address existing building deficiencies. Improvements include waterproofing and repairs to the basement, replacement and upgrades of HVAC, plumbing, and electrical systems, and improvements to entrances, circulation, life safety systems, and ADA accessibility. Interior spaces will be updated to meet current educational standards, with new large meeting rooms and an entry area. The project also includes hazardous materials abatement as necessary. Overall, the renovations will improve the building's safety, functionality, accessibility, and continued use by the College of Liberal Arts and School of Nursing.

The change order includes abatement of approximately 3,400 linear feet of courtyard wall mastic discovered during demolition and excavation to allow for proper wall repairs. The change order also includes installation of custom-colored fence screen fabric with the Louisiana Tech logo on the temporary perimeter fence. The change order increased the contract amount by $117,962.00 and added 15 days to the contract time.

The increase of $117,962.00 for Change Order 01 includes labor, materials, and equipment costs associated with the courtyard wall mastic abatement and installation of the custom fence screen fabric. Change order costs are covered by existing construction contingency.

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

Facility Planning & Control

CHANGE ORDER

PROJECT NAME:	Renovation George T. Madison Hall, LA Tech University, Ruston☐	CHANGE ORDER No.	1
PROJECT & WBS No:	19-625-22-01, F.19002428	CONTRACT DATE:	01/20/26
CONTRACTOR:	Don M. Barron, Contractor, Inc.	NTP DATE:	02/02/26
SITE CODE:	7-31-002 STATE ID: S07869	SRM No.:	4400034562

You are directed to make the following change(s) in this contract. Attach SUMMARY, BREAKDOWN and/or UNIT PRICE BREAKDOWN forms as required and give a brief description of each change below, including RFI No., cost and days from Summary

Item #1. Perform OSHA & LDEQ regulation Abatement of courtyard wall mastic discovered during demo and excavation to allow proper wall repair. Approximately 3,400LF

Item #2. Furnish and Install custom colored fence screen fabric with Louisiana Tech logo on temporary perimeter fence.

The Original Contract Sum			23,701,700.00
Total Changes by Previous Change Order(s)			
Current Contract Sum			$23,701,700.00
Contract Sum will be ☐ unchanged ☑ increased by ☐ decreased by:			$117,962.00
New Contract Sum			**$23,819,662.00**
The Original Contract Completion Date and Contract Time.	Date:	1/3/2028	700 DAYS
Total Time extended by Previous Change Order(s)			DAYS
Contract Time will be ☐ unchanged ☑ increased by ☐ decreased by:			15 DAYS
New Contract Completion Date & Contract Time	Date:	1/18/2028	715 DAYS
Added Building Area			(Sq. Ft.)

NOTE: ***No additional increase in time or money will be considered for a Change Order item after it has been executed.***

RECOMMENDED	**ACCEPTED**	**APPROVED**
Designer's Name:	Contractor's Name:	Project Manager:
Yeager, Watson & Associates, LLC	Don M. Barron, Contractor, Inc.	Joseph Partain
Address:	Address:	Facility Planning & Control
118 S. Trenton Street	408 Cedar Street	
Ruston, LA 71270	Farmerville, LA 71241	
Email Address:	Email Address:	
submittals @yeagerwatson.com	ron.barron@dmbarron.com	
By:	By:	By:
Date: 4/7/2026	Date: 4.7.26	Date: 4/16/26

FACILITY PLANNING AND CONTROL USE ONLY

Classification	**Amount**	**Classification**	**Amount**
Omission (Type "O")*		**Miscellaneous (Type "M")**	$117,962.00
Error (Type "E")*		**Owner Requested (Type "R")**	
COMMENTS:		Senior Manager/Assistant Director approval:	

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

JLCB Backup
Reporting Change Orders over $50,000 and under $250,000
October 2026

Renovation of George T. Madison Hall
Louisiana Tech University
Ruston, Louisiana

Project No. 19-625-22-01, F.19002428

State ID: S07869
Site Code: 7-31-002
Date of Contract: 01/20/2026

Original Contract Amount:	**$23,701,700.00**	
Change Order 01:	$117,962.00	Executed 04/16/2026
Total Changes by Previous Change Orders:	**$23,819,662.00**	
Contract amount increased by this change order:		
Change Order 02:	$172,531.00	Executed 06/11/2026
New Contract Sum:	**$23,992,193.00**	

History

This project renovates George T. Madison Hall at Louisiana Tech University to modernize the facility and address existing building deficiencies. Improvements include waterproofing and repairs to the basement, replacement and upgrades of HVAC, plumbing, and electrical systems, and improvements to entrances, circulation, life safety systems, and ADA accessibility. Interior spaces will be updated to meet current educational standards, with new large meeting rooms and an entry area. The project also includes hazardous materials abatement as necessary. Overall, the renovations will improve the building's safety, functionality, accessibility, and continued use by the College of Liberal Arts and School of Nursing.

The change orders include abatement of courtyard wall mastic discovered during demolition and excavation, installation of custom-colored screen fabric on the temporary perimeter fence, replacement of deteriorated basement sanitary piping, removal of mastic on the CMU wall, and installation of new ductwork from the basement air handling unit to Lecture Room 162. These revisions increased the contract amount and cumulatively added 76 days to the contract time.

The increase of $172,531.00 for Change Order 02 includes labor, materials, and equipment costs associated with the sanitary piping replacement, mastic removal, asbestos monitoring, and installation of the new ductwork from the basement air handling unit to Lecture Room 162. Change order costs are covered by existing construction contingency.

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

Major BA

Facility Planning & Control

CHANGE ORDER

PROJECT NAME: Renovation George T. Madison Hall, LA Tech University, Ruston
PROJECT & WBS No: 19-625-22-01, F.19002428
CONTRACTOR: Don M. Barron, Contractor, Inc.
SITE CODE: 7-31-002 STATE ID: S07869

CHANGE ORDER No. 2
CONTRACT DATE: 01/20/26
NTP DATE: 02/02/26
SRM No.: 4400034562

You are directed to make the following change(s) in this contract. Attach SUMMARY, BREAKDOWN and/or UNIT PRICE BREAKDOWN forms as required and give a brief description of each change below, including RFI No., cost and days from Summary

Item #1. Perform sawcutting and replacement of the portion of 3" deteriorating basement sanitary piping with new underslab 3" pvc sanitary piping.

Item #2. Perform mastic removal on CMU for window demolition, with brick cutting and asbestos monitoring.

Item #3. Add Duct from Basement to Lecture Room, install 22x16 duct from basement air handling unit B-3 to Lecture Room 162.

The Original Contract Sum		23,701,700.00
Total Changes by Previous Change Order(s)		$117,962.00
Current Contract Sum		$23,819,662.00
Contract Sum will be ☐ unchanged ☑ increased by ☐ decreased by:		$172,531.00
New Contract Sum		**$23,992,193.00**
The Original Contract Completion Date and Contract Time.	Date: 1/3/2028	700 DAYS
Total Time extended by Previous Change Order(s)		15 DAYS
Contract Time will be ☐ unchanged ☑ increased by ☐ decreased by:		61 DAYS
New Contract Completion Date & Contract Time	Date: 3/19/2028	776 DAYS
Added Building Area		(Sq. Ft.)

NOTE: ***No additional increase in time or money will be considered for a Change Order item after it has been executed.***

RECOMMENDED
Designer's Name:
Yeager, Watson & Associates, LLC
Address:
118 S. Trenton Street
Ruston, LA 71270
Email Address:
submittals @yeagerwatson.com
By:
Date: 6/10/2026

ACCEPTED
Contractor's Name:
Don M. Barron, Contractor, Inc.
Address:
408 Cedar Street
Farmerville, LA 71241
Email Address:
ron.barron@dmbarron.com
By:
Date: 6/11/26

APPROVED
Project Manager:
Joseph Partain
Facility Planning & Control
By:
Date: 6/11/26

FACILITY PLANNING AND CONTROL USE ONLY

Classification	Amount	Classification	Amount
Omission (Type "O")*		Miscellaneous (Type "M")	$172,531.00
Error (Type "E")*		Owner Requested (Type "R")	

COMMENTS:

Senior Manager/Assistant Director approval: 6/12/26

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

JLCB Backup
Reporting Change Orders over $50,000 and under $250,000
October 2026

Athletic Academic Center
Louisiana Tech University
Ruston, Louisiana

Project No. 19-625-22-04, F.19002427

State ID: New
Site Code: 7-31-002
Date of Contract: 03/21/2025

Original Contract Amount:	**$12,488,500.00**	
Change Order 01:	($1,122,111.00)	Executed 02/25/2025
Change Order 02:	$15,681.00	Executed 08/21/2025
Change Order 03:	$0.00	Executed 10/28/2025
Total Changes by Previous Change Orders:	**($1,106,430.00)**	
Contract amount increased by this change order:		
Change Order 04:	$59,045.00	Executed 03/23/2026
New Contract Sum:	**$11,441,115.00**	

History

The Athletic Academic Center project at Louisiana Tech University provides a new facility to support the university's athletic academic programs. The project includes academic, and support spaces designed to serve student-athletes, including classrooms, conference and specialty spaces, along with associated architectural, electrical, communication, and life safety systems.

The change orders include value engineering revisions that reduced the original project scope and cost, replacement of concrete sidewalks along the east side of the stadium, and additional contract time for documented adverse weather conditions. Change Order 04 incorporates Revision 3 architectural and electrical modifications, including adjustments to windows and interior layouts, electrical outlets and controls, communication and data connections, and mezzanine floor box locations and security cameras. The change orders resulted in an overall reduction to the original contract amount and added 20 days to the contract time for documented adverse weather conditions.

The increase of $59,045.00 for Change Order 04 includes labor, materials, and equipment costs associated with the architectural and electrical modifications included in Revision 3. Change order costs are covered by existing construction contingency.

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

MAJOR

Facility Planning & Control

CHANGE ORDER

PROJECT NAME:	Athletic Academic Center, Louisiana Tech University, Ruston, Louisiana	CHANGE ORDER No.	4
PROJECT NUMBER:	19-625-22-04 WBS No. F.19002427	CONTRACT DATE:	3/21/2025
CONTRACTOR:	Womack and Sons Construction Group, LLC	CFMS / SRM No(s).	4400032061
SITE CODE:	7-31-002 STATE ID: New	NOTICE TO PROCEED DATE:	04/14/25

You are directed to make the following change(s) in this contract. Attach SUMMARY, BREAKDOWN and/or UNIT PRICE BREAKDOWN forms as required and give a brief description of the change(s) below.

This change order is per Revision # 3 drawing changes Dated 12/12/25. Please see the following breakdown. Thank you. The Revision 3 update for the Louisiana Tech Athletic Academic Center includes various architectural and electrical modifications throughout the facility. Several rooms had window sizes adjusted, sidelight windows added, and minor wall layout changes. Restrooms and specialty rooms received added detail tags for reference. Electrical revisions included adjustments to outlet locations, added dimming occupancy sensors, new and relocated floor boxes, and revised mounting heights. Conference spaces and classrooms saw changes to wiring, junction boxes, and data connections. Additional updates included new outlets for data, coax, and access control systems, along with the relocation or deletion of certain communication outlets and fire alarm components. The mezzanine level received updates to floor box locations and added security cameras.

The Original Contract Sum		$12,488,500.00
Total Changes by Previous Change Order(s)		($1,106,430.00)
Current Contract Sum		$11,382,070.00
Contract Sum will be (increased) (decreased) (unchanged) by this Change Order		$59,045.00
New Contract Sum		**$11,441,115.00**
The Original Contract Completion Date and Contract Time.	Date: 8/12/2026	485 DAYS
Total Time extended by Previous Change Order(s)		20 DAYS
Contract Time will be (increased) (decreased) (unchanged) by this Change Order		0 DAYS
New Contract Completion Date & Revised Contract Time	Date: 9/1/2026	505 DAYS
Added Building Area		N/A (Sq. Ft.)

NOTE*: *No additional increase in time or money will be considered for a Change Order item after it has been executed.

RECOMMENDED	ACCEPTED	APPROVED
Designer's Name:	Contractor's Name:	Project Manager:
Timothy M. Brandon Architect, APC	Womack and Sons Construction Group, LLC	Joe Partain
Address:	Address:	Facility Planning & Control
103 Cypress Street	5739 Hwy. 8	
West Monroe, LA 71291	Harrisonburg, LA 71340	
Email Address:	Email Address:	
cwhittington@tbastudio.com	miranda@womackandsons.com	
By:	By:	By:
Date: 3/19/26	Date: 3/19/26	Date: 3/23/26

FACILITY PLANNING AND CONTROL USE ONLY

Classification	Amount	Classification	Amount
Omission (Type "O")*		Miscellaneous (Type "M")	$59,045.00
Error (Type "E")*		Owner Requested (Type "R")	
		Senior Manager/Assistant Director approval:	

COMMENTS:

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

JLCB Backup
Reporting Change Orders over $50,000 and under $250,000
October 2026

Health Science Complex Renovation, Sugar Hall
University of Louisiana at Monroe
Monroe, Louisiana

Project No. 19-629-15-01, F.19002311

State ID: S08882
Site Code: 8-37-007
Date of Contract: 11/14/2024

Original Contract Amount:	**$16,233,000.00**	
Change Order 01:	$158,918.00	Executed 04/08/2025
Change Order 02:	$11,873.00	Executed 05/14/2025
Change Order 03:	$49,898.00	Executed 06/17/2025
Change Order 04:	$797,000.00	Executed 08/28/2025
Change Order 05:	$110,166.00	Executed 09/20/2025
Change Order 06:	$49,818.00	Executed 12/02/2025
Change Order 07:	$8,491.00	Executed 04/09/2026
Total Changes by Previous Change Orders:	**$1,186,164.00**	
Contract amount increased by this change order:		
Change Order 08:	$104,608.00	Executed 04/28/2026
New Contract Sum:	**$17,523,772.00**	

History

This project renovates the Health Science Complex, Sugar Hall, at the University of Louisiana at Monroe to modernize the facility and support its continued use for health science programs. Improvements include architectural, mechanical, electrical, plumbing, fire protection, accessibility, laboratory, and other building system upgrades.

The change orders address various unforeseen conditions and revisions encountered during construction, including modifications to restroom walls and utilities, stairwell construction, owner-selected equipment, dental chair requirements, rated wall assemblies, elevator shaft repairs, deteriorated exterior louvers, and floor slab conditions. Change Order 08 specifically addresses uneven existing concrete slabs on the first, second, and third floors that require additional preparation to meet flooring installation and warranty tolerances.

Docusign Envelope ID: B721132D-644F-86F0-80C0-5721D1223B1D

Facility Planning & Control

CHANGE ORDER

PROJECT NAME:	Health Science Complex Renovation, Sugar Hall, ULM, Monroe,LA	CHANGE ORDER No.	8
PROJECT NUMBER:	19-629-15-01 WBS No. F.19002311	CONTRACT DATE:	11/14/24
CONTRACTOR:	Don M. Barron Contractor, Inc.	CFMS / SRM No(s).	
SITE CODE:	8-37-007 STATE ID: S08882	NOTICE TO PROCEED DATE:	12/09/24

You are directed to make the following change(s) in this contract. Attach SUMMARY, BREAKDOWN and/or UNIT PRICE BREAKDOWN forms as required and give a brief description of the change(s) below.

1. Addresses an unforeseen condition involving the existing concrete slabs located on the first, second , and third floors. When interior storefront frames were set on the third floor in December of last year it was discovered that there is a slab level inconsistency of up to 1 1/2" difference over 12 feet throughout the third floor. The same inconsistency has been found on the first and second floors as well. Due to this issue the required tolerance for the installation and warranty of the flooring materials of 1/8" over 10 feet can't be meet unless significant floor stone is applied to feather out the existing conditions. Project specifications call for the installer to "Remove subfloor ridges and bumps. Fill minor low spots, cracks joints, holes, and other defects with subfloor filler to achieve smooth, flat, hard surfaces.", but the existing conditions go beyond the industry standard for repair. The intent of the repair is not to create a level surface, but to feather out the areas so that the required warranty conditions can be met. It was estimated that eighty (80) bags of feather finish material would originally be needed to meet the project specifications. To meet the unforeseen conditions one hundred eighty-seven (187) bags of feather finish material, one thousand fifty (1,050) bags of self leveler plus the installation labor are required. The original estimated eighty (80) bags and installation labor are to be credited to the project. The general contractor is to have the flooring sub-contractor apply the additional material to the existing concrete slabs that will bring the slabs into tolerance required by the flooring warranties.

Total Cost: $104,608.00 Additional Days: 0

The Original Contract Sum		$16,233,000.00
Total Changes by Previous Change Order(s)		$1,186,164.00
Current Contract Sum		$17,419,164.00
Contract Sum will be (increased) by this Change Order		$104,608.00
New Contract Sum		**$17,523,772.00**
The Original Contract Completion Date and Contract Time.	Date: 1/13/2026	400 DAYS
Total Time extended by Previous Change Order(s)		262 DAYS
Contract Time will be (increased) by this Change Order		DAYS
New Contract Completion Date & Revised Contract Time	Date: 10/2/2026	662 DAYS
Added Building Area		(Sq. Ft.)

NOTE: No additional increase in time or money will be considered for a Change Order item after it has been executed.

RECOMMENDED	ACCEPTED	APPROVED
Designer's Name:	Contractor's Name:	Project Manager:
R. Bryan Yeates/Bledsoe Architects, LLC	Ron Barron/Don M. Barron Contractor, Inc.	Joseph S. Partain
Address:	Address:	Facility Planning & Control
735 Robinhood St., Shreveport, LA 71106	408 Cedar Street, Farmerville, LA 71241	
Email Address:	Email Address:	
yeates@bledsoearchitects.com	Ron.Barron@dmbarron.com	
By: R. Bryan Yeates	By:	By:
Date: 4.21.26	Date: 4/21/26	Date: 4/28/26

FACILITY PLANNING AND CONTROL USE ONLY

Classification	Amount	Classification	Amount
Omission (Type "O")*		Miscellaneous (Type "M")	
Error (Type "E")*		Owner Requested (Type "R")	

Senior Manager/Assistant Director approval.

COMMENTS:

Agenda Item No. 4

Legislative Intent

§653. Duties and functions

A. The committee shall make such study and examination of the matters pertaining to the budgeting and fiscal affairs of the state and its political subdivisions, their funds, revenues, expenditures, and any other financial affairs of the state and of its political subdivisions as may be deemed desirable by the committee or the legislature. The committee may also study and examine all requests for professional, personal, social service, and consulting service contracts to determine the impact of privatizing state government programs, functions, or activities. The committee shall make such reports of its findings and recommendations with regard to such matters to the legislature upon its request or as is deemed advisable by the committee.

B. Prior to and during each regular session of the legislature, the joint committee may make such studies and hold such hearings with respect to budget requests or statements and with respect to the executive budget as it shall deem appropriate and are necessary to carry out its duties and functions.

C. Following the review, analysis, and study of the proposed executive budget, the committee shall submit its findings and recommendations thereon to the members of the legislature not later than two weeks prior to each regular session of the legislature.

D. The committee shall make such continuing study and examination of matters pertaining to the budgeting of the state revenues and their expenditures, and the fiscal affairs of the state and its agencies, and shall make quarterly reports and recommendations to the legislature and such other reports as the committee or the legislature deems advisable.

E. The committee shall interpret the legislative intent respecting all fiscal and budgetary matters of the state and conduct general oversight and review of the budget execution processes of the various budget units and other agencies of the state when necessary.

F. The committee shall study, review, and approve or disapprove all transfers of funds from one program specified in the allotments established in each agency's budget to another program. Except as provided in R.S. 39:73 and 87.4, no transfer of funds from one program specified in the allotments in an agency's budget to another shall be made without prior approval of the committee.

G. The committee shall have the full power and authority to adopt rules and regulations prescribing and governing its procedures, policies, meetings, and any and all other activities relating to its functions and duties, including the power and authority to issue binding directives to agencies concerning the proper and efficient execution of their respective budgets as same were approved by the legislature.

H.(1) The committee shall have a litigation subcommittee which shall monitor and study the amounts of state funds required to pay judgments and compromises arising out of lawsuits against the state, its departments, and, with respect to payment of state funds as insurance premiums, the insurers thereof. The committee, by its own rules, motions, or resolutions, shall provide for the size, membership, appointment, all administrative matters, and the delegated powers and duties of the litigation subcommittee.

(2) No attorney representing the state or any of its departments or agencies or any of its employees entitled to indemnification under R.S. 13:5108.1 shall sign any compromise or settlement which obligates the state to pay five hundred thousand dollars or more without prior consultation with the attorney general and the members of the litigation subcommittee. The consultation with the members of the litigation subcommittee shall occur in executive session.

(3)(a) At the request of the litigation subcommittee, any department, agency, board, commission, educational institution, or other state entity entitled to indemnification by the state or any employer of an employee entitled to indemnification under R.S. 13:5108.1 shall report on any corrective measures or actions taken to mitigate state risk exposure if the litigation subcommittee determines that such a report is necessary after consideration of a compromise or settlement of litigation.

(b) A meeting of the litigation subcommittee to receive a report from a state entity on corrective measures or actions pursuant to this Paragraph shall occur only after the subject litigation has been concluded. The litigation subcommittee may require that any indemnified state entity or employer of an

indemnified employee appear at one or more meetings of the litigation subcommittee to discuss and report on corrective measures or actions.

(c) Any information provided by a state entity pursuant to this Paragraph may only be presented in executive session, and any documentation prepared or compiled by the state entity pursuant to this Paragraph shall not be subject to disclosure pursuant to the Public Records Law set forth in R.S. 44:1 et seq.

I. The committee shall have the authority to nullify a penalty applied by the office of risk management relative to a state agency which has failed to receive certification after undergoing a loss prevention audit, as provided in R.S. 39:1536(B).

J. The committee may establish a subcommittee to execute its duties relative to oversight of performance-based budgeting under the Louisiana Government Performance and Accountability Act, as provided in Subpart D of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950. When the subcommittee acts on behalf of the committee, the chairman of the subcommittee shall provide to each member of the committee a summary report of the subcommittee's action.

K.(1) In the conduct of its responsibility to discharge the constitutional fiscal and budgetary responsibilities of the Louisiana Legislature, the committee shall consider the operating budgets of public entities and salaries of particular public officials which by law require the approval of the committee in accordance with the following:

(a) The committee shall consider operating budgets in advance of the beginning of a subject entity's fiscal year. If the committee finds that the entity has failed to receive the required approval, either by failure to appear or by committee disapproval of its budget, the committee may adopt a resolution to direct the commissioner of administration and the state treasurer to deny any warrant or payment of money from the state treasury for any amount contained within that budget. The committee may also adopt a resolution to direct the commissioner of administration and state treasurer to recommence the acceptance of warrants. If the committee determines that an entity whose operating funds are administered outside of the state treasury has failed to receive the required approval of its budget, either by failure to appear or by committee disapproval of its budget, the committee may adopt a resolution to that effect, and any expenditure of public monies by such entity shall constitute a violation of the provisions of Article VII, Section 14 of the Constitution of Louisiana.

(b) The consideration of salaries of public officials that by law require the approval of the committee shall occur prior to the execution of any employment contract for that official. The state shall not be liable for any payment of such salary if the salary has not been approved by the Joint Legislative Committee on the Budget. The committee shall have the authority to adopt a resolution to direct the commissioner of administration and the state treasurer to deny any warrant or payment of money from the state treasury for any monies related to the payment of the salary at issue. The committee is also authorized to adopt a resolution to direct the commissioner of administration and state treasurer to recommence the acceptance of warrants.

(2) The provisions of this Section shall have no effect on the provisions of any contract which is in effect prior to July 1, 2008.

(3) Notwithstanding any contrary provision of law, the chairman of the Joint Legislative Committee on the Budget may grant an entity, for good cause shown, an extension of time, not to exceed thirty days, to comply with the provisions of this Subsection, and the Joint Legislative Committee on the Budget may grant an additional extension of time.

L.(1)(a) Upon receipt of the reports from the various departments within the executive branch of state government as provided by R.S. 36:8(A)(6) and the public postsecondary education management boards as provided by R.S. 17:3130(C) and 3351(F), the Joint Legislative Committee on the Budget shall transmit the reports to the legislative fiscal office for review and analysis and may conduct hearings to review the reports.

(b) The legislative fiscal office shall review the reports and perform any additional analysis of the reports that is necessary to provide an accurate actual estimate as compared to the fiscal note as the

bill was enacted.

(2) The reports required to be submitted under this Section shall be in a manner as prescribed by the chairman of the Joint Legislative Committee on the Budget and shall be accompanied by such other information as the chairman may require. At a minimum, the report shall present the differences between the original estimate as the bill was enacted and the actual current revenues or expenditures. Depending upon the scope of the original legislation, the comparisons between the fiscal note as the bill was enacted and the actual amounts shall include but not be limited to tax increases, decreases, fee increases and repeals, tax exemptions, suspensions, credits, rebates, exclusions, and deductions, among others.

(3) No later than February first of each year, the committee shall report its findings in a public meeting relative to any legislation that has been enacted that affects state revenues, public postsecondary education management boards and the related institutions or the various departments and the related entities and that legislation has a fiscal impact which has increased by the amount of one million dollars or more over the amount of the fiscal note as the bill was enacted. The review and analysis shall also examine the receipt, expenditure, allocation, dedication, or means of financing to determine specifically how the increases impact state revenue, the departments, agencies, boards, commissions, and like entities within the executive branch of state government, as well as among the public postsecondary education institutions of the state. The Joint Legislative Committee on the Budget shall transmit copies of the final report to the governor, the president of the Senate, and the speaker of the House of Representatives, and distribute a copy to each member of the legislature.

M.(1) All economic and financial reports for projects submitted in conjunction with the request for approval of the Joint Legislative Committee on the Budget in excess of a total state commitment of ten million dollars for the term of the project shall provide the following information:

(a) Inclusion of all input information, data, and assumptions, including but not limited to data sources, economic growth assumptions, and an assessment/basis of the reasonableness of each.

(b) A description of the analytical model employed for the report and how each input was utilized with that model.

(c) Results in terms of value-added, household earnings, and employment, and a description of each concept.

(d) Results by industry sector, with an assessment of possible adverse effects on sectors that compete with the subsidized company for in-state customers.

(e) Explicit identification of the project's effect on direct expenditure requirements in the state budget or any reduction in taxes or state revenues, including but not limited to tax exemptions, exclusions, deductions, reductions, repeals, rebates, incentives, abatements, or credits.

(f) An additional assessment by the secretary of Louisiana Economic Development regarding the extent to which the project would not have occurred but for the proposed state financial support. The secretary's assessment shall reference other business factors which contributed to the project activity occurring and factors which will be required for ongoing sustainability, including but not limited to labor, transportation, energy, among others.

(g) Cost/benefit comparisons of the incentives in the package compared to the costs in the package shall be for the same period of time or the same term, both for the direct benefits to the state as well as the indirect benefits to the state.

(2)(a) The department shall submit the request for Joint Legislative Committee on the Budget approval of the project with the analysis to the committee for its review at least seventeen business days, or as permitted by the chairman, prior to the meeting for which the department is seeking the committee's approval. In the event that the chairman specifies a request submission period that is less than seventeen business days, the chairman shall notify all members of the committee of the revised submission time period. Presentation of the information required shall be in a format developed by the department in consultation with the Legislative Fiscal Office and the Joint Legislative Committee on the Budget.

(b) Upon receipt of the request, the Joint Legislative Committee on the Budget shall transmit the report to the legislative fiscal office for evaluation of the department's assessment and the legislative fiscal office shall make such information available to the committee during its review.

(3) For the purposes of this Section and notwithstanding any other provision of law to the contrary, "project" shall mean any public-private partnership, agreement with a nonpublic party, lease, cooperative endeavor agreement, memorandum of understanding, or other contractual agreement which would result in or is expected to result in the obligation of state resources or the expenditure of revenues from the operation, management, or control of a state resource for the purposes of engendering economic growth or development in the state through the utilization of certain incentives, including but not limited to tax exemptions, exclusions, deductions, reductions, repeals, rebates, incentives, abatements, or credits.

N.(1) The committee shall have a dedicated fund review subcommittee which shall review and make recommendations on special funds in the state treasury that dedicate state revenue.

(2) The committee, by its own rules, motions, or resolutions, shall provide for the size, membership, appointment, all administrative matters, and the delegated powers and duties of the dedicated fund review subcommittee. The committee shall provide that the membership of the subcommittee is bipartisan and diverse.

(3) No later than September 1, 2017, and every two years thereafter, the committee shall provide for the dedicated fund review subcommittee.

(4) The dedicated fund review subcommittee shall conduct the review of special funds and submit recommendations to the committee as required in R.S. 49:308.5.

Added by Acts 1976, No. 538, §3, eff. March 10, 1980. Acts 1984, No. 694, §1; Acts 1997, No. 738, §1; Acts 1997, No. 1465, §1, eff. July 15, 1997; Acts 1998, 1st Ex. Sess., No. 11, §1; Acts 2001, No. 894, §1, eff. June 26, 2001; Acts 2008, No. 842, §1, eff. July 8, 2008; Acts 2010, No. 861, §10; Acts 2013, No. 96, §2, eff. July 1, 2013; Acts 2014, No. 704, §1, eff. July 1, 2014; Acts 2017, No. 355, §1, eff. June 22, 2017; Acts 2018, No. 612, §8, eff. July 1, 2020; Acts 2019, No. 404, §16; Acts 2023, No. 291, §1.

NOTE: See Acts 2019, No. 404, §§16 and 20 regarding the repeal of certain changes made to R.S. 24:653(N)(3) in Acts 2018, No. 612.

NOTE: See Acts 2018, No. 612 and Acts 2019, No. 404 providing for the effects of the conversion of certain dedicated funds to special statutorily dedicated fund accounts.

Agenda Item No. 5

Review and approval of Deputy Sheriffs' Supplemental Pay in accordance with the provisions of R.S. 40:1667.8

John Fleming, MD
LOUISIANA STATE TREASURER

(225) 342-0010
latreasury.com

Post Office Box 44154
Baton Rouge, LA 70804

September 30, 2026

Honorable Representative Jack McFarland, Chairman
Joint Legislative Committee on the Budget
Post Office Box 44486, Capitol Station
Baton Rouge, LA 70804

Dear Representative McFarland:

Attached is a spreadsheet detailing requests for back pay for Deputy Sheriffs' Supplemental pay which has been approved by the Deputy Sheriff Supplemental Pay Board as per Act 110 of 1982. Please place this item on the agenda for the next meeting.

Total requested prior year funds: **$18,506.25**

If we may be of further assistance in this matter, please call me or email Philip Jungeblut at pjungeblut@treasury.la.gov.

Sincerely,

Katie O'Connor
Chairman
Deputy Sheriffs Supplemental Pay Board

KO/pj

Enclosures

FY26 Pending Payments

No.	Parish	Deputy Name	Dates Owed	Amount	Reason	Addl Info
1	Bienville	Krouse, Lukas	4/28/2026-6/30/2026	$1,259.16	Administrative oversight	Added on August 2026 reconciliation, received August 12, 2026
2	Caddo	Claiborne, Dominic	6/8/2026-6/30/2026	$453.56	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 16, 2026
3	Caddo	Clark, Shonteria	6/8/2026-6/30/2026	$453.46	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 16, 2026
4	Caddo	Lewis, Brandon	6/1/2026-6/30/2026	$600.00	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 16, 2026
5	Caddo	Mourning Clay, Rashida	1/27/2026-6/30/2026	$3,098.60	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 16, 2026
6	Caddo	Ross, Skylar	6/8/2026-6/30/2026	$300.00	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 16, 2026
7	Caddo	Walter, Asia	6/5/2026-6/30/2026	$512.75	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 16, 2026
8	Calcasieu	Lejune Sr., Chadwick	6/15/2026-6/30/2026	$315.52	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 7, 2026
9	Catahoula	Minton Jr., Steve	4/15/2026-6/30/2026	$1,515.52	Waiting on deputy documentation	Added on July 2026 reconciliation, received July 6, 2026
10	East Baton Rouge	Benoit, William	5/16/2025-6/30/2025	$847.96	Waiting on deputy documentation	Added on May 2026 reconciliation, received May 1, 2026
11	East Baton Rouge	Shropshire, Dorothea	4/20/2026-6/30/2026	$1,416.92	Waiting on deputy documentation	Added on September 2026 reconciliation, received September 1, 2026
12	East Baton Rouge	Weems, Katie	6/26/2026-6/30/2026	$98.60	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 3, 2026
13	Evangeline	Fruge, Christopher	6/9/2026-6/30/2026	$433.84	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 10, 2026
14	Lafayette	Doucet, Matthew	6/10/2026-6/30/2026	$414.12	Administrative oversight	Added on August 2026 reconciliation, received August 4, 2026
15	Orleans	Aubert, Miquel	5/22/2026-6/30/2026	$797.20	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 24, 2026
16	Plaquemines	Hudson, Melvin	6/16/2026-6/30/2026	$295.80	Waiting on deputy documentation	Added on July 2026 reconciliation, received August 24, 2026
17	Plaquemines	Mitchell, Lexington	6/24/2026-6/30/2026	$138.04	Waiting on deputy documentation	Added on July 2026 reconciliation, received August 24, 2026
18	St. Bernard	Buzzetta, Alexis	6/15/2026-6/30/2026	$315.52	Waiting on deputy documentation	Added on July 2026 reconciliation, received July 16, 2026
19	St. Charles	Benoit, Elizabeth	6/15/2026-6/30/2026	$315.52	Administrative oversight	Added on August 2026 reconciliation, received August 12, 2026
20	St. Charles	Melford, Tyler	6/15/2026-6/30/2026	$315.52	Administrative oversight	Added on August 2026 reconciliation, received August 12, 2026
21	St. Helena	McCreary, Jeremy	6/25/2026-6/30/2026	$118.32	Waiting on deputy documentation	Added on August 2026 reconciliation, received August 6, 2026
22	Tangipahoa	Beard, Bobby	5/11/2026-6/30/2026	$1,014.12	Administrative oversight	Added on July 2026 reconciliation, received July 10, 2026
23	Tangipahoa	Beard, Dawnyelle	5/11/2026-6/30/2026	$1,014.12	Administrative oversight	Added on July 2026 reconciliation, received July 10, 2026
24	Tangipahoa	Blackmon, Darren	4/13/2026-6/30/2026	$1,554.96	Administrative oversight	Added on July 2026 reconciliation, received July 10, 2026
25	Tangipahoa	Mayeaux, Christopher	6/8/2026-6/30/2026	$453.56	Administrative oversight	Added on July 2026 reconciliation, received July 10, 2026
26	Tangipahoa	Morgan, Valencia	6/8/2026-6/30/2026	$453.56	Administrative oversight	Added on July 2026 reconciliation, received July 10, 2026
			Grand Total	**$18,506.25**		

Agenda Item No. 6

Review and approval of the Fiscal Year 2026-2027 operating budget for the Greater New Orleans Expressway Commission, in accordance with Section 2(C) of Act 875 of 1988

STATE OF LOUISIANA
Legislative Fiscal Office
BATON ROUGE

Post Office Box 44097
Capitol Station
Baton Rouge, LA 70804
Phone: 225.342.7233

Alan M. Boxberger
Legislative Fiscal Officer

To: The Honorable Jack McFarland, Chairman
Joint Legislative Committee on the Budget
The Honorable Members of the Joint Legislative Committee on the Budget

From: John McKay, Fiscal Analyst
Alan Boxberger, Legislative Fiscal Officer

Date: October 8, 2026

Subject: GREATER NEW ORLEANS EXPRESSWAY COMMISSION
FY 27 BUDGET ANALYSIS

The Greater New Orleans Expressway Commission (GNOEC) staff annually prepares its budget for approval by the Commissioners in accordance with its bond indenture. Upon approval by the GNOEC, the budget is then submitted to the Legislative Fiscal Office. The GNOEC approved the budget on August 12, 2026, and submitted the approved budget to the Legislative Fiscal Office.

Prior to the submission of the annual operating budget to the Joint Legislative Committee on the Budget (JLCB) for its approval or rejection, the Legislative Fiscal Office reviews the submission of the budget for mathematical accuracy and content. In addition, the Legislative Fiscal Office prepares an analysis of the budget submitted by the GNOEC and provides this report to the Joint Legislative Committee on the Budget (JLCB) for its consideration.

TABLE OF CONTENTS

Greater New Orleans Expressway Commission

Budget Summary	3
Means of Financing	4
Means of Financing Issues	6
Expenditures	8
Capital Improvement Program	16
Salary Information	22

BUDGET SUMMARY, FISCAL YEAR 2026-27
Greater New Orleans Expressway Commission

	Actual FY 24	Actual FY 25	Budgeted FY 26	Requested FY 27	Change From Prior FY	
					$	%
Means of Finance						
Tolls	$25,552,605	$25,811,687	$24,818,000	$25,185,000	$367,000	1.5%
Highway Fund No. 2	$6,843,567	$6,797,405	$6,600,000	$6,750,000	$150,000	2.3%
Interest Income	$117,023	$105,912	$50,000	$95,000	$45,000	90.0%
Other Revenue	$215,028	$182,993	$95,000	$85,000	($10,000)	-10.5%
Total MOF	**$32,728,223**	**$32,897,997**	**$31,563,000**	**$32,115,000**	**$552,000**	**1.7%**
Expenditures						
Salaries	$4,201,907	$5,176,408	$5,543,489	$5,973,444	$429,955	7.8%
Related Benefits	$1,574,971	$2,313,415	$2,603,275	$2,948,443	$345,168	13.3%
Other Compensation	$33,579	$34,217	$34,180	$34,180	$0	0.0%
Personnel Svcs.	**$5,810,457**	**$7,524,040**	**$8,180,944**	**$8,956,067**	**$775,123**	**9.5%**
Operating Services	$5,363,519	$6,541,422	$4,340,250	$4,322,500	($17,750)	-0.4%
Supplies	$1,498,129	$1,676,418	$1,396,950	$1,440,800	$43,850	3.1%
Operating Expenses	**$6,861,648**	**$8,217,840**	**$5,737,200**	**$5,763,300**	**$26,100**	**0.5%**
Professional Services	**$197,471**	**$267,816**	**$213,000**	**$238,000**	**$25,000**	**11.7%**
Debt Service	$7,428,431	$9,189,283	$7,044,996	$8,996,500	$1,951,504	27.7%
State Surplus-HPL	$1,754,111	$1,651,042	$1,997,439	$1,949,408	($48,031)	-2.4%
Other Charges	**$9,182,542**	**$10,840,325**	**$9,042,435**	**$10,945,908**	**$1,903,473**	**21.1%**
Acquisitions	$479,475	$943,261	$725,918	$797,596	$71,678	9.9%
Maj. Rep./Cap. Imps.	$10,196,630	$5,104,716	$7,663,503	$5,414,129	($2,249,374)	-29.4%
Acquisitions/Repairs	**$10,676,105**	**$6,047,977**	**$8,389,421**	**$6,211,725**	**($2,177,696)**	**-26.0%**
Total Expenditures	**$32,728,223**	**$32,897,997**	**$31,563,000**	**$32,115,000**	**$552,000**	**1.7%**

Section 2 of Act 875 of the 1988 RS requires the Greater New Orleans Expressway Commission (GNOEC) to submit its annual budget to the Joint Legislative Committee on the Budget for its approval or rejection prior to the expenditure of funds contained in such budget. Act 842 of the 2008 RS requires "…consideration of operating budgets shall be given in advance of the beginning of the subject entity's fiscal year." The GNOEC's new fiscal year begins on November 1, 2026; therefore, its annual operating budget is being presented at this time.

BUDGET SUMMARY

The Greater New Orleans Expressway Commission (GNOEC) is requesting approval of its FY 27 total budget of $32.1 M, representing a $552,000 total increase, or 1.7%, from the budget approved by the JLCB for FY 26. The Commission anticipates a $2 M increase in debt service payments and a $775,124 increase in total salaries and related benefits in FY 27, partially offset by a $2.2 M decrease in total acquisitions and major repairs, compared to the FY 26 projections.

MEANS OF FINANCING

The FY 27 revenue for the GNOEC operating budget totals $32.1 M and is comprised of the following: toll revenue (78.4%), State Highway Fund No. 2 revenue (21%), interest income (0.3%), and other revenue (0.3%). The following discussion will provide additional details on these means of finance.

Toll Revenue

The proposed toll revenue for FY 27 increases approximately 1.5% from the approved FY 26 budget. Toll revenue is budgeted at $25.2 M for FY 27, which is $367,000 over the approved total in FY 26 ($24.8 M). The total number of one-way crossings on the expressway is anticipated to be 5,797,755 in FY 27, compared to 5,829,988 in FY 26. This is a decrease of 32,233 crossings, or -0.55%. The full toll schedule is outlined on page 6, and toll revenue history is discussed on page 7.

The toll revenue is used to pay for the Commission's operating expenses ($14.7 M), and the excess toll revenue is encumbered to pay for future capital improvement projects and debt services. For FY 27, $6 M will be used to pay the 2025 debt service payment (see page 15). The remaining $4.5 M will be placed in the Extraordinary Maintenance and Repair Reserve Fund for current and future projects (see pages 18-21).

State Highway Fund Number 2

State Highway Fund No. 2 revenue is derived from vehicular license taxes collected in Orleans, Jefferson, St. John the Baptist, St. Charles, Tangipahoa, and St. Tammany parishes. This revenue is disbursed as follows: 1) fifty percent (50%) accruing to GNOEC; 2) all monies collected in Orleans Parish from vehicular registration license fees and taxes from trucks and trailers pursuant to LA R.S. 47:462 are deposited into the New Orleans Ferry Fund; 3) after making the allocation for the GNOEC, and the New Orleans Ferry Fund, fifty percent (50%) of monies collected in Jefferson Parish pursuant to R.S. 47:462 are deposited into the Regional Maintenance and Improvement Fund; and 4) the remaining funds are deposited into the Transportation Trust Fund (TTF). Based upon the Revenue Estimating Conference's latest adopted revenue forecast of $13.1 M for FY 27, the GNOEC's share of revenue is anticipated to total $6.55 M in State Highway Fund No. 2 dollars for FY 27. The State Highway Fund No. 2 had a cash balance of $742,840 carried over from FY 26. The Commission approved a budget of $6.75 M for FY 27 to align the budget with expected expenditures.

The GNOEC's budgeted revenue ($6.75 M) from State Highway Fund No. 2 is anticipated to be greater than its debt service payment (for Series 2024 bond) backed by resources from the fund, which is projected to be $3 M in FY 27. As stated in earlier reports, the Legislative Fiscal Office (LFO) previously requested and received an Attorney General opinion on this matter, verifying that "surplus" funds from Highway Fund No. 2 are permissible to be utilized by the GNOEC in its budget for expenses of the Huey P. Long (HPL) Bridge and other local agencies, as well as capital improvements. The excess revenue from Highway Fund No. 2 after the annual debt service payment is $3.75 M (or $6.75 M minus $3 M); $1.95 M will go towards IAT for the HPL Bridge and local agencies, and the remaining surplus of $1.8 M will be encumbered for acquisitions ($797,596) and major repairs and capital improvements ($969,371).

Interest Income

Interest income is projected at $95,000 for FY 27, an increase of $45,000, or 90%, from FY 26. This category consists of monies received from interest on construction investments. Revenue from interest income is deposited into the Extraordinary Maintenance and Repair Reserve Fund. The

budgeted amount of $95,000 aligns the budget with the expected expenditures from the Extraordinary Maintenance and Repair Reserve Fund.

Other Revenue

Other revenue is projected at $85,000 for FY 27, a decrease of $10,000, or 10.5%, from FY 26. This category consists of monies received for copies of police accident and incident reports, plans for projects, records requests, and revenue generated from ATM fees. If the Commission has a surplus auction during the year, revenue generated from the event will go towards other revenue. The decrease in the revenue is primarily due to a fewer number of auctions anticipated in FY 27.

MEANS OF FINANCING ISSUES

Toll Rates

The GNOEC increased tolls during an August 2016 meeting through a resolution. In addition to increasing tolls in 2017, the resolution set the tolls to automatically increase every seven years thereafter. Proceeds from the increased toll revenue are used to finance a bond issuance, the proceeds of which funded higher safety rails on the southbound span and safety bays on both spans. The first increase became effective on May 1, 2017. The second increase became effective on November 1, 2023. Tables of the 2017 and 2023 toll schedules are below.

Note: The GNOEC began one-way toll collections in May 1999. Tolls have been collected only on the North Shore since that time.

PREVIOUS TOLL SCHEDULE
Effective May 1, 2017 – October 31, 2023

	Toll Tag		Cash	
# of Axles	Under 7′	Over 7′	Under 7′	Over 7′
2	$3.00	$9.00	$5.00	$9.00
3	$6.75	$13.50	$7.00	$14.00
4	$9.00	$18.00	$9.00	$18.00
5	$11.25	$22.50	$12.00	$23.00
6	$11.25	$22.50	$12.00	$23.00
7+	$11.25	$22.50	$12.00	$23.00

CURRENT TOLL SCHEDULE
Effective November 1, 2023

	Toll Tag		Cash	
# of Axles	Under 7′	Over 7′	Under 7′	Over 7′
2	$3.40	$10.25	$6.00	$11.00
3	$7.75	$15.25	$8.00	$16.00
4	$10.25	$20.50	$11.00	$21.00
5	$12.75	$25.50	$14.00	$26.00
6	$12.75	$25.50	$14.00	$26.00
7+	$12.75	$25.50	$14.00	$26.00

Toll Revenue

Toll revenue is projected at $25.2 M for FY 27, an increase of $367,000, or 1.5%, below the $24.8 M approved in FY 26. This revenue is used to pay for the Commission's operating expenses of $14.7 M. The excess toll revenue is encumbered to pay for future capital improvement projects and debt services. In FY 27, $4.5 M will be placed in the Extraordinary Maintenance and Repair Reserve Fund for current and future projects. The remaining $6 M will be used to pay the 2025 debt service payment.

Toll revenue is budgeted based on historical collections and trends in traffic patterns. The table below illustrates toll revenue collections and traffic counts from FY 04 (pre-Katrina levels) to projected levels in FY 27. The large decrease in FY 20 revenue is a result of decreased traffic due to COVID-19.

TOLL REVENUE

Fiscal Year	Toll Collections		Traffic Count	
	$	PY $ Change	#	PY # Change
2004	$15,421,017		5,909,426	
2005	$13,566,529	($1,854,488)	5,814,832	(94,594)
2006	$18,184,159	$4,617,630	6,707,603	892,771
2007	$17,768,414	($415,745)	6,571,180	(136,423)
2008	$17,135,270	($633,144)	6,366,320	(204,860)
2009	$17,047,947	($87,323)	6,400,327	34,007
2010	$16,025,247	($1,022,700)	6,355,044	(45,283)
2011	$16,018,853	($6,394)	6,337,597	(17,447)
2012	$15,811,025	($207,828)	6,364,746	27,149
2013	$16,212,070	$401,045	6,409,719	44,973
2014	$15,916,000	($296,070)	6,445,170	35,451
2015	$16,455,022	$539,022	6,413,600	(31,570)
2016	$16,543,981	$88,959	6,629,438	215,838
2017	$20,207,445	$3,663,464	6,495,401	(134,037)
2018	$24,189,993	$3,982,548	6,399,579	(95,822)
2019	$23,867,547	($322,446)	6,409,364	9,785
2020	$18,721,627	($5,145,920)	5,216,325	(1,193,039)
2021	$20,770,961	$2,049,334	5,566,900	350,575
2022	$23,169,701	$2,398,740	5,736,905	170,005
2023	$22,575,842	($593,859)	5,983,910	247,005
2024	$25,552,605	$2,976,763	5,600,938	(382,972)
2025	$25,811,687	$259,082	5,858,323	257,385
2026*	$25,312,000	($499,687)	5,829,988	(28,335)
2027*	$25,185,000	($127,000)	5,797,755	(32,233)

*Projected

EXPENDITURES

PERSONNEL SERVICES

Salaries	FTE	Actual FY 24	FTE	Actual FY 25	FTE	Approved FY 26	FTE	Requested FY 27	Change From PY $	Change From PY %
Administration										
General Manager	1.0	$156,541	1.0	$167,257	1.0	$167,257	1.0	$193,419		
Administration	3.0	$199,974	3.0	$249,137	4.0	$256,624	4.0	$312,196		
Accounting	5.0	$304,183	5.0	$240,160	5.0	$322,660	5.0	$371,245		
Commuter Sales	4.0	$186,223	4.0	$196,025	5.0	$233,457	6.0	$250,535		
Less: HPL Adm.	(1.0)	($105,014)	(1.0)	($82,933)	(1.0)	($112,811)	(1.0)	($135,059)		
Sub-Total	**12.0**	**$741,907**	**12.0**	**$769,646**	**14.0**	**$867,187**	**15.0**	**$992,337**	**$125,150**	**14.4%**
Operations										
Toll Collectors	16.0	$779,821	16.0	$796,664	16.0	$755,739	16.0	$890,146		
Maintenance	25.0	$1,154,630	25.0	$1,191,005	25.0	$1,341,361	25.0	$1,410,899		
Bascule Operators	5.0	$203,829	5.0	$189,053	5.0	$209,533	4.0	$252,863		
Dispatch	12.0	$459,597	12.0	$633,079	10.0	$626,345	10.0	$679,992		
Police	32.0	$1,680,579	32.0	$2,358,124	32.0	$2,606,985	32.0	$2,589,281		
Less: HPL Operations	(13.0)	($818,457)	(13.0)	($761,162)	(11.0)	($863,661)	(11.0)	($842,072)		
Sub-Total	**77.0**	**$3,460,000**	**77.0**	**$4,406,762**	**77.0**	**$4,676,302**	**76.0**	**$4,981,108**	**$304,806**	**6.5%**
Total Salaries	**89.0**	**$4,201,907**	**89.0**	**$5,176,408**	**91.0**	**$5,543,489**	**91.0**	**$5,973,444**	**$429,955**	**7.8%**
Related Benefits										
Parochial (Retirement)		$751,046		$955,504		$841,503		$896,470		
Group Insurance		$930,860		$1,467,430		$1,885,107		$2,196,150		
Retirees Group Benefits		$85,258		$75,638		$122,632		$135,000		
Gov. Def. Comp. Plan		$70,312		$60,745		$84,000		$84,000		
Less: HPL Rel. Benef.		($262,505)		($245,902)		($329,967)		($363,177)		
Total Related Benefits		**$1,574,971**		**$2,313,415**		**$2,603,275**		**$2,948,443**	**$345,168**	**13.3%**
Other Compensation		**$33,579**		**$34,217**		**$34,180**		**$34,180**	**$0**	**0%**
TOTAL		**$5,810,457**		**$7,524,040**		**$8,180,944**		**$8,956,067**	**$775,123**	**9.5%**

Salaries

The GNOEC is requesting $6 M for salaries, a 7.8% increase from FY 26. The request includes 91 full-time equivalent employees (FTEs) for FY 27, which is unchanged from FY 26.

Note: The table above backs out funding equivalent to the administrative and operations functions for the Huey P. Long Bridge.

The Commission approved merit raises for FY 27 salaries. In addition, some salaries were rebased to keep salaries competitive, and several employees took on additional duties. The average salary

increase across all full-time employees is 4.94%. Salary information for filled positions can be found on pages 22-25.

The GNOEC currently has 26 Peace Officer Standards & Training (POST) certified police officers (22 – Causeway and 4 – Huey P. Long Bridge). Act 664 of 2008 RS provides that these police officers are eligible to receive state supplemental pay, which is currently $600/month or $7,200/year for a total state supplement of $187,200 for all Causeway police officers currently receiving supplemental pay. This portion of the police officers' salaries is not included in the GNOEC's budget, as the state pays this amount annually. However, the GNOEC is responsible for paying the related benefits costs associated with the additional $7,200 state salary supplement, which equates to approximately $20,748 in additional related benefits expenditures included in the operating budget over and above the base salaries.

Related Benefits:
The Commission is requesting $2.9 M for related benefits, a 13.3% increase from FY 26, primarily due to an increase in retirement benefits and group insurance benefits.

Other Compensation:
The GNOEC is requesting standstill funding of $34,180 for Other Compensation in FY 27. Other Compensation represents the salaries of the Greater New Orleans Expressway Commissioners. The five appointed Commissioners are paid $569.66 per month for Commission duties as provided by an amendment to the Articles of Incorporation of the Greater New Orleans Expressway Commission. The Parishes of Jefferson and St. Tammany executed the Articles of Incorporation on October 20, 1954, with the above amendment approved on August 7, 1986.

OPERATING SERVICES

	FY 24 Actual	FY 25 Actual	FY 26 Approved	FY 27 Requested	Change From Prior FY	
					$	%
Bank/Visa Charge on Toll Deposits	$497,483	$544,836	$460,000	$460,000	$0	0.0%
Bank Trustee Fees	$7,494	$12,716	$8,500	$7,000	($1,500)	-17.6%
Dues & Subscriptions	$10,915	$8,369	$12,000	$12,000	$0	0.0%
Insurance	$4,141,079	$5,235,843	$3,400,000	$3,400,000	$0	0.0%
Advertising (Motorist Safety Campaign)	$1,178	$546	$2,500	$1,500	($1,000)	-40.0%
Publication of Public Notices	$1,026	$3,898	$1,250	$1,000	($250)	-20.0%
Telephone and Radio	$413,219	$388,805	$200,000	$175,000	($25,000)	-12.5%
Travel	$0	$0	$1,000	$1,000	$0	0.0%
Unused Vacation and Sick Leave	$96,101	$134,635	$75,000	$75,000	$0	0.0%
Utilities	$195,024	$211,774	$180,000	$190,000	$10,000	5.6%
Total	**$5,363,519**	**$6,541,422**	**$4,340,250**	**$4,322,500**	**($17,750)**	**-0.4%**

Operating Services:
The GNOEC is requesting $4.3 M for operating services, a $17,750, or 0.4% decrease from FY 26. Operating services include advertising, the publication of public notices and minutes, insurance, travel, telephone and radio expenses, utilities, payout of unused vacation and sick leave, dues and subscriptions, trustee fees, bank and visa charges for toll deposits, and other miscellaneous expenses.

Significant adjustments include:
- $25,000, or 12.5%, decrease in Telephone and Radio due to the transition from a T1 analog system to digital communications.
- $10,000, or 5.6%, increase in utilities due higher electricity costs and expenses associated with transferring utility providers due to ongoing concerns with the current provider.

SUPPLIES

	FY 24 Actual	FY 25 Actual	FY 26 Approved	FY 27 Requested	Change From Prior FY	
					$	%
Office Expenses	$237,193	$274,404	$235,900	$251,900	$16,000	6.8%
Operating Expenses	$719,931	$928,943	$719,100	$741,150	$22,050	3.1%
Repairs and Maintenance	$541,005	$473,071	$441,950	$447,750	$5,800	1.3%
Total	**$1,498,129**	**$1,676,418**	**$1,396,950**	**$1,440,800**	**$43,850**	**3.1%**

Supplies Expenses:
The GNOEC is requesting $1.4 M for supplies expenses, a $43,850, or 3.1%, decrease from FY 26.

Office expenses are estimated to increase by 6.8% from FY 26. Costs include leased office space, disposal services, postage, extermination and termite control, office machine repairs, maintenance contracts, and other general administrative office supplies.

Operating expenses are anticipated to increase by 3.1% from FY 26. This cost includes gasoline, oil, auto parts, tire lubricants, diesel fuel, police equipment mounted on vehicles, vehicle maintenance, police uniforms, protective equipment, and any other expenditure related to vehicle maintenance and police car retrofitting.

Repairs and maintenance are anticipated to increase by 1.3% from the prior year. This category includes costs for general maintenance and supplies needed on the bridge, toll tags, toll system software maintenance, computer and electronic repairs on all bridge equipment, plumbing and janitorial supplies for the entire operation, air conditioning contracts, and other miscellaneous items dealing with operations maintenance. Also included are the components of the crash attenuators used on the bridge, which must be kept in stock and used by maintenance personnel to repair damages throughout the year.

PROFESSIONAL SERVICES

	FY 24 Actual	FY 25 Actual	FY 26 Approved	FY 27 Requested	Change From Prior FY	
					$	%
Accounting and Finance						
Indpendent Audit	$17,500	$21,390	$16,200	$16,200	$0	0.0%
Accounting Services	$27,223	$45,450	$28,800	$28,800	$0	0.0%
Engineering						
Engineering & Traffic Consultant	$23,087	$25,875	$23,000	$25,000	$2,000	8.7%
Litigation & Legal Representation						
General Counsel	$115,095	$156,527	$130,000	$150,000	$20,000	15.4%
Other Professional Services						
Investment Consultant	$14,566	$18,574	$15,000	$18,000	$3,000	20.0%
Total	**$197,471**	**$267,816**	**$213,000**	**$238,000**	**$25,000**	**11.7%**

Professional Services:
The GNOEC is requesting $238,000 for professional services in FY 27. The Commission hires outside consultants and service providers under professional services contracts. These items include services for bond indenture requirements in the form of independent audit and accounting services, engineering and traffic consultants, legal counsel, and investment consultation.

Significant adjustments include:
- $20,000, or 15.4%, increase in general counsel expenses due to costs associated with updating the police manual.
- $3,000, or 20%, increase in investment consulting primarily due to an increase in the amount available to invest.
- $2,000, or 8.7%, increase in engineering & traffic consulting due to higher rates charged by traffic engineers.

OTHER CHARGES

	FY 24 Actual	FY 25 Actual	FY 26 Approved	FY 27 Requested	Change From Prior FY	
					$	%
Debt Service	**$7,428,431**	**$9,189,283**	**$7,044,996**	**$8,996,500**	$1,951,504	27.7%
Interagency Expense:						
Act 875 of 1988:						
St. Charles Parish	$50,000	$50,000	$50,000	$50,000	$0	0.0%
St. John the Baptist	$50,000	$50,000	$50,000	$50,000	$0	0.0%
Tangipahoa Parish	$50,000	$50,000	$50,000	$50,000	$0	0.0%
Total Act 875	**$150,000**	**$150,000**	**$150,000**	**$150,000**	**$0**	0.0%
Act 1227 of 1995:						
Orleans Parish	$50,000	$50,000	$50,000	$50,000	$0	0.0%
Jefferson Parish	$50,000	$50,000	$50,000	$50,000	$0	0.0%
St. Tammany Parish	$50,000	$50,000	$50,000	$50,000	$0	0.0%
Washington Parish	$50,000	$50,000	$50,000	$50,000	$0	0.0%
Total Act 1227	**$200,000**	**$200,000**	**$200,000**	**$200,000**	**$0**	0.0%
Huey P. Long Bridge	**$1,404,111**	**$1,301,042**	**$1,647,439**	**$1,599,408**	**($48,031)**	**-2.9%**
Subtotal Interagency	**$1,754,111**	**$1,651,042**	**$1,997,439**	**$1,949,408**	($48,031)	-2.4%
TOTAL OTHER	**$9,182,542**	**$10,840,325**	**$9,042,435**	**$10,945,908**	$1,903,473	**21.1%**

Other Charges:
The GNOEC is requesting $10.9 M for other charges expenditures, a 21.1% increase from FY 26. Other charges expenditures consist of debt service, interagency expenditures, and policing of the Huey P. Long Bridge.

The increase is due to aligning payments with the new debt service schedule resulting from the refinancing of the 2017 bond series.

The GNOEC interagency expenditures are decreasing by 2.4% from FY 26, due to a decrease in operation costs for the Huey P. Long Bridge (see next page). Interagency expenditures include expenses required by Act 875 of the 1988 RS and Act 1227 of the 1995 RS. These acts provide that, before the transfer of surplus funds to the State of Louisiana, funding will be distributed to the following parishes: $50,000 to the parishes of Jefferson, Orleans, St. Charles, St. John the Baptist, St. Tammany, Tangipahoa, and Washington for a total of $350,000.

HUEY P. LONG BRIDGE
Interagency Transfer

	FY 24 Actual	FY 25 Actual	FY 26 Approved	FY 27 Requested	Change From Prior FY	
					$	%
Administrative						
Administrative Salaries	$105,014	$82,933	$112,811	$135,059	$22,248	19.7%
Payroll Taxes	$13,572	$10,482	$14,045	$16,815	$2,770	19.7%
Payroll Benefits	$16,472	$17,261	$21,961	$25,585	$3,624	16.5%
Operations						
Police Patrol	$651,636	$609,507	$711,269	$672,621	($38,648)	-5.4%
Dispatch	$141,172	$126,380	$123,499	$138,748	$15,249	12.3%
Payroll Taxes	$104,470	$95,268	$111,549	$108,635	($2,914)	-2.6%
Payroll Benefits	$118,038	$112,501	$171,950	$200,322	$28,372	16.5%
Unused Vacation and Sick Leave	$32,143	$43,060	$15,000	$15,000	$0	0.0%
Materials, Supplies & Maintenance	$104,686	$86,492	$90,000	$90,000	$0	0.0%
Telephone & Radio	$16,295	$5,053	$20,000	$20,000	$0	0.0%
Insurance	$30,371	$25,579	$35,000	$35,000	$0	0.0%
Maintenance						
Maintenance Personnel	$25,649	$25,275	$28,893	$30,703	$1,810	6.3%
Payroll Taxes	$3,310	$3,196	$3,597	$3,823	$226	6.3%
Payroll Benefits	$6,643	$7,194	$6,865	$7,998	$1,133	16.5%
Capital Acquisitions	**$34,640**	**$50,861**	**$181,000**	**$99,100**	**($81,900)**	-45.2%
Total	**$1,404,111**	**$1,301,042**	**$1,647,439**	**$1,599,408**	**($48,031)**	**-2.9%**

DEBT SERVICE SCHEDULE

	Series 2024 Bond Principal	Series 2024 Bond Interest	Series 2024 Bond Total	Series 2025 Bond Principal	Series 2025 Bond Interest	Series 2025 Bond Total	Combined Total Debt Service
2026	$1,985,000	$1,050,375	$3,035,375	$470,000	$2,467,422	$2,937,422	$5,972,797
2027	$2,085,000	$948,625	$3,033,625	$2,035,000	$3,927,875	$5,962,875	$8,996,500
2028	$2,195,000	$841,625	$3,036,625	$2,140,000	$3,823,500	$5,963,500	$9,000,125
2029	$2,305,000	$729,125	$3,034,125	$2,250,000	$3,713,750	$5,963,750	$8,997,875
2030	$2,430,000	$610,750	$3,040,750	$2,365,000	$3,598,375	$5,963,375	$9,004,125
2031	$2,545,000	$486,375	$3,031,375	$2,485,000	$3,477,125	$5,962,125	$8,993,500
2032	$2,680,000	$355,750	$3,035,750	$2,615,000	$3,349,625	$5,964,625	$9,000,375
2033	$2,815,000	$218,375	$3,033,375	$2,745,000	$3,215,625	$5,960,625	$8,994,000
2034	$2,960,000	$74,000	$3,034,000	$2,890,000	$3,074,750	$5,964,750	$8,998,750
2035				$3,035,000	$2,926,625	$5,961,625	$5,961,625
2036				$3,190,000	$2,771,000	$5,961,000	$5,961,000
2037				$3,355,000	$2,607,375	$5,962,375	$5,962,375
2038				$3,530,000	$2,435,250	$5,965,250	$5,965,250
2039				$3,710,000	$2,254,250	$5,964,250	$5,964,250
2040				$3,900,000	$2,064,000	$5,964,000	$5,964,000
2041				$4,100,000	$1,864,000	$5,964,000	$5,964,000
2042				$4,310,000	$1,653,750	$5,963,750	$5,963,750
2043				$4,530,000	$1,432,750	$5,962,750	$5,962,750
2044				$4,765,000	$1,200,375	$5,965,375	$5,965,375
2045				$5,005,000	$956,125	$5,961,125	$5,961,125
2046				$5,265,000	$699,375	$5,964,375	$5,964,375
2047				$5,535,000	$429,375	$5,964,375	$5,964,375
2048				$5,820,000	$145,500	$5,965,500	$5,965,500

ACQUISITIONS, MAJOR REPAIRS, AND CAPITAL IMPROVEMENTS

	FY 26 Approved	FY 27 Requested	Change From Prior FY	
			$	%
Acquisitions	$725,918	$797,596	$71,678	9.9%
Major Repairs/Capital Improvements (Extraordinary Maintenance and Repair Reserve Fund)	$7,663,504	$5,414,129	($2,249,375)	-29.4%
Total	**$8,389,422**	**$6,211,725**	**($2,177,697)**	**-26.0%**

Acquisitions, Major Repairs, and Capital Improvements:
The GNOEC is requesting $6.2 M for acquisitions, major repairs, and capital improvements expenditures, a 26% decrease from FY 26. Acquisitions are increasing by 9.9% from the prior year, while Major repairs and capital improvements expenditures are budgeted at $5.4 M for FY 27, a decrease of 29.4% under the approved FY 26 budget. These funds are transferred to the Extraordinary Maintenance and Repair Reserve Fund for use in the Commission's Capital Improvement Program (see next section). The GNOEC is required to have all funds available before the start of any capital improvement project. The Commission accumulates any unexpended funds each year in the Extraordinary Maintenance and Repair Reserve Fund to meet its regular capital outlay and maintenance needs.

CAPITAL IMPROVEMENT PROGRAM

The Commission is requesting $23.6 M from the Extraordinary Maintenance and Repair Reserve Fund. These expenditures are not reflected in the operating budget because these funds have been accrued in prior fiscal years.

The fund balance at the start of FY 27 is projected to be $48.5 M and will receive deposits of $5.4 M through the FY 27 budget. The $23.6 M for capital projects in FY 27 will leave a fund balance of $30.3 M for FY 28. A detailed list of projects and expenditures can be found on the next page.

EXTRAORDINARY MAINTENANCE AND RESERVE FUND

	Requested FY 26
Annual Maintenance Items	
Extraordinary Maintenance and Consulting Engineering	$950,000
Annual AASHTO Inspection of GNOEC Facilities & Security Inspection	$700,000
Emergency and Periodic Repairs	$100,000
Preventative Maintenance Electrical/Mechanical Systems	$400,000
Subtotal	**$2,150,000**
Electrical/Mechanical Improvements	
High Voltage Power System - Control System and Surge Protection	$3,000,000
Upgrade 1700 AM Highway Advisory Radio	$15,000
Bascule Lock Bar Operator Rehabilitation	$1,500,000
Bascule Bridge Tender's House Rehabilitation	$750,000
Safety Incident Signs	$191,455
Bridge Improvements	
Channel Marker Platform Rehabilitation	$750,000
Fender and Electrical Repairs (8 Mile South & 16 Mile North Channel)	$500,000
Bridge Sign Replacement	$1,750,000
Replace Pavement Markers and Striping	$937,001
Patching the Bridge Deck of the Lake Pontchartrain Causeway	$800,000
Bearing Pad Replacement Phase 1	$500,000
Road Improvements	
Monroe Street Overpass and Frontage Road Rehabilitation	$2,500,000
Traffic Signal Upgrade (Phase 2)	$1,500,000
Building/Plaza Improvements	
North Toll Plaza Canopy Roof and Lightning Protection	$50,000
Toll Tag Store Software Upgrade	$290,000
Upgrade GNOEC Cyber Security	$125,000
Upgrade Toll System	$1,831,645
Toll Booth Renovations	$25,000
CSC System Upgrade	$4,000,000
Building/Plaza Improvements	$115,000
Lane 5 Extension	$250,000
UHF Repeaters and Antenna	$60,000
Subtotal	**$21,440,101**
Total Annual Items and Capital Improvements	**$23,590,101**

Major Repairs

The budget approved by the Commission on August 12, 2026, includes the major repair projects listed below. The projects approved by the GNOEC for a typical fiscal year are often changed during the year due to changing priorities and other factors, which require projects to be altered or rescheduled (either delayed or accelerated). Total costs for the projects outlined below are $2.15 M.

Extraordinary Maintenance & Consulting Engineering - $950,000

The services provided include monthly and annual reporting, review of driveway and utility permits, inspection of accident site damages, inspection and coordination of repairs to bridge deck and approach roads when necessary, and other engineering services as needed.

Annual AASHTO Inspection of Facilities & Security Inspection - $700,000

This is the annual inspection of the Causeway in accordance with the Federal Highway Administration (FHWA) and the American Association of State Highway & Transportation Officials (AASHTO) guidelines. The GNOEC's Trust Indenture requires that the bridge be inspected annually. In addition, the Consulting Engineers conduct monthly inspections of the underside of the bridge and the navigation lights.

Emergency and Periodic Repair - $100,000

This provides funding for issues that may arise throughout the year. For instance, the lock bar has failed the past two years, and in order to fund the repair, money was taken from other project expenditures.

Preventative Maintenance - $400,000

The services provided under this category are associated with improving switches, technology, and electrical items for bridge improvements.

Capital Improvement Projects

The budget approved by the Commission on August 12, 2026, includes the capital improvement projects listed below. The projects approved by the GNOEC for a typical fiscal year often are changed during the year due to changing priorities and other factors, which require projects to be altered or rescheduled (either delayed or accelerated). Total costs for the projects outlined below are $21.4 M.

High Voltage Power System - $3,000,000

The High Voltage Power System provides power at various distribution points along the 24-mile bridge and has been in service since 2002. The system includes 11 switchgears at the utility source connections and distribution points that allow the system to be automatically reconfigured upon loss of utility power from one of the two sources (CLECO and Entergy). This power system relies on a complex control system that communicates on a fiber optic network system. Because of the "daisy chain" configuration, the loss of a single communication device eliminates all communication to the Supervisory Control and Data Acquisition (SCADA) master station. The proposed upgrades will provide individual communication paths from each of the 11 switchgear control stations to the SCADA master station. In the event of a loss of a single communication device at one of the 11 stations, all other stations will continue to provide data. This allows partial system status to be known until the communication failure can be resolved. The upgrades will also provide additional capabilities for data collection and remote diagnosis of power system issues. The upgrades will improve the reliability of the communications for the power system controls and monitoring.

Upgrade 1700 AM Highway Advisory Radio - $15,000
The GNOEC maintains a Highway Advisory Radio (HAR) system operating on 1700 AM to inform motorists of conditions on the Lake Ponchartrain Causeway Bridge and approaches. The system transmitters are located on the roof of the administration offices on the south shore, Crossover 4, the North Toll Plaza, and near State Police Troop L on US 190 (north approach). Due to the age of the HAR system, replacement parts are difficult to find, and the system has become unreliable. This project will replace components to improve communications with motorists.

Bascule Lockbar Operator Rehabilitation - $1,500,000
The bascule lockbar operator rehabilitation will replace the lockbar receiver collar, lock collars, pin motors, and brake assemblies.

Bascule Bridge Tender's House Rehabilitation - $750,000
The Bridge Tender's House at the North Channel Bascule, constructed in 1968, has not been renovated in over 35 years. The purpose of this project is to rehabilitate the existing upper two levels of the tender's house to provide a more comfortable and secure working environment. Items include but are not limited to the following: remove and replace all existing windows at the operator's level, reconfigure one of the tender's windows into an impact-resistant and operable door to allow direct access to the catwalk outside, paint all interior surfaces, remove and replace all finished flooring with new material, remove and replace all furniture, provide better lighting for nighttime operations, reduce ambient noise by installing acoustical absorbent materials, upgrade existing air conditioning units and ventilation, remove and replace stair tread anti-slip strips, recover existing roof surface with new seamless waterproofing membrane, repair access ladder to roof and install new floor safety railings, and patch and repair any structural damage within the scope of work.

Safety Incident Signs - $191,455
GNOEC operations have identified a need for communicating traffic incident notifications to the general public at smaller distance intervals than crossover locations. Adding 'Incident Ahead' signs at safety bay locations effectively doubles the number of signs for driver communications. Safety bay locations were chosen due to their intermediate locations, and availability of parking spaces for construction and maintenance personnel. Signs will consist of LEDs to display a static message that is viewable at night and can be shut off when not needed.

Channel Marker Platform Rehabilitation - $750,000
Marine channel markers are required on all federal waterways including Lake Pontchartrain. Due to age and exposure to weather and marine elements, channel markers approaching Causeway's north and south channel have deteriorated significantly. Project will identify deteriorate/failing components and equipment and replace/repair as necessary.

8 Mile South Channel & 16 Mile North Channel Fender & Electrical Repairs - $500,000
The existing fender systems at the North and South Channels are over 15 years old and are in need of repair due to age and damage from Hurricane Ida. This project will replace missing and damage walers and associated hardware on the fenders and repair the catwalks and dolphins. The replacement of the platforms on the channel Marker Lights will also be included in this project.

Bridge Sign Replacement - $1,750,000
This project provides for repair and or replacement of the traffic sings and supports on the Lake Pontchartrain Causeway Bridge that were damaged b Hurricane Ida or that require modification due to age. We will conduct test of the retro-reflectivity of the signs to determine if they meet current MUTCD standards. Any signs not meeting current MUTCD standards will be replaced.

Replace Pavement Markers & Striping - $937,001
The existing striping and payment markings on the Lake Pontchartrain Causeway Bridge is badly worn. The project provides for the restriping of the two bridges, replacing both reflective and non-reflective pavement markers and any symbols or legends, etc. This project will remove existing striping, reflectors and delineator buttons. Following the removal, the restriping and replacement reflectors, and buttons will be completed. Construction will be sequenced or phased to cause minimal interruption to the flow of traffic on the Causeway Bridges.

Patching the Bridge Deck of The Lake Pontchartrain Causeway - $800,000
This project consists of patching random spalls and potholes on the bridge decks and repairing spalled areas on the bridge rails of both the northbound and southbound bridges. Repairs will restore the riding surface and damaged concrete to improve safety, protect the bridge structure from further deterioration, and extend the service life of the bridges.

Bearing Pad Replacements Phase 1 - $500,000
This project consists of replacing broken or missing bearing pads and shims beneath the northbound and southbound bridges. The work will restore proper bearing support and alignment, helping to maintain the structural integrity and functionality of the bridges

Monroe Street Overpass and Frontage Road Rehabilitation - $2,500,000
The Monroe Street Overpass and Frontage Road Systems was constructed in the early 1990's and is in need of rehabilitation. Bridge repairs will consist of replacement of expansion joint seals, epoxy repair of cracks in the bent caps and decks, bridge drain restoration, repair of the brick fascia and replacement of the impact attenuators, signage and pavement markings. Frontage Road repairs will include removal and replacement of damaged Portland Cement Concrete pavement, replacement of damaged curb, replacement of damaged guard rail, extension of culvers and cleaning of the drainage system and replacement of the striping and pavement markers. Construction will be sequenced or phased to cause minimal interruption to the flow of traffic. The project limits will extend from the north side of the North Toll Plaza to the south side of Florida Street on the North Causeway Approach Road.

Upgrade Traffic Signals Phase B - $1,500,000
GNOEC owns and maintains 6 intersections with traffic signals. This project is to perform upgrades to these traffic signals that include mass arms, signal heads, controllers and equipment to improve durability and traffic flow.

North Toll Plaza Canopy Roof & Lightning Protection - $50,000
This project will install a membrane roofing system and lightning protection on the roof of the North Toll Plaza Canopy. The work will be scheduled after the variable message sign has been removed and replaced on the truss.

Toll Tag Store Software Upgrade - $290,000
The software was last updated in 2009. The system currently can only work under Internet Explorer 9 and this is not supported anymore. The upgrade will include multiple browser support, compatibility for violation system, and upgrade equipment. This project will end with the new purchase of a CSC System.

Upgrade GNOEC Cyber Security - $125,000
The GNOEC cyber system will be upgraded. With the multiple hacks in government systems, the GNOEC has decided to upgrade our cyber security. The adjustments will be to the firewall, offsite/cloud servers, and additional methods of anti-virus software.

Upgrade Toll System - $1,831,645
In 2012, the GNOEC installed a new toll system. After more than ten years, the current system needs to be updated. This project would upgrade the software, readers, treadles, and other equipment and allow for future interoperability.

Toll Booth Renovations - $25,000
The toll booths have not renovated in over 15 years. The booth needs equipment replacement and repair, AC and heating units, window replacement and tinting, and roof repairs.

Customer Service Center (CSC) System Upgrade - $4,000,000
The GNOEC needs to upgrade the CSC to integrate with the new toll system. With the new CSC system, it will allow GNOEC to process invoice/violation tolling. The CSC System Upgrade will replace the Toll Tag Store Software Upgrade.

Building/Plaza Improvements - $115,000
Improvements will be completed at the North Toll Plaza buildings and the administration office. The offices have not been updated in over 20 years. The upgrades will include replacing floors, repairs to the reception area, replace the cabinets in the lunch room, and update furniture.

Lane 5 Extension - $250,000
This project consists of widening and extending Lane 5 by approximately 120 feet to accommodate merging traffic. The improvements are intended to enhance traffic operations, improve vehicle merging movements, and increase overall roadway safety.

Ultra-High Frequency (UHF) Repeaters and Antenna - $60,000
There are maintenance and operation issues with the current radio antennas. The GNOEC is relocating their radio antennas from offsite to the Toll Plaza and the Bridge. By moving the antennas and repeaters onsite, it will optimize operability of the police and maintenance radios.

In future years, as conditions warrant, the GNOEC intends to replace bearing pads and level the northbound bridge, clean and adjust bearings and level the southbound span, perform structural repairs to the underside of the bridge deck, paint the steel spans, replace or perform maintenance on the radar system, and encapsulate piles. Historically, funds are carried to the next fiscal year as the GNOEC is required by its bond indenture to have all construction funds available before a project can be initiated.

SALARY INFORMATION FOR FILLED POSITIONS AS OF OCTOBER 1, 2026

TITLE/POSITION	DATE OF HIRE	STATUS	FY 26 CURRENT SALARY	FY 27 PROPOSED SALARY	% INCREASE
Administration					
General Manager	9/1/09	FULL	$189,634	$193,426	2.00%
Human Resources Director	6/16/95	FULL	$158,101	$165,113	4.44%
Administrative Assistant II	10/30/17	FULL	$49,171	$51,455	4.64%
Administrative Assistant I	2/24/17	FULL	$40,706	$42,820	5.19%
Human Resources Asst - Vacant		FULL	$48,000	$48,960	2.00%
Computer Sales					
Commuter Sales Supervisor	2/22/06	FULL	$61,693	$64,793	5.03%
North Shore Tag Office	6/25/18	FULL	$39,250	$41,156	4.86%
North Shore Tag Office	3/5/18	FULL	$42,702	$44,820	4.96%
North Shore Tag Office	7/16/08	FULL	$45,614	$47,946	5.11%
North Shore Tag Office	10/9/17	FULL	$38,147	$40,000	4.86%
North Shore Tag Office - Vacant		FULL	$36,712	$37,079	1.00%
Accounting					
Director of Finance	5/28/03	FULL	$124,717	$131,061	5.09%
Accountant	2/18/15	FULL	$68,682	$71,955	4.77%
Toll Analyst	1/26/09	FULL	$57,720	$60,574	4.95%
IT Coordinator	4/20/15	FULL	$57,158	$60,102	5.15%
Accounting Assistant	4/25/23	FULL	$39,333	$41,319	5.05%

TITLE/POSITION	DATE OF HIRE	STATUS	FY 26 CURRENT SALARY	FY 27 PROPOSED SALARY	% INCREASE
Communication - Dispatch and Bascule					
Dispatcher	8/31/05	FULL	$58,698	$61,668	5.06%
Dispatcher	3/3/08	FULL	$54,538	$57,297	5.06%
Dispatcher	9/4/18	FULL	$46,301	$48,644	5.06%
Dispatcher	12/22/25	FULL	$41,142	$43,224	5.06%
Dispatcher	11/3/25	FULL	$41,142	$43,224	5.06%
Dispatcher	8/17/26	FULL	$41,142	$41,554	1.00%
Dispatcher - HPL	6/24/24	FULL	$41,829	$43,945	5.06%
Dispatcher - HPL	3/23/15	FULL	$49,691	$52,153	4.95%
Records Assistant	2/26/25	FULL	$36,400	$38,242	5.06%
TAC Officer	4/23/01	FULL	$68,806	$72,288	5.06%
Operator Team Leader	8/16/12	FULL	$48,381	$50,940	5.29%
Operator	8/2/21	FULL	$39,146	$41,216	5.29%
Operator	10/17/22	FULL	$38,542	$40,581	5.29%
Operator	8/5/24	FULL	$37,315	$39,289	5.29%

TITLE/POSITION	DATE OF HIRE	STATUS	FY 26 CURRENT SALARY	FY 27 PROPOSED SALARY	% INCREASE
Causeway Bridge Police					
Commander	1/16/05	FULL	$118,581	$124,802	5.25%
Captain	3/15/99	FULL	$110,261	$115,840	5.06%
Lieutenant	11/3/09	FULL	$87,547	$91,977	5.06%
Sergeant	7/28/98	FULL	$102,190	$107,361	5.06%
Sergeant	1/2/14	FULL	$69,618	$73,140	5.06%
Sergeant	11/6/18	FULL	$66,456	$69,819	5.06%
Sergeant	5/7/18	FULL	$64,355	$67,612	5.06%
Corporal	1/30/23	FULL	$60,611	$63,678	5.06%
Corporal	6/16/16	FULL	$57,554	$60,466	5.06%
Corporal	6/6/22	FULL	$56,534	$59,395	5.06%
Corporal	10/16/23	FULL	$55,349	$58,149	5.06%
Officer	10/7/24	FULL	$51,854	$54,478	5.06%
Officer	1/6/25	FULL	$51,854	$54,478	5.06%
Officer	1/3/25	FULL	$51,854	$54,478	5.06%
Officer	3/17/25	FULL	$51,854	$54,478	5.06%
Officer	8/18/25	FULL	$51,334	$53,932	5.06%
Officer	12/15/25	FULL	$50,419	$52,970	5.06%
Officer	4/6/26	FULL	$49,379	$51,878	5.06%
Officer	7/22/26	FULL	$49,379	$51,374	4.04%
Officer	6/15/26	FULL	$49,379	$50,870	3.02%
Officer	12/1/25	FULL	$49,379	$51,878	5.06%
Officer	10/20/25	FULL	$49,379	$51,878	5.06%
Officer -Vacant		FULL	$49,379	$49,873	1.00%
Officer -Vacant		FULL	$49,379	$49,873	1.00%
Huey P. Long Bridge Police					
Sergeant	3/22/99	FULL	$97,864	$102,816	5.06%
Corporal	3/12/07	FULL	$62,941	$66,126	5.06%
Officer	11/5/14	FULL	$61,090	$64,181	5.06%
Officer	4/21/25	FULL	$53,518	$56,226	5.06%
Officer - Vacant		FULL	$49,379	$49,873	1.00%
Officer - Vacant		FULL	$49,379	$49,873	1.00%

TITLE/POSITION	DATE OF HIRE	STATUS	FY 26 CURRENT SALARY	FY 27 PROPOSED SALARY	% INCREASE
Toll Collectors - North Shore					
N.S. Toll Captain	1/30/96	FULL	$69,160	$73,043	5.61%
Trainer	3/21/16	FULL	$45,427	$48,836	7.50%
Toll Collector	1/30/24	FULL	$37,315	$39,462	5.75%
Toll Collector	1/8/18	FULL	$36,712	$37,446	2.00%
Toll Collector	1/11/23	FULL	$37,939	$40,098	5.69%
Toll Collector	2/5/24	FULL	$36,712	$38,846	5.81%
Toll Collector	3/18/24	FULL	$37,315	$39,462	5.75%
Toll Collector	11/3/15	FULL	$42,827	$45,084	5.27%
Toll Collector	1/6/26	FULL	$36,712	$38,846	5.81%
Toll Collector	12/19/16	FULL	$42,203	$44,447	5.32%
Toll Collector	7/8/08	FULL	$47,112	$49,454	4.97%
Toll Collector	7/6/26	FULL	$36,712	$37,821	3.02%
Toll Collector	5/22/17	FULL	$41,600	$43,832	5.37%
Toll Collector	7/6/26	FULL	$36,712	$37,079	1.00%
Toll Collector	5/17/26	PART	$27,534	$28,085	2.00%
Toll Collector - Vacant		FULL	$36,712	$37,079	1.00%
Toll Collector - Vacant		ROVER	$25,593	$25,848	1.00%

TITLE/POSITION	DATE OF HIRE	STATUS	FY 26 CURRENT SALARY	FY 27 PROPOSED SALARY	% INCREASE
Maintenance					
Bridge/Operation Director	11/2/95	FULL	$117,686	$123,890	5.27%
Maintenance Supervisor	8/2/04	FULL	$63,294	$67,060	5.95%
Electrical Leaderman	10/8/18	FULL	$54,163	$57,746	6.62%
Electrical Maintenance	3/23/26	FULL	$45,760	$48,305	5.56%
S.S. Maintenance Supervisor	2/23/09	FULL	$59,717	$62,911	5.35%
Grounds Leaderman	2/27/23	FULL	$50,003	$53,503	7.00%
Grounds Maintenance	2/12/23	FULL	$37,253	$38,498	3.34%
Grounds Maintenance	12/18/25	FULL	$32,282	$34,127	5.72%
Grounds Maintenance	10/1/02	FULL	$50,419	$53,028	5.17%
Grounds Maintenance	5/5/25	FULL	$32,760	$34,288	4.66%
Grounds Maintenance	6/16/26	FULL	$32,282	$32,604	1.00%
Grounds Maintenance - Vacant		FULL	$32,282	$32,604	1.00%
Grounds Maintenance - Vacant		FULL	$32,282	$32,604	1.00%
Grounds Maint/Electrical - Vacant		FULL	$43,680	$44,117	1.00%
Motorists Assistance Patrol					
MAP Leader	6/5/17	FULL	$52,686	$56,240	6.75%
Operator	4/6/26	FULL	$41,142	$43,465	5.65%
Operator	6/19/17	FULL	$49,878	$52,376	5.01%
Operator	6/10/24	FULL	$41,829	$44,165	5.59%
Operator	2/13/23	FULL	$44,886	$47,284	5.34%
Operator	9/8/20	FULL	$44,886	$47,284	5.34%
Operator - Vacant		FULL	$36,712	$37,079	1.00%
Operator - Vacant		FULL	$36,712	$37,079	1.00%
Vehicle Maintenance					
Leaderman	2/21/11	FULL	$56,181	$59,804	6.45%
Mechanic	11/13/00	FULL	$61,714	$64,598	4.67%
Mechanic	5/24/21	FULL	$43,888	$46,416	5.76%

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
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September 15, 2026

The Honorable Jack McFarland, Chairman
Joint Legislative Committee on the Budget
State of Louisiana
P.O. Box 44294
Baton Rouge, LA 70804

Dear Representative McFarland:

At its regular meeting held on August 12, 2026, the Greater New Orleans Expressway Commission approved its Proposed Budget for fiscal year November 1, 2026 – October 31, 2027. A copy of the budget has been forwarded to Fiscal Analyst John McKay of the Legislative Fiscal Office for submission to the Joint Legislative Committee on the Budget.

We respectfully request being placed on the agenda of the Joint Legislative Committee on the Budget for its meeting scheduled to be held on Thursday, October 15, 2026.

If you have any questions or would like to discuss our budget prior to the Committee meeting, please do not hesitate to call me at (504) 835-3118.

Thank you for your consideration.

Very truly yours,

Carlton Dufrechou
General Manager
Greater New Orleans Expressway Commission

CD/mmp

cc: John McKay, Fiscal Analyst
Jaymi Foster, Administrative Specialist
Brittany Lea, Executive Assistant
GNOEC Commission Members

Greater New Orleans Expressway Commission Budget for Fiscal Year 2027



GREATER NEW ORLEANS EXPRESSWAY COMMISSION
BUDGET SUMMARY

Approved by Commission on 8-12-26

		(1) ACTUAL 2023-2024	(2) ACTUAL 2024-2025	(3) APPROVED BUDGET 2025-2026	(4) UPDATED PROJECTED YEAR END 2025-2026	(5) BUDGETED 2026-2027	% CHANGE -4- to -3- 2026 UPDATED VS 2026 APPROVED	% CHANGE -5- to -3- 2027 BUDGETED VS 2026 APPROVED
MEANS OF FINANCE								
Tolls		25,552,605	25,811,687	24,818,000	25,312,000	25,185,000	2.0%	1.5%
Hwy Fund No. 2		6,843,567	6,797,405	6,600,000	7,147,888	6,750,000	8.3%	2.3%
Interest Income		117,023	105,912	50,000	98,305	95,000	96.6%	90.0%
Other Revenue		215,028	182,993	95,000	92,853	85,000	-2.3%	-10.5%
TOTAL MEANS OF FINANCE		**32,728,223**	**32,897,997**	**31,563,000**	**32,651,046**	**32,115,000**	**3.4%**	**1.7%**
EXPENDITURES								
Salaries								
Salaries Continuing	Pg.2	4,201,907	5,176,408	5,543,488	5,577,583	5,973,444	0.6%	7.8%
Other Compensation		33,579	34,217	34,180	34,180	34,180	0.0%	0.0%
Related Benefits	Pg.2	1,574,971	2,313,415	2,603,275	2,257,778	2,948,443	-13.3%	13.3%
Total Salaries & Benefits	Pg.2	**5,810,457**	**7,524,040**	**8,180,943**	**7,869,541**	**8,956,067**	**-3.8%**	**9.5%**
Operating Services								
Operating Services	Pg.3	5,363,519	6,541,422	4,340,250	4,701,016	4,322,500	8.3%	-0.4%
Office, Operating & Maintenance	Pg.4	1,498,129	1,676,418	1,396,950	1,289,438	1,440,800	-7.7%	3.1%
Total Operating Expenses		**6,861,648**	**8,217,840**	**5,737,200**	**5,990,454**	**5,763,300**	**4.4%**	**0.5%**
Professional Services	Pg.5	197,471	267,816	213,000	199,088	238,000	-6.5%	11.7%
Other Charges								
Debt Service		7,428,431	9,189,283	7,044,996	5,972,797	8,996,500	-15.2%	27.7%
State Surplus-I.A.T.	Pg.7	1,754,111	1,651,042	1,997,439	1,788,914	1,949,408	-10.4%	-2.4%
Total Other Charges		**9,182,542**	**10,840,325**	**9,042,435**	**7,761,710**	**10,945,908**	**-14.2%**	**21.1%**
Acquisitions & Repairs								
Acquisitions		479,475	943,261	725,918	807,628	797,596	11.3%	9.9%
Major Repairs & Capital Improvements/Construction Fund	Pg.6	10,196,631	5,104,716	7,663,504	10,022,625	5,414,129	30.8%	-29.4%
Total Acq. & Major Repairs		**10,676,106**	**6,047,977**	**8,389,422**	**10,830,253**	**6,211,725**	**29.1%**	**-26.0%**
TOTAL EXPENDITURES		**32,728,223**	**32,897,997**	**31,563,000**	**32,651,046**	**32,115,000**	**3.4%**	**1.7%**

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
PERSONNEL SALARIES

Approved by Commission on 8-12-26

	FTE	(1) ACTUAL 2023-2024	FTE	(2) ACTUAL 2024-2025	FTE	(3) APPROVED BUDGET 2025-2026	FTE	(4) UPDATED PROJECTED YEAR END 2025-2026	FTE	(5) BUDGETED 2026-2027	% CHANGE -4- to -3- 2026 UPDATED VS 2026 APPROVED	% CHANGE -5- to -3- 2027 BUDGETED VS 2026 APPROVED
ADMINISTRATIVE												
General Manager	1.0	156,541	1.0	167,257	1.0	167,257	1.0	189,634	1.0	193,419	13.4%	15.6%
Administration	3.0	199,974	3.0	249,137	4.0	256,624	4.0	234,335	4.0	312,196	-8.7%	21.7%
Accounting	5.0	304,183	5.0	240,160	5.0	322,660	5.0	369,645	5.0	371,245	14.6%	15.1%
Commuter Sales	4.0	186,223	4.0	196,025	5.0	233,457	5.0	225,893	5.0	250,535	-3.2%	7.3%
Less: Adm. HPL	(1.0)	(105,014)	(1.0)	(82,933)	(1.0)	(112,811)	(1.0)	(117,005)	(1.0)	(135,059)	3.7%	19.7%
TOTAL ADMINISTRATIVE	**12.0**	**741,907**	**12.0**	**769,646**	**14.0**	**867,187**	**14.0**	**902,501**	**14.0**	**992,337**	**4.1%**	**14.4%**
NON ADMINISTRATIVE												
Toll Collectors	16.0	779,821	16.0	796,664	16.0	755,739	16.0	900,386	16.0	890,146	19.1%	17.8%
Maintenance	25.0	1,154,630	25.0	1,191,005	25.0	1,341,361	25.0	1,379,335	25.0	1,410,899	2.8%	5.2%
Bascule Operators	5.0	203,829	5.0	189,053	5.0	209,533	5.0	213,087	4.0	252,863	1.7%	20.7%
Communications	12.0	459,597	12.0	633,079	10.0	626,345	10.0	723,582	10.0	679,992	15.5%	8.6%
Police	32.0	1,680,579	32.0	2,358,124	32.0	2,606,985	32.0	2,237,392	32.0	2,589,281	-14.2%	-0.7%
Less: Non Adm. HPL	(13.0)	(818,457)	(13.0)	(761,162)	(11.0)	(863,661)	(11.0)	(778,700)	(11.0)	(842,072)	-9.8%	-2.5%
TOTAL NON ADMIN.	77.0	3,460,000	77.0	4,406,762	77.0	4,676,302	77.0	4,675,082	76.0	4,981,108	0.0%	6.5%
TOTAL SALARIES	**89.0**	**4,201,907**	**89.0**	**5,176,408**	**91.0**	**5,543,488**	**91.0**	**5,577,583**	**90.0**	**5,973,444**	**0.6%**	**7.8%**
RELATED BENEFITS												
Parochial & Payroll Taxes		751,046		955,504		841,503		834,337		896,470	-0.9%	6.5%
Group Insurance		930,860		1,467,430		1,885,107		1,473,179		2,196,150	-21.9%	16.5%
Retirees Group Benefits		85,258		75,638		122,632		128,946		135,000	5.1%	10.1%
		1,016,118		1,543,067		2,007,739		1,602,125		2,331,150	-20.2%	16.1%
Governmental Def. Comp 457 Plan		70,312		60,745		84,000		61,816		84,000	-26.4%	0.0%
Less: HPL Related Benefits		(262,505)		(245,902)		(329,967)		(240,500)		(363,177)	-27.1%	10.1%
TOTAL RELATED BENEFITS		**1,574,971**		**2,313,415**		**2,603,275**		**2,257,778**		**2,948,443**	**-13.3%**	**13.3%**

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
OPERATING SERVICES

Approved by Commission on 8-12-26

	(1) ACTUAL 2023-2024	(2) ACTUAL 2024-2025	(3) APPROVED BUDGET 2025-2026	(4) UPDATED PROJECTED YEAR END 2025-2026	(5) BUDGETED 2026-2027	% CHANGE -4- to -3- 2026 UPDATED VS 2026 APPROVED	% CHANGE -5- to -3- 2027 BUDGETED VS 2026 APPROVED
Bank & Visa Charges on Toll Deposits	497,483	544,836	460,000	454,000	460,000	-1.3%	0.0%
Bank Trustee Fees	7,494	12,716	8,500	8,500	7,000	0.0%	-17.6%
Dues & Subscriptions	10,915	8,369	12,000	9,684	12,000	-19.3%	0.0%
Insurance	4,141,079	5,235,843	3,400,000	3,793,860	3,400,000	11.6%	0.0%
Motorist Safety Campaign	1,178	546	2,500	95	1,500	-96.2%	-40.0%
Publication of Notices & Minutes	1,026	3,898	1,250	1,282	1,000	2.6%	-20.0%
Telephone and Radio	413,219	388,805	200,000	177,410	175,000	-11.3%	-12.5%
Travel	0	0	1,000	0	1,000	-100.0%	0.0%
Unused Vacation & Sick Leave	96,101	134,635	75,000	69,905	75,000	-6.8%	0.0%
Utilities	195,024	211,774	180,000	186,280	190,000	3.49%	5.56%
Total Operating Services	**5,363,519**	**6,541,422**	**4,340,250**	**4,701,016**	**4,322,500**	**8.3%**	**-0.4%**

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
OFFICE, OPERATING AND MAINTENANCE

Approved by Commission on 8-12-26

	(1) ACTUAL 2023-2024	(2) ACTUAL 2024-2025	(3) APPROVED BUDGET 2025-2026	(4) UPDATED PROJECTED YEAR END 2025-2026	(5) BUDGETED 2026-2027	% CHANGE -4- to -3- 2026 UPDATED VS 2026 APPROVED	% CHANGE -5- to -3- 2027 BUDGETED VS 2026 APPROVED
Office Expenses & Supplies	237,193	274,404	235,900	264,578	251,900	12.2%	6.8%
Operating Expenses & Supplies	719,931	928,943	719,100	610,656	741,150	-15.1%	3.1%
Repair & Maintenance/Supplies	541,005	473,071	441,950	414,204	447,750	-6.3%	1.3%
Total Office, Operating & Maintenance	**1,498,129**	**1,676,418**	**1,396,950**	**1,289,438**	**1,440,800**	**-7.7%**	**3.1%**

Office Expenses & Supplies

Included in this general ledger account are the costs related to leased office space, disposal services, postage, exterminating services, office machine repairs and maintenance contracts, and other general administrative office supplies.

Operating Expenses & Supplies

Included in this general ledger account are the costs associated with vehicle and truck repairs and their routine preventive maintenance. All gasoline, oil, auto parts, tires, lubricants, diesel fuel and any other similar costs are in this account. All police vehicle equipment and accessories, related maintenance, police uniforms and protective equipment and expenditures for police car retrofitting are included in this account.

Repair & Maintenance/Supplies

Included in this general ledger account are the costs for the general maintenance and supplies needed on the bridge, computer & electronic repairs on all bridge equipment, toll tags, toll system software maintenance, plumbing and janitorial supplies for the entire operation, air conditioning contracts and other miscellaneous items dealing with operations maintenance.

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
PROFESSIONAL SERVICES

Approved by Commission on 8-12-26

	(1) ACTUAL 2023-2024	(2) ACTUAL 2024-2025	(3) APPROVED BUDGET 2025-2026	(4) UPDATED PROJECTED YEAR END 2025-2026	(5) BUDGETED 2026-2027	% CHANGE -4- to -3- 2026 UPDATED VS 2026 APPROVED	% CHANGE -5- to -3- 2027 BUDGETED VS 2026 APPROVED
Accounting & Finance							
Bond Indenture Req'd Services							
Independent Audit	17,500	21,390	16,200	16,200	16,200	0.0%	0.0%
Accounting Services	27,223	45,450	28,800	26,718	28,800	-7.2%	0.0%
Total Accounting & Finance	**44,723**	**66,840**	**45,000**	**42,918**	**45,000**	**-4.6%**	**0.0%**
Engineering - Meetings & Annual Report							
Engineering Traffic Consultant	23,087	25,875	23,000	25,000	25,000	8.7%	8.7%
Legal Representation							
General Counsels	115,095	156,527	130,000	116,294	150,000	-10.5%	15.4%
Other Professional Services							
Investment Consultant	14,566	18,574	15,000	14,876	18,000	-0.8%	20.0%
Total Professional Services	**197,471**	**267,816**	**213,000**	**199,088**	**238,000**	**-6.5%**	**11.7%**

EXTRAORDINARY MAINTENANCE AND REPAIR RESERVE FUND

Approved by Commission on 8-12-26

	FISCAL YEAR	2023 - 2024	2024 - 2025	PROJECTED 2025 - 2026	BUDGETED 2026 - 2027
	ANNUAL ITEMS				
	EXTRAORDINARY MAINTENANCE & CONSULTING ENGINEERING	562,666	562,666	788,893	950,000
	ANNUAL AASHTO INSPECTION OF GNOEC FACILITIES & SECURITY INSPECTION	166,735	166,735	595,648	700,000
	EMERGENCY AND PERIODIC REPAIRS	0	0	0	100,000
	PREVENTATIVE MAINTENANCE ELECTRICAL/MECHANICAL SYSTEMS	269,240	269,240	224,179	400,000
	SUBTOTAL ANNUAL ITEMS	**998,641**	**998,641**	**1,608,720**	**2,150,000**
	CURRENT AND PROPOSED MAINTENANCE AND REPAIR PROJECTS				
	ELECTRICAL / MECHANICALIMPROVEMENTS				
208	HIGH VOLTAGE POWER SYSTEM - CONTROL SYSTEM AND SURGE PROTECTION	0	34,043	170,890	3,000,000
209	UPGRADE 1700 AM HIGHWAY ADVISORY RADIO	0	0	0	15,000
210	BASCULE LOCK BAR OPERATOR REHABILITATION	0	0	0	1,500,000
211	BASCULE EMERGENCY GENERATOR REPLACEMENT	465,698	84,130	0	0
212	BASCULE BRIDGE TENDERS HOUSE REHABILITATION	5,698	14,874	0	750,000
213	NORTH BASCULE ROADWAY LIGHTING & GATE REPLACEMENT	103,560	121,902	1,880,000	0
214	SAFETY INCIDENT SIGNS	0	0	264,977	191,455
215	ELECTRICAL & MOBILE GENERATOR	18,159	252,091	124,718	0
	BRIDGE IMPROVEMENTS				
433	SOUTHBOUND BRIDGE RAIL IMPROVEMENTS	159,339	295,749	3,992,539	0
435	CHANNEL MARKER PLATFORM REHABILITATION	25,156	0	0	750,000
436	8 MILE SOUTH CHANNEL & 16 MILE NORTH CHANNEL FENDER & ELECTRICAL REPAIRS	44,576	233,740	2,964,634	500,000
437	BRIDGE SIGN REPLACEMENT	72,844	25,156	10,063	1,750,000
438	CABLE TRAY REPAIRS	237,709	3,349,192	1,069,300	0
439	REPLACE PAVEMENT MARKERS & STRIPING	0	0	3,000,055	937,001
440	PATCHING THE BRIDGE DECK OF THE LAKE PONTCHARTRAIN CAUSEWAY	0	0	0	800,000
1102	BEARING PAD REPLACEMENTS PHASE I	0	0	0	500,000
	ROAD IMPROVEMENTS				
636	MONROE STREET OVERPASS AND FRONTAGE ROAD REHABILITATION	0	0	0	2,500,000
637	NORTH APPROACH OVERLAY	1,875,016	677,771	0	0
638	OVERLAY WEST CAUSEWAY RD @ CHINCHUBA	429,472	0	0	0
639	EROSION REPAIRS AT NORTH TOLL PLAZA	937,923	44,227	0	0
640A	UPGRADE TRAFFIC SIGNALS PHASE 1	0	127,002	392,620	0
640B	UPGRADE TRAFFIC SIGNALS PHASE 2	0	0	0	1,500,000
641	TPN EMERGENCY TURN AROUND	0	0	87,910	0
	BUILDING / PLAZA IMPROVEMENTS				
820	NORTH TOLL PLAZA CANOPY ROOF AND LIGHTNING PROTECTION	0	0	0	50,000
825	TOLL TAG STORE SOFTWARE UPGRADE	574,314	573,000	576,800	290,000
828	UPGRADE GNOEC CYBER SECURITY	101,075	144,553	80,146	125,000
829	UPGRADE TOLL SYSTEM	720	38,859	307,568	1,831,645
830	TOLL BOOTH RENOVATIONS	908	0	35,000	25,000
831	FIBER INSTALL FOR EQUIPMENT ROOM & TOLL BOOTHS	0	0	68,236	0
832	CSC SYSTEM UPGRADE	0	0	28,000	4,000,000
833	UPGRADE POLICE RADIOS & AXS COMMAND CENTER CONSOLES	0	0	500,000	0
834	BUILDING / PLAZA IMPROVEMENTS	0	0	15,365	115,000
	LANE 5 EXTENSION	0	0	0	250,000
	UHF REPEATERS AND ANTENNA	0	0	50,000	60,000
	FUNDS ENCUMBERED - BEGINNING BALANCE	53,428,614	57,574,437	55,664,222	48,459,306
	PROJECT EXPENDITURES	**(6,050,808)**	**(7,014,930)**	**(17,227,541)**	**(23,590,101)**
	PROJECT FUNDING	10,196,631	5,104,716	10,022,625	5,414,129
	FUNDS ENCUMBERED - ENDING BALANCE	$57,574,437	$55,664,222	$48,459,306	$30,283,333

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
TRANSFERS AND H.P.L. EXPENSES

Approved by Commission on 8-12-26

	(1) ACTUAL 2023-2024	(2) ACTUAL 2024-2025	(3) APPROVED BUDGET 2025-2026	(4) UPDATED PROJECTED YEAR END 2025-2026	(5) BUDGETED 2026-2027	% CHANGE -4- to -3- 2026 UPDATED VS 2026 APPROVED	% CHANGE -5- to -3- 2027 BUDGETED VS 2026 APPROVED
Tri-Parish St. Charles, St. John & Tangipahoa Parishes	150,000	150,000	150,000	150,000	150,000	0.0%	0.0%
Additional Parishes Orleans, Jefferson St. Tammany & Washington	200,000	200,000	200,000	200,000	200,000	0.0%	0.0%
Huey P. Long Bridge	1,404,111	1,301,042	1,647,439	1,438,914	1,599,408	-12.7%	-2.9%
State of Louisiana	0	0	0	0	0	0.0%	0.0%
Total State Surplus Expenditures	**1,754,111**	**1,651,042**	**1,997,439**	**1,788,914**	**1,949,408**	**-10.4%**	**-2.4%**
HUEY P. LONG BRIDGE							
OPERATIONS							
Police Patrol	651,636	609,507	711,269	577,387	672,621	-18.8%	-5.4%
Dispatch	141,172	126,380	123,499	159,461	138,748	29.1%	12.3%
Payroll Taxes	104,470	95,268	111,549	84,096	108,635	-24.6%	-2.6%
Payroll Benefits	118,038	112,501	171,950	114,251	200,322	-33.6%	16.5%
Unused Sick & Vacation Leave	32,143	43,060	15,000	11,105	15,000	-26.0%	0.0%
Materials, Supplies & Maintenance	104,686	86,492	90,000	93,984	90,000	4.4%	0.0%
Telephone & Radio	16,295	5,053	20,000	3,876	20,000	-80.6%	0.0%
Insurance	30,371	25,579	35,000	26,054	35,000	-25.6%	0.0%
MAINTENANCE							
Salaries	25,649	25,275	28,893	41,853	30,703	44.9%	6.3%
Payroll Taxes	3,310	3,196	3,597	4,604	3,823	28.0%	6.3%
Payroll Benefits	6,643	7,194	6,865	6,554	7,998	-4.5%	16.5%
ADMINISTRATIVE							
Salaries	105,014	82,933	112,811	117,005	135,059	3.7%	19.7%
Payroll Taxes	13,572	10,482	14,045	12,871	16,815	-8.4%	19.7%
Payroll Benefits	16,472	17,261	21,961	18,124	25,585	-17.5%	16.5%
Capital Acquisitions	34,640	50,861	181,000	167,689	99,100	-7.4%	-45.2%
	1,404,111	**1,301,042**	**1,647,439**	**1,438,914**	**1,599,408**	**-12.7%**	**-2.9%**

Approved by Commission on 8-12-26

GREATER NEW ORLEANS EXPRESSWAY COMMISSION
NET REVENUE REQUIREMENTS
YEARS ENDED OCTOBER 31, 2026, 2027, AND 2028

	UPDATED FORECAST Y/E 10/31/26	BUDGET Y/E 10/31/27	FORECAST Y/E 10/31/28
NET REVENUES			
Tolls (per latest data)	25,312,000	25,185,000	25,236,850
Vehicular License Tax	7,147,888	6,750,000	6,850,000
Interest Income	98,305	95,000	100,000
Other Revenue	92,853	85,000	95,000
	32,651,046	32,115,000	32,281,850
Current Expenses Budgeted	15,330,308	16,457,675	16,704,540
NET REVENUES	17,320,738	15,657,325	15,577,310
NET REVENUE REQUIREMENT			
Add the greater of I and II or I and III			
I. Deficiencies in the Debt Service Fund and the Debt Service Reserve Fund	0	0	0
IIa. Debt Service & EMRR Aggregate Debt Service	5,972,797	8,996,500	9,000,125
- and -			
IIb. Extraordinary Maintenance and Repair Reserve Requirement	10,022,625	5,414,129	5,684,835
	15,995,421	14,410,629	14,684,960
III. Debt Service Multiple			
Debt Service	5,972,797	8,996,500	9,000,125
x 1.2	x 1.2	x 1.2	x 1.2
	7,167,356	10,795,800	10,800,150
THE LARGER OF I AND II OR I AND III EQUALS: NET REVENUE REQUIREMENT	15,995,421	14,410,629	14,684,960
NET REVENUES IN EXCESS OF REQUIREMENT	1,325,317	1,246,696	892,349

Section 6.15 Toll Covenant (c) The Commission shall complete a review of its Financial Condition for the purpose of estimating whether Net Revenues for the immediately succeeding Fiscal Year and for the next following Fiscal Year will be sufficient to comply with subsection(b).

Section 6.15(b) The commission.... shall be required in order that in each Fiscal Year Net Revenues shall at least equal the Net Revenue Requirement for such Fiscal Year....

Net Revenue Requirement is equivalent to the calculation as stated above.

Agenda Item No. 7

Review and approval of contract extensions between the Louisiana Department of Health and the following entities, in accordance with the provisions of R.S. 39:1615(J):

A. Atena Better Health of Louisiana, Inc.

B. AmeriHealth Caritas Louisiana, Inc.

C. Humana Health Benefit Plan of Louisiana, Inc. d/b/a Humana Health

D. Louisiana Healthcare Connections, Inc.

LOUISIANA DEPARTMENT OF HEALTH

Louisiana Medicaid Managed Care: Strengthening Access, Accountability & Sustainability

JLCB Legislative Fact Sheet

Overview

The Louisiana Department of Health (LDH) is requesting approval to exercise the final optional year (1/1/2027 through 12/31/2027) of its five-year contract with the following Healthy Louisiana managed care organizations (MCO):

1. Aetna Better Health of Louisiana
2. AmeriHealth Caritas Louisiana
3. Humana Healthy Horizons in Louisiana
4. Louisiana Healthcare Connections

Approval will utilize the second optional year of the five-year period built into the existing MCO contracts; the Department is currently in year four.

Background

Managed care is the primary healthcare delivery system for Louisiana Medicaid, supporting access to primary and preventive care, behavioral health services, and coordinated care. Through its managed care organizations (MCO), LDH has advanced initiatives focused on maternal health, opioid response, chronic disease management, and improved member engagement and outcomes.

Current MCO Contract Milestones

2019–2022 | Competitive Procurement
LDH conducted a competitive procurement for new managed care contracts. Six MCOs were awarded contracts effective January 1, 2023, establishing the current procurement cycle.

2025 | Preparing for the Next Generation
LDH began planning for the next generation of managed care, with an increased focus on value, transparency, accountability, and measurable improvements in health outcomes. This commitment is anchored by the launch of the annual Quality & Value Convention (QVC). Since the inception of the inaugural QVC in 2025, LDH has gone from over $100 million in Medicaid spending tied to quality-based outcomes to over $1 billion in spending tied to quality-based outcomes.

2026 | Strengthening the Managed Care Model
LDH is operating under amended MCO contracts designed to strengthen program performance and establish clearer expectations. Key areas of focus include:

- Withholding up to 3% of plan payments unless clinical outcomes for members improve
- Enhanced care coordination and member engagement
- Stronger behavioral health integration, parity, and oversight
- Greater focus on population health and chronic disease management
- Improved provider relations and administrative clarity

- Modernized clinical and case management standards
- Increased transparency, accountability, and continuous quality improvement

Navigating MCO Transition

UnitedHealthcare

The transition of UnitedHealthcare out of Louisiana Medicaid on **March 31, 2026**, required the coordinated transition of more than **278,000 Medicaid members** to the state's five remaining managed care organizations.

Through coordination among LDH, UnitedHealthcare, and the five remaining MCOs, Louisiana successfully:

- Implemented a special enrollment period to provide members with plan choice.
- Established continuity-of-care protections to minimize disruptions in treatment, medications, and provider relationships.
- Conducted targeted member and provider outreach to support a smooth transition.

Healthy Blue

Healthy Blue will transition out of Louisiana Medicaid effective **December 31, 2026**, affecting more than **292,000 members** enrolled as of August 2026.

Building on lessons learned from the UnitedHealthcare transition, LDH is using established processes to support a smooth transition and minimize disruption.

- **Special Enrollment Period:** October 15–November 16, 2026, for members to select a new MCO with an effective date of January 1, 2027.
- **Member Assignment:** Members who do not select a plan will be assigned to one of the four remaining MCOs. The assignment algorithm will be based on the following:
    - Keeping families on the same plan
    - Keeping members with plans that have their doctors in-network
    - When all else is equal, preferential assignment will be given to plans with the top quality performance
- **Continuity of Care:** LDH will prioritize continued access to providers, treatment, medications, and other needed services.

LDH's priority throughout the transition is to maintain continuity of care and minimize disruption for members and providers.

Fiscal Responsibility

As health care costs continue to rise, maintaining fiscal responsibility while preserving access to high-quality care remains a key priority for Louisiana Medicaid. The historical trend in managed care expenditure reflects the growing cost of delivering services and underscores the importance of strong financial oversight and sustainable managed care strategies.

Current Managed Care Contract Values					
Managed Care Organization	Current Contract Value from 1/1/23 to 12/31/26	Amended Contract Value through 12/31/27 (year 5)	Assumed Contract Value Attributable to Calendar Year (CY) 2026	Contract Value Attributable to Calendar Year (CY) 2027	Percent Change (from assumed CY26 to assumed CY27)
Aetna Better Health	$7,152,676,490	$10,854,839,859	$2,593,743,995	$3,702,163,369	42.73%
AmeriHealth Caritas	$8,052,997,139	$11,457,684,927	$2,308,692,331	$3,404,687,788	47.47%
Healthy Blue	$12,347,810,766	$12,347,810,766	$3,849,422,228	$0	-100.00%
Humana Health Horizons	$5,432,419,374	$8,597,236,013	$1,918,503,955	$3,164,816,639	64.96%
Louisiana Healthcare Connections	$16,357,359,362	$22,163,884,650	$4,752,183,341	$5,806,525,288	22.19%
United Healthcare	$12,123,869,325	$12,123,869,325	$1,286,084,597	$0	-100.00%
Total	$61,467,132,456	$77,545,325,540	**$16,708,630,447**	**$16,078,193,084**	**-3.77%**

Louisiana's managed care model supports greater budget predictability and fiscal accountability through fixed per-member-per-month payments to MCOs. By transferring financial risk to the MCOs, the model also creates incentives to manage costs, improve care delivery, and achieve better health outcomes.

Managed Care Impact

Exercising the fifth-year contract option maintains continuity and stability for more than **1.3 million Medicaid members** providing LDH the necessary time to plan for the next procurement. LDH is using this period to evaluate current program performance, engage stakeholders, and identify opportunities to strengthen accountability, advance quality outcomes, improve the member and provider experience, and support long-term program sustainability. This approach provides a path forward to managing care while maintaining stability for members, providers, and the state.

Continued Partnership and Transparency

LDH remains committed to working with legislators, providers, and other stakeholders to strengthen Louisiana's Medicaid managed care program and inform its future direction. The department will continue to ensure transparency throughout the current contract period and the next procurement cycle, ensuring Louisiana's managed care program continues to improve outcomes, support providers, promote accountability, and responsibly steward public resources.

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

August 25, 2026

To: Louisiana Department of Health
Ms. Carmen P. Valliere, Medicaid Program Manager 3

From: Ms. Allison Underwood
State Procurement Assistant Director

RE: OSP Approval for JLCB
Managed Care Organization (MCO)
Aetna Better Health of Louisiana, Inc.
LaGov PO/Contract # 2000683487

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "**Memo to OSP re: JLCB Approval**" attached to this email.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact the RFP Team Help Desk at lesa@la.gov**.**

Docusign Envelope ID: 202F9994-808E-8104-8375-36A1757BA11E

AMENDMENT TO

AGREEMENT BETWEEN STATE OF LOUISIANA

LOUISIANA DEPARTMENT OF HEALTH

Medical Vendor Administration

(Regional/ Program/ Facility) Bureau of Health Services Financing

AND

Aetna Better Health of Louisiana, Inc

Contractor Name

Amendment #: 15

LAGOV#: 2000683487

LDH #:

Original Contract Amount: $3,569,491,194.00

Original Contract Begin Date: 01-01-2023

Original Contract End Date: 12-31-2025

RFP Number: 3000017417

AMENDMENT PROVISIONS

Change Contract From: Current Maximum Amount: $7,152,676,490.43 Current Contract Term: 01/01/2023-12/31/2026

13) Estimated Amounts by Fiscal Year: FY23: $588,884,043; FY24: $1,273,098,619; FY25: $1,324,022,564; FY26: $2,641,164,569.20; FY27: $1,325,506,695.23

Change Contract To: If Changed, Maximum Amount: $10,854,839,859.43 If Changed, Contract Term: 01/01/2023-12/31/2027

13) Estimated Amounts by Fiscal Year: FY23: $588,884,043; FY24: $1,273,098,619; FY25: $1,324,022,564; FY26: $2,641,164,569.20; FY27: $ 3,158,440,520.23; FY28: $ 1,869,229,544.00

Justifications For Amendment:

Revisions contained in this amendment are within scope and comply with the terms and conditions as set forth in the RFP.

This Amendment 15 is to extend the Contract for a year.

This Amendment Becomes Effective: 01-01-2027

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

CONTRACTOR

Aetna Better Health of Louisiana, Inc

CONTRACTOR SIGNATURE — Signed by: 9/10/2026 — DATE

PRINT NAME: Bridget Galatas

CONTRACTOR TITLE: Chief Executive Officer

STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Secretary, Louisiana Department of Health or Designee

SIGNATURE — DATE: 9/11/26

NAME: Bruce D. Greenstein

TITLE: Secretary

OFFICE: Louisiana Department of Health

PROGRAM SIGNATURE — DATE: 9/11/26

NAME: Seth J. Gold

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

August 25, 2026

To: Louisiana Department of Health
Ms. Carmen P. Valliere, Medicaid Program Manager 3

From: Ms. Allison Underwood
State Procurement Assistant Director

RE: OSP Approval for JLCB
Managed Care Organization (MCO)
AmeriHealth Caritas Louisiana, Inc.
LaGov PO/Contract # 2000683488

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "**Memo to OSP re: JLCB Approval**" attached to this email.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact the RFP Team Help Desk at lesa@la.gov**.**

Docusign Envelope ID: BBB68ECD-4C56-8045-8361-2B423A69DF3D

AMENDMENT TO

AGREEMENT BETWEEN STATE OF LOUISIANA

LOUISIANA DEPARTMENT OF HEALTH

Medical Vendor Administration

(Regional/ Program/ Facility) Bureau of Health Services Financing

AND

AmeriHealth Caritas Louisiana, Inc

Contractor Name

Amendment #: 15

LAGOV#: 2000683488

LDH #:

Original Contract Amount: $5,448,726,034.00

Original Contract Begin Date: 01-01-2023

Original Contract End Date: 12-31-2025

RFP Number: 3000017417

AMENDMENT PROVISIONS

Change Contract From: Current Maximum Amount: $8,052,997,138.87 Current Contract Term: 01/01/2023-12/31/2026

13) Estimated Amounts by Fiscal Year: FY23: $898,914,618; FY24: $1,943,348,565; FY25: $2,021,082,508; FY26: $1,972,843,834; FY27: $1,216,807,613.87

Change Contract To: If Changed, Maximum Amount: $11,457,684,926.87 If Changed, Contract Term: 01/01/2023-12/31/2027

13) Estimated Amounts by Fiscal Year: FY23: $898,914,618; FY24: $1,943,348,565; FY25: $2,021,082,508; FY26: $1,972,843,834; FY27: $2,902,461,861.87; FY28: $1,719,033,540.00

Justifications For Amendment:

Revisions contained in this amendment are within scope and comply with the terms and conditions as set forth in the RFP.

This Amendment 15 is to extend the Contract for a year.

This Amendment Becomes Effective: 01-01-2027

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

CONTRACTOR

AmeriHealth Caritas Louisiana, Inc

CONTRACTOR SIGNATURE: DocuSigned by: Kyle Viator 9/10/2026 DATE

PRINT NAME: Kyle Viator

CONTRACTOR TITLE: Chief Executive Officer

STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Secretary, Louisiana Department of Health or Designee

SIGNATURE: 9/11/26 DATE

NAME: Bruce D. Greenstein

TITLE: Secretary

OFFICE: Louisiana Department of Health

PROGRAM SIGNATURE: 9/11/26 DATE

NAME: Seth J. Gold

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

August 25, 2026

To: Louisiana Department of Health
Ms. Carmen P. Valliere, Medicaid Program Manager 3

From: Ms. Allison Underwood
State Procurement Assistant Director

RE: OSP Approval for JLCB
Managed Care Organization (MCO)
Humana Health Benefit Plan of Louisiana, Inc. DBA Humana Healthy Horizons
LaGov PO/Contract # 2000683510

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "**Memo to OSP re: JLCB Approval**" attached to this email.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact the RFP Team Help Desk at lesa@la.gov**.**

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AMENDMENT TO

AGREEMENT BETWEEN STATE OF LOUISIANA

LOUISIANA DEPARTMENT OF HEALTH

Medical Vendor Administration

(Regional/ Program/ Facility)

Bureau of Health Services Financing

AND

Humana Health Benefit Plan of Louisiana, Inc. DBA Humana Health

Contractor Name

Amendment #: 15

LAGOV#: 2000683510

LDH #:

Original Contract Amount: $3,374,214,172.00

Original Contract Begin Date: 01-01-2023

Original Contract End Date: 12-31-2025

RFP Number: 3000017417

AMENDMENT PROVISIONS

Change Contract From: Current Maximum Amount: $5,432,419,373.52 Current Contract Term: 01/01/2023-12/31/2026

13)Estimated Amounts by Fiscal Year: FY23: $556,667,820; FY24: $1,203,450,903; FY25: $1,251,588,940; FY26: $1,368,975,162.15; FY27: $1,051,736,548.37

Change Contract To: If Changed, Maximum Amount: $8,597,236,012.52 If Changed, Contract Term: 01/01/2023-12/31/2027

13)Estimated Amounts by Fiscal Year: FY23: $556,667,820; FY24: $1,203,450,903; FY25: $1,251,588,940; FY26: $1,368,975,162.15; FY27: $2,618,631,061.37; FY28: $1,597,922,126.00

Justifications For Amendment:

Revisions contained in this amendment are within scope and comply with the terms and conditions as set forth in the RFP.

This Amendment 15 is to extend the Contract for a year.

This Amendment Becomes Effective: 01-01-2027

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

CONTRACTOR

Humana Health Benefit Plan of Louisiana, Inc. DBA Humana

CONTRACTOR SIGNATURE: DocuSigned by: John E. Barger III — DATE: 9/9/2026

PRINT NAME: John E. Barger III

CONTRACTOR TITLE: Senior Vice President, Medicaid President

STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Secretary, Louisiana Department of Health or Designee

SIGNATURE — DATE: 9/11/26

NAME: Bruce D. Greenstein

TITLE: Secretary

OFFICE: Louisiana Department of Health

PROGRAM SIGNATURE — DATE: 9/11/26

NAME: Seth J. Gold

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

August 25, 2026

To: Louisiana Department of Health
Ms. Carmen P. Valliere, Medicaid Program Manager 3

From: Ms. Allison Underwood
State Procurement Assistant Director

RE: OSP Approval for JLCB
Managed Care Organization (MCO)
Louisiana Healthcare Connections, Inc.
LaGov PO/Contract # 2000683511

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "**Memo to OSP re: JLCB Approval**" attached to this email.

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If you should have any further questions/comments, please do not hesitate to contact the RFP Team Help Desk at lesa@la.gov**.**

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AMENDMENT TO
AGREEMENT BETWEEN STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Medical Vendor Administration
(Regional/ Program/ Facility)
Bureau of Health Services Financing

AND

Louisiana Healthcare Connections, Inc.
Contractor Name

Amendment #: 15
LAGOV#: 2000683511
LDH #:
Original Contract Amount: $10,807,338,057.00
Original Contract Begin Date: 01-01-2023
Original Contract End Date: 12-31-2025
RFP Number: 3000017417

AMENDMENT PROVISIONS

Change Contract From: Current Maximum Amount: $16,357,359,362.22 Current Contract Term : 01/01/2023-12/31/2026

13) Estimated Amounts by Fiscal Year: FY23: $1,782,962,495; FY24: $3,854,556,968; FY25: $4,008,739,247; FY26: $4,426,539,710.05; FY27: $2,284,560,942.17

Change Contract To: If Changed, Maximum Amount: $22,163,884,650.22 If Changed, Contract Term: 01/01/2023-12/31/2027

13) Estimated Amounts by Fiscal Year: FY23: $1,782,962,495; FY24: $3,854,556,968; FY25: $4,008,739,247; FY26: $4,426,539,710.05; FY27: $5,159,360,227.17; FY28: $2,931,726,003.00

Justifications For Amendment:

Revisions contained in this amendment are within scope and comply with the terms and conditions as set forth in the RFP.

This Amendment 15 is to extend the Contract for a year.

This Amendment Becomes Effective: 01-01-2027

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

CONTRACTOR

Louisiana Healthcare Connections, Inc.

CONTRACTOR SIGNATURE: Signed by: Joseph M Sullivan 9/10/2026 DATE

PRINT NAME: Joseph M. Sullivan

CONTRACTOR TITLE: Chief Executive Officer

STATE OF LOUISIANA
LOUISIANA DEPARTMENT OF HEALTH

Secretary, Louisiana Department of Health or Designee

SIGNATURE: 9/11/26 DATE

NAME: Bruce D. Greenstein

TITLE: Secretary

OFFICE: Louisiana Department of Health

PROGRAM SIGNATURE: 9/11/26 DATE

NAME: Seth J. Gold

Medicaid Managed Care Contract Workshop

LOUISIANA DEPARTMENT OF HEALTH

Healthy Louisiana at a Glance

Total Medicaid enrollment: 1,335,326 *(September 7, 2026)*

Total Healthy Louisiana enrollment: 1,200,953 *(September 3, 2026)*

Total contract cost for January 1, 2023 – December 31, 2026:
$61,467,132,456

Budgeted per-year costs:

- 2023: $13,940,319,945
- 2024: $14,466,576,708
- 2025: $14,292,498,836

Projections:

- 2026 (projected): $16,708,630,447
- 2027 (projected): $16,078,193,084



A Decade of Opportunities and Challenges

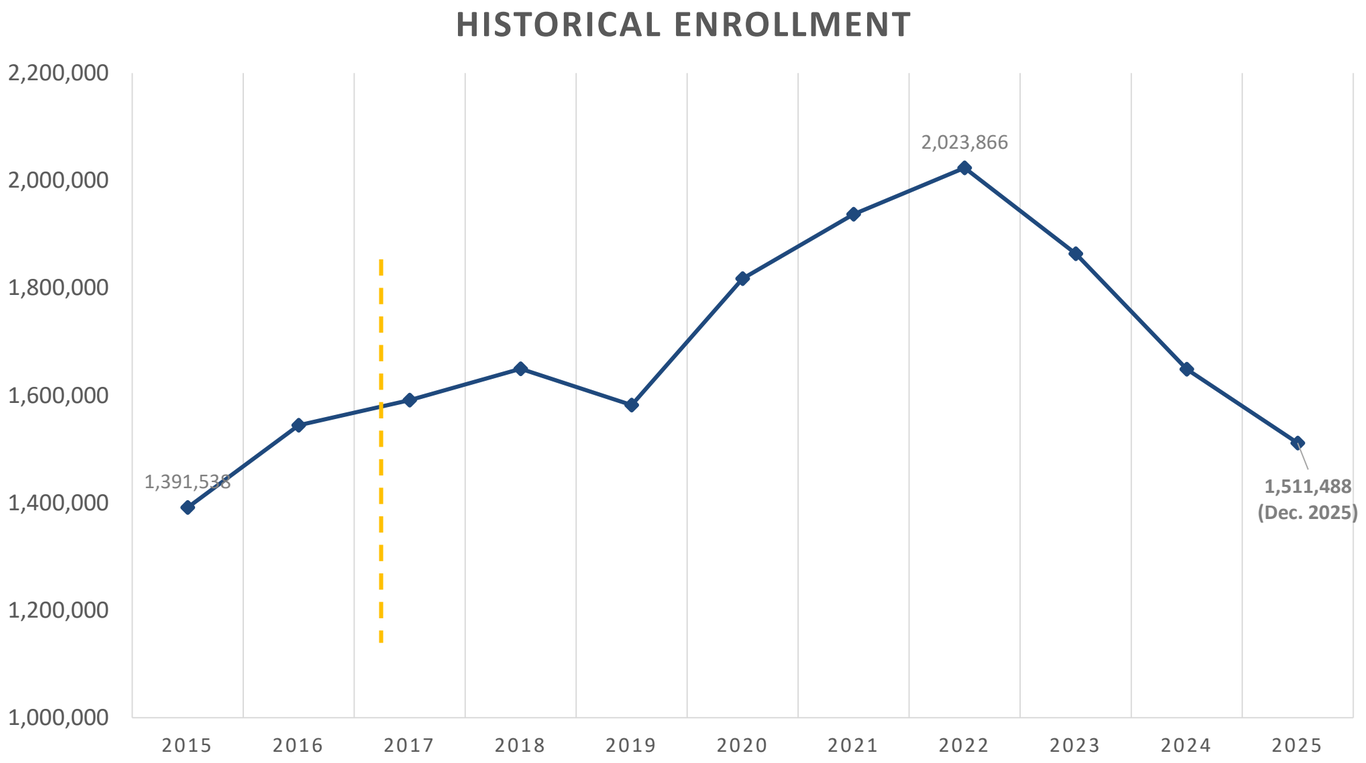
Medicaid expansion and the COVID-19 public health emergency led to total Medicaid enrollment exceeding 2 million.

The post-COVID unwind and further work to improve program integrity have right-sized the program.

- OMV residency checks: 67,000+ case closures
- No medical care in over 30 months: 22,000+ case closures
- Quarterly wage checks: 54,000+ case closures

Changes in federal law will further impact the program.

- Work requirements and 6-month eligibility renewals begin in 2027
- Reductions in provider taxes and directed payments begin in 2028



Health Care Costs Continue to Increase

Medical inflation in 2025 increased by 3.2%, a rate higher than the 2.7% increase in inflation for all items and services.

- Hospital and related services increased by 6.7%
- Physician service costs increased by 3.5%

State and federal statutory requirements also require increases in spending.

- Annual inflationary increases for nursing homes, ICFs, hospices, and rural facilities must be budgeted for each year.
- New services added to the program must also be factored into the MCO rates.

Emerging trends also pose threats to long-term Medicaid spending growth.

- ABA spending has increased by 41% since 2023.
- Behavioral health spending by 21% since 2023.
- Spending on specialty drugs remains elevated but may come down as the Department better negotiates rebates from manufacturers.

How LDH is Improving Health Outcomes

Through LDH's Quest for Quality initiative, more than $1 billion is tied to quality improvement work.

- In 2025, $165 million in MCO payments were tied to quality work, with most tied to basic quality reporting measures.
- In CY 2026, the total increased to **$444 million,** directly tied to quality, with payments contingent on improvement in patient outcomes.

LDH has grown quality payments tied to hospitals.

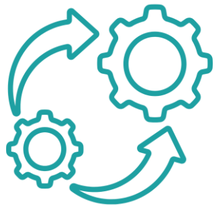
- MCIP: **$740 million**, up from **$695 million** last year.
- Directed payments (withhold): **$168 million**, a new quality withhold program.

LDH will build upon this work over the next year.

- Ranking member assignments to managed care plans based on the plan's quality performance.
- Establishing the Nursing Home Ascend program.



How LDH has Strengthened Oversight of Managed Care



Enhanced managed care and provider accountability in the MCO contracts:

- Established additional penalties for failure to meet provider access standards.
- Standardized timelines for prior authorization determinations.
- Prohibited managed care organizations from using extrapolation of claims to deny otherwise unreviewed claims.



Restructured MCO oversight team for greater contract compliance reviews:

- Hired a deputy director of Managed Care to oversee the new division.
- Established teams specifically dedicated to contract compliance and oversight.



Established stronger plan requirements for the state's Dual-Eligible Special Needs Plans (DSNPs):

- Plans must take active roles in case management and care coordination, including coordinating with a member's waiver supports during hospitalizations and post-acute care stays.
- Plans must cover hearing, vision, dental, and NEMT rides using Medicare dollars.

Ensuring Stability Through MCO Transitions

On March 31, 2026, UnitedHealthcare exited Louisiana's Medicaid market.

- The Department successfully transitioned **278,000 members** to new receiving plans.
- Members were first offered a special enrollment period to pick a new plan, and any remaining members were auto-assigned to a new plan, with assignments prioritizing keeping families together and members with their doctors in-network.
- Receiving plans were required to honor existing service authorizations for up to **60 days**, including honoring the physician offering the service (even if the physician was out-of-network).

On December 31, 2026, Healthy Blue will exit Louisiana's Medicaid Market.

- Healthy Blue currently has **292,000 members** that will be transitioned to the four receiving plans.
- Healthy Blue members will have a **Special Enrollment Period October 15 – November 16** to select a new MCO; members who do not select a plan will be auto-assigned.
- Current Healthy Blue members will be similarly have their existing service authorizations honored for up to **60 days**.
- Case management files for high-need patients will being transferred and warm handoffs conducted for members requiring ongoing care coordination.

The Department has memorialized the standards for plan transitions in the MCO contract, in order to formalize these processes for potential transitions in the future.

Program Improvement Initiatives

Strengthening program integrity requirements to prevent Minnesota-type fraud:

- Conducting provider revalidation review of all high-risk providers in the program.
- Established short-term moratoria on high-risk provider enrollment in alignment with federal Medicare moratoria.
- For CY 26, LDH has issued **$1,931,775** in recoupments from fraud.



Expanding coverage of postpartum home visiting services:

- Beginning in 2027, Medicaid will cover home visits for new moms and babies.
- Modeled after a program in Orleans Parish, home visiting services were found to improve health outcomes for moms and babies, increase primary care utilization, and reduce emergency care needs.

New re-entry waivers will reduce drug overdoses and recidivism:

- In 2027, Medicaid will begin covering health care services for incarcerated individuals 30 days away from release.
- Medicaid coverage will ensure that individuals meet their health care needs and successfully transition to care in their communities.

Medicaid Work Requirements

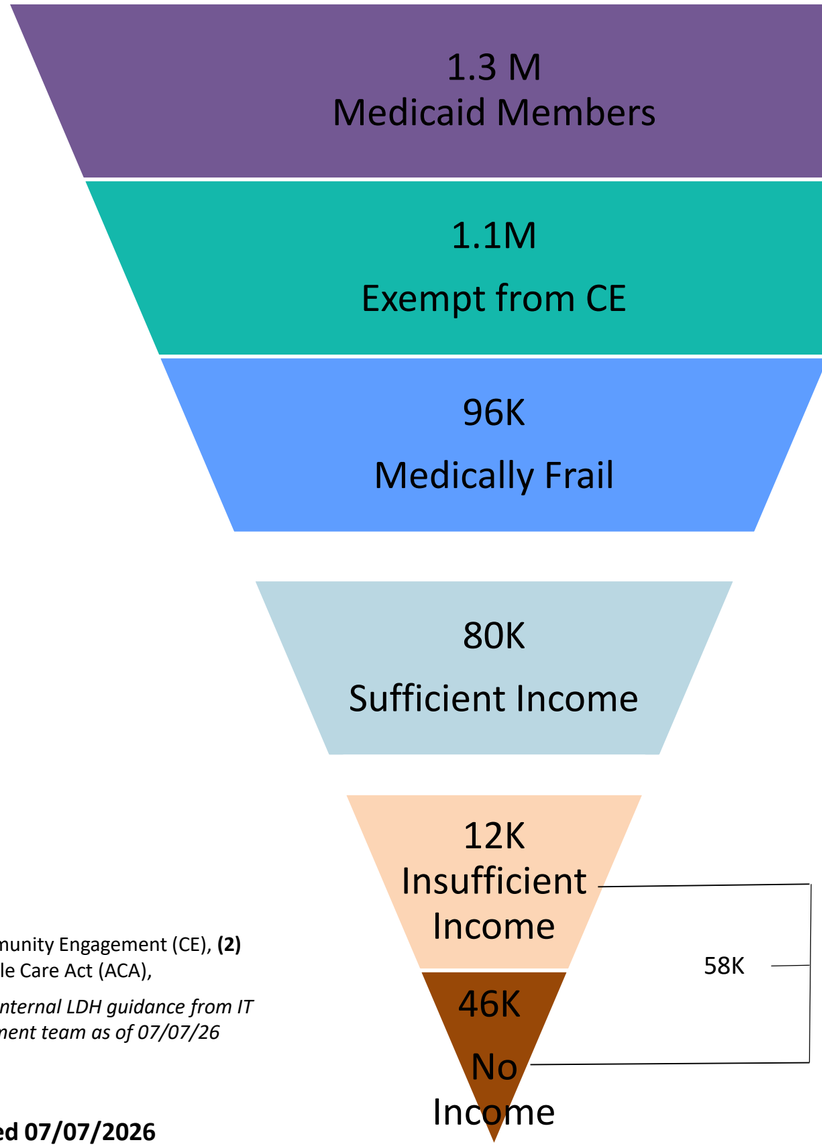
Beginning in 2027, Medicaid expansion adults (working age adults without disabilities) will need to meet new work requirements.

- The individual must demonstrate:
  - 80 hours per month of work, job training, education, volunteering (or a combination thereof)
  - An income equal to 80 hours x the federal minimum wage, or $580 per month.
- Many individuals are exempt from the requirements:
  - Parents of children under 14 and caregivers of dependents with disabilities
  - People who are considered medically frail:
    - Disabilities
    - Substance use disorder or alcohol use disorder
    - Serious or complex medical conditions

LDH is committed to reducing member burden by reporting compliance with the work requirements.

- LDH already has data to support determining compliance or exemption for nearly 95% of the Medicaid population.
- LDH is working to support the remaining 50,000 to 60,000 individuals who comply with the law.

Medicaid Work Requirements by the Numbers



(1) Community Engagement (CE), **(2)** Affordable Care Act (ACA),

Source: *Internal LDH guidance from IT development team as of 07/07/26*

Updated 07/07/2026

Category	Unique Individuals Count
Total Individuals on Medicaid	1,340,314
Total Individuals Exempt from CE[1]	1,105,887
Total Individuals Eligible for CE	234,427
Total Individuals Medically Frail after Exemptions	95,925
Total Individuals Eligible After Medically Frail Exemption	138,502
Individuals with sufficient income to meet the 1-month threshold	80,441
Individuals with insufficient income to meet the 1-month threshold	11,778
Individuals with no income	46,283
Individuals enrolled in job training or education programs	TBD
Individuals with volunteer service	TBD

Meet a CE Exemption (Individuals can be in more than one category)	**Enrollee Count**
Not in ACA[2] Adult Expansion	978,491
Parent or caregiver of a dependent child under 14 years of age	50,470
Parent or caregiver of a dependent individual with a disability	55,268
Meeting SNAP work requirements	25,338
Disabled individual	6,383
Pregnant woman	15,200
Post Partum	11,219
Incarcerated	5,535
American Indian and Alaska Native	2,167
Incarcerated end date is within 90 days	756
Disabled Veteran	33
Age: 65 and Over	274
Age: Under 19	0
Enrolled in MSP	0
Enrolled in Take Charge Plus	0
Former foster care	0
Foster care	0
Emergency declaration	TBD

Medically Frail	**Enrollee Count**
Medically frail	152,109
Medically frail and not otherwise exempt	95,925

Agenda Item No. 8

Review and approval of the Louisiana Department of Health's guidelines for the Broadband Damage Reimbursement Program, in accordance with the provisions of Act 636 of the 2026 Regular Session of the Legislature

FY 2026-2027 Broadband Damage Reimbursement Program

Guidance

Water




Sewer




Broadband Damage Reimbursement – Program Guidance

State Law

- Act 365 of the 2025 Regular Session of the Louisiana Legislature (R.S. 39:100.256) created the Local Infrastructure Fund (LIF) for the reimbursement of qualifying expenses of a political subdivision incurred in the repair or mitigation of damage caused by the expansion of broadband services. The Act required monies in the fund to be appropriated to the Division of Administration, Office of Community Development for the administration of reimbursements from the fund.
- Act 636 (HB 313) of the 2026 Regular Session of the Louisiana Legislature changed the administration of reimbursements from the LIF to the Office of Public Health within the Louisiana Department of Health (LDH). The Act requires the Office of Public Health to develop guidelines and submit them to the Joint Legislative Committee on the Budget for approval before implementation. Beginning July 1, 2026, five million dollars ($5M) will be provided in the LIF for the reimbursement of qualifying expenses of a political subdivision incurred in the repair or mitigation of damage caused by the expansion of broadband services.

Important Dates

- September 2026 – Joint Legislative Committee on the Budget (JLCB) reviews Broadband Damage Reimbursement Program Guidance.
- October 2026 – Joint Legislative Committee on the Budget (JLCB) approves Broadband Damage Reimbursement Program Guidance.
- October 2026 – LDH conducts a webinar to discuss the Broadband Damage Reimbursement Program Guidance and application process with potential recipients.
- November 1, 2026 – December 31, 2026 – Online portal opens for application submittal.
- January 1, 2027 – January 31, 2027 – LDH working panel reviews submitted applications, determines eligibility for reimbursement, and submits payment recommendations to LDH Fiscal for payment.
- February 28, 2027 – LDH Fiscal begins to issue payments to eligible applicants.

Definitions

LDH	Louisiana Department of Health
BES	Louisiana Department of Health – Bureau of Engineering Services
PWS	Public Water Systems
JLCB	Joint Legislative Committee on the Budget

Application Process

Applications will be accepted via the online portal created by the Office of Technology Services. The working panel for this program is made up of representatives from the Louisiana Department of Health (LDH). The applications will be reviewed by LDH based on documentation submitted and data available to the reviewing agency. BES will review applications for reimbursement of qualifying expenses incurred in the repair or mitigation of damage caused by the expansion of broadband services. LDH Fiscal will provide reimbursement based on review and recommendations by BES.

Reimbursement will be provided in two tiers based on the PWS (or utility) population served. The two tiers are as follows:

- Equal to or less than 10,000 people
- Greater than 10,000 people

The population of the PWS (or utility) is determined by multiplying 3 times the number of active service connections. On a case-by-case basis, population can also be determined using census data (e.g., when a system does not serve customers outside the corporate limits of the municipality). Applications will only be accepted via the online portal.

Applications will not be accepted after the online portal closes on January 1 at 12:00 am.

Timeline

- The online portal will open at 12:00 am on November 1, 2026, to receive applications.
- BES will provide funding recommendations to LDH Fiscal by January 31, 2027.

Eligible Applicants

- Public water systems must be a part of the Louisiana Department of Health's active inventory of public water systems between January 1, 2022, and June 30, 2026, and must be a political subdivision or a not-for-profit PWS.

  Public water system – System for providing water to the public for potable water purposes through pipes or other constructed conveyances, if such system has at least 15 service connections or regularly serves an average of at least 25 individuals daily at least 60 days out of the year (LAC 51:XII).

- Any entity that is a political subdivision.

  "Political subdivision" means any:

  (a) Parish governing authority and all districts, boards, or commissions created by such parish governing authority either independently or in conjunction with other units of government.

  (b) Municipality and all boards and commissions created by such municipality, either independently or in conjunction with other units of government.

The PWS IDs associated with each application submitted will be reviewed to ensure that only eligible applications are considered.

Qualifying Expenses

Guidance has aligned the use of these funds with the wide range of activities and actions that would be eligible to receive reimbursement through the Local Infrastructure Fund. Qualifying expenses incurred for damages from broadband expansion shall have occurred from January 1, 2022, to June 30, 2026. The damage can be related to any public underground utility infrastructure, such as water, sewer, and gas.

The following types of costs incurred are eligible under this program:

- Materials and components necessary for repairs
- Equipment necessary for repairs
- Labor associated with repairs
- Support for application submission from an approved entity (certified Louisiana professional engineer or Louisiana Rural Water Association), cost not to exceed $500

Reimbursement Funding Cap

Maximum reimbursement amount based on two population tiers:

The two tiers are as follows:

- Equal to or less than 10,000 people
- Greater than 10,000 people

- Equal to or less than 10,000 – 100% of supported damage cost or $50,000, whichever is less
- Greater than 10,000 – 100% of supported damage cost or $30,000, whichever is less

A minimum reimbursement for all applicable recipients with an affirmed statement attesting to damage will be $1000. This provision is designed to support entities acknowledging damage without a directly reported cost incurred during the Louisiana Department of Health data survey process.

All applicants can be bound by previously reported damage estimates to the Louisiana Department of Health.

Communication Efforts

Upon JLCB approval of the program guidelines, BES will send information regarding the Broadband Damage Reimbursement Program, including eligibility requirements, to all affected PWS. Affected PWS will be supported by responses to surveys solicited by BES. A variety of methods may be used to disseminate information, including mail, e-mail, Facebook, and through the Louisiana Municipal Association and Louisiana Rural Water Association, as needed, to reach other eligible recipients.

Online Application Review

The online application must be completed with the supporting verification statement attesting to the accurate and true assessment of damages and costs. The application, supported by uploaded exhibits detailing costs, including but not limited to receipts, invoices, purchase orders, and/or reasonable demonstrations of cost, must be completed by a licensed LA professional engineer or by the Louisiana Rural Water Association. Date and time of the damage occurrence must be supported with uploaded documentation, including but not limited to, records of notification to LDH, work orders, one-call notification, permits, and call system logs.

Required Documentation

- Completion of the online application for **LDH Broadband Damage Reimbursement** that includes the following:
    - Date and location of damage;
    - Nature of the impact (e.g., line break, service interruption, valve damage);
    - Immediate corrective actions taken; and
    - Cost to repair the damage.
- Photographs, diagrams, or field notes supporting the claim
- Copies of invoices, quotes, or receipts for repair work
- Any correspondence with broadband installation contractor or ISP regarding the damage
    - Documentation showing payments or denial of payments from contractors to the political subdivision for documented damages
- LDH may request additional information on a case-by-case basis

Conditions of Funding Release

Prior to the issuance of payment, applicable recipients must be properly registered as vendors with the State of Louisiana through the Office of Statewide Reporting and Accounting Policy (OSRAP) and satisfy all applicable vendor registration requirements. This includes submission and validation of required taxpayer identification and vendor information, including a completed W-9 when applicable. Payment will not be issued until all applicable vendor registration requirements have been completed.

LDH Legislative Fact Sheet

LDH Broadband Damage Reimbursement Program

Legislative Overview

This legislative overview tracks the evolution and active implementation of Louisiana's mechanism for addressing local utility impacts driven by high-speed internet deployment. **Act 365 of the 2025 Regular Session** originally established the **Local Infrastructure Fund (LIF) (R.S. 39:100.256)** to provide financial relief to local political subdivisions experiencing infrastructure damage or requiring mitigation due to broadband expansion. While initial oversight was assigned to the Division of Administration's Office of Community Development, **Act 636 (HB 313) of the 2026 Regular Session** structurally modified the program by transferring all administrative authority to the **Office of Public Health within the Louisiana Department of Health (LDH)**. Under this updated framework, the Office of Public Health must secure formal approval from the **Joint Legislative Committee on the Budget** for its operational guidelines before distributing funds. Moving forward, the program is officially activated with an initial **five million dollar ($5M) allocation** hitting the LIF on **July 1, 2026**, to fund qualifying local government reimbursement claims.

High Points on Program Guidelines

Administrative Oversight: The program will be managed by a working panel within the **Louisiana Department of Health (LDH)**. The **Bureau of Environmental Services (BES)** reviews applications and recommends funding, while **LDH Fiscal** issues the payments.

- **Critical Proposed Deadlines & Timeline:**
  - **Portal Opens:** November 1, 2026 (via the Office of Technology Services portal).
  - **Portal Closes: January 1, 2027, at 12:00 AM** (strict deadline).
  - **Funding Recommendations:** Completed by BES by **January 31, 2027**.
- **Eligible Applicants:** Political subdivisions (parishes, municipalities, and their districts/boards) and non-profit **Public Water Systems (PWS)** that were active in LDH's inventory between January 1, 2022, and June 30, 2026.
- **Qualifying Scope & Expenses:** Covers repairs to public underground utility infrastructure (**water, sewer, and gas**) for broadband-related damages occurring between **January 1, 2022, and June 30, 2026**. Eligible costs include materials, equipment, labor, and up to $500 for application assistance.
- **Tiered Funding Caps:** Reimbursement limits are based on utility population (calculated as 3 × active connections or via census data):
  - **≤ 10,000 People:** Up to **$50,000** (100% of supported costs).
  - **> 10,000 People:** Up to **$30,000** (100% of supported costs).
  - **Minimum Floor:** A **$1,000 minimum** is guaranteed for entities with an affirmed damage statement, even if they lack directly reported costs from previous LDH surveys. Applicants may be bound by prior damage estimates given to LDH.
- **Support for Application Submission:** Applications can be completed by a **licensed Louisiana Professional Engineer** or the **Louisiana Rural Water Association**. Submissions must include uploaded proof of the date/time of damage (e.g., work orders, One-Call logs), repair invoices, photos, and documentation of any payment interactions/denials with the internet service provider (ISP).
- **Payment Condition:** Funds will not be released until recipients are fully registered state vendors with the **Office of Statewide Reporting and Accounting Policy (OSRAP)**.

Agenda Item No. 9

Review and approval of a contract extension between the Office of Risk Management and Arthur J. Gallagher Risk Management Services, LLC, in accordance with the provisions of R.S. 39:1615(J)

State of Louisiana
Office of Risk Management

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
P.O. Box 91106
Baton Rouge, Louisiana 70821-9106
Phone (225) 342-8500
Fax (225) 342-8473

October 8, 2026

Representative Jack G. McFarland, Vice Chairman
Joint Legislative Committee on the Budget
P.O. Box 44294
Baton Rouge, LA 70804
Via Email: robinsonr@legis.la.gov; fosterj@legis.la.gov

RE: Committee Meeting October 15, 2026

Dear Representative McFarland,

The Division of Administration, Office of Risk Management (ORM) is currently on the October 15, 2026 meeting agenda for the Joint Legislative Committee on the Budget. At the September 17, 2026 meeting, ORM's proposed one-year contract extension of the insurance broker of record contract with Arthur J. Gallagher Risk Management Services, LLC was reviewed by the Committee. ORM seeks approval by the Committee of a fifteen (15) month extension of this contract.

A three-year contract was awarded in October 2023 through a competitive RFP process, which included an option to extend for a maximum term of sixty (60) months subject to JLCB approval. ORM seeks to exercise the option to extend this contract for fifteen (15) months from November 1, 2026, through January 31, 2028, for a total contract period of fifty-one (51) months pursuant to La. R.S. 39:1615(J).

If you have any questions, please contact me at (225) 342-6331.

Sincerely,

Rachel P. Dunaway
Director, Office of Risk Management

Enclosures

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

October 7, 2026

To: Office of Risk Management
Rachel Dunaway, Director

From: Allison Underwood
State Procurement Assistant Director

RE: OSP Approval for JLCB
Broker Services
LaGov PO/Contract # 2000808008, Contract Workspace # CW7940
Arthur J. Gallagher Risk Management Services, LLC

The above referenced amendment for a 15-month extension has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "**Memo to OSP re: JLCB Approval**" attached to this email.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact the RFP Team Help Desk at lesa@la.gov**.**

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Office of State Procurement
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
GOVERNOR

JAY DARDENNE
COMMISSIONER OF ADMINISTRATION

November 2, 2023

TO: Melissa Harris
Office of Risk Management
State Risk Director

FROM: Ms. Pamela Bartfay Rice, Esq., CPPO pbr
Assistant Director, Professional Contracts

RE: OSP Approval for JLCB
Arthur J. Gallagher Risk Management Services, LLC
LESA Contract Number CW7940/ Solicitation Doc437807259

The above referenced contract has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the contract in accordance with La. R.S. 39:1540, please return the "**Agency Memo to OSP After JLCB Approval,**" along with the stamped contract from the JLCB.

The contract will not receive final approval by OSP until all appropriate approvals are received and it is submitted to OSP in LaGov and/or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact me.

Approved by the Joint Legislative Committee on the Budget

DATE: 11/17/23 SW

1201 N. Third Street ✣ Suite 2-160 ✣ P.O. Box 94095 ✣ Baton Rouge, Louisiana 70804 9095 ✣
(225) 342-8010
Fax (225) 342-9756
OSP Help Desk Email: DOA-OSP-Helpdesk@LA.Gov
DOA-Professional Contracts Helpdesk Email: DOA.PCHelpdesk@LA.Gov
Vendor Inquiry Email: Vendor_Inq@LA.Gov
An Equal Opportunity Employer

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1.0 Contract

Be it known, that effective upon approval by the Office of State Procurement, as evidenced by the Director's, or designee's, signature on this document, the Office of Risk Management (hereinafter sometimes referred to as "State") and Arthur J. Gallagher Risk Management Services, LLC, 235 Highlandia Drive, Suite #200, Baton Rouge, LA 70810 (hereinafter sometimes referred to as "Contractor") do hereby enter into this Contract under the following terms and conditions.

2.0 Term of Contract

This Contract shall begin on November 1, 2023 and shall end on October 31, 2026 unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Contract may be extended for two (2) years at the same prices, terms, and conditions. Total contract time may not exceed sixty (60) months.

Prior to the extension of the contract beyond a thirty-six (36) month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of State Procurement (OSP) to extend contract terms beyond the three (3) year term.

3.0 Statement of Work

Contractor hereby agrees to furnish the following services as detailed in **Attachment A: Statement of Work**.

4.0 Acceptance of Deliverables

The Contract will be considered complete when Contractor has delivered and ORM has accepted all deliverables specified in the Statement of Work.

5.0 Payment Terms

In consideration of the services required by this Contract, ORM hereby agrees to pay the Contractor a fixed annual fee of $ 960,000. The maximum amount payable under this Contract for the three (3) year term is $ 2,880,000. Payments are predicated upon successful completion or acceptable progress and written approval by ORM of the described tasks and deliverables as provided in Attachment A: Statement of Work. Payments will be made to the Contractor after written acceptance by ORM of the tasks and approval of an invoice. ORM will make every reasonable effort to make payments within 30 days of the approval of invoice under a valid contract. Payment will be made only upon approval of the State Risk Administrator for Underwriting.

During the execution of tasks contained in **Attachment A: Statement of Work**, the Contractor may submit invoices, not more frequently than quarterly. The maximum schedule of invoicing is as follows:

Invoice #	To be dated the last working day of	Percent of fixed annual fee
1	November	20%
2	January	30%
3	April	30%
4	July	20%

Approved by the Joint Legislative Committee on the Budget

DATE: 11/17/23 SW

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ORM reserves the right to reduce the flat annual fee otherwise due to the Contractor by $1,000 per day when each independent Key Deliverable, found in Section 3.A. of Attachment A, Statement of Work, is not successfully completed and delivered in the timeframe stated herein. If circumstances arise that are out of the control of the Contractor and will impact Contractor's performance, a clear explanation must be provided as soon as possible to the Contract Monitor.

Payment of insurance premiums will be made under authority of this contract and through the Contractor when approved programs are bound. Contractor will invoice ORM for insurance premiums separately from Contractor's fee. Contractor will be responsible to forward payment to the applicable markets. Any commission included in premiums for domestic/foreign wholesalers shall be disclosed and returned to ORM. Insurance premiums are not included in maximum amount of contract.

5.1. Prohibition Against Advance Payments

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law or otherwise stated herein.

6.0 Taxes

The Contractor agrees that all applicable taxes are included in the Pricing Schedule set forth in Attachment C: Price Schedule to this Contract. This agreement does not apply to insurance company surplus lines taxes, if applicable. State agencies are exempt from all State and local sales and use taxes.

The Contractor acknowledges that: (1) a LDR tax clearance certificate is required for approval of this contract and (2) Contractor is currently compliant in filing all applicable tax returns and reports, and in the payment of all taxes, interest, penalties, and fees owed to the State. The State reserves the right to withdraw its consent to this contract without penalty and to proceed with alternate arrangements should the Contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven (7) business days of such notification.

7.0 Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements

During the term of this Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

8.0 Termination

The State of Louisiana has the right to terminate this Contract immediately for any of the following reasons: (a) misrepresentation by the Contractor; (b) Contractor's fraud, collusion, conspiracy or other unlawful means of obtaining any contract with the State of Louisiana; (c) conflict of contract provisions with constitutional or statutory provisions of State or Federal Law; (d) abusive or belligerent conduct by the Contractor towards an employee or agent of the State; (e) Contractor's intentional violation of the Louisiana Procurement Code (La. R.S. 39:1551 et seq.) and its corresponding regulations; or, (f) any listed reason for debarment under La. R.S. 39:1672.

8.1. Termination for Cause

The State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of this Contract, or failure to fulfill its performance obligations pursuant to this Contract, provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) days after receipt of such notice, the Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct such failure and

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thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and this Contract shall terminate on the date specified in such notice.

8.2.Termination for Convenience

The State of Louisiana may terminate this Contract for convenience at any time (1) by giving thirty (30) days written notice to the Contractor of such termination; or (2) by negotiating with the Contractor an effective date.

The State shall pay the Contractor for, if applicable: (a) deliverables in progress; (b) the percentage that has been completed satisfactorily; and, (c) for transaction-based services up to the date of termination, to the extent work has been performed satisfactorily.

8.3.Termination for Non-Appropriation of Funds

The continuation of this Contract is contingent upon the appropriation of funds to fulfill the requirements of this Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of this Contract or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of this Contract, this Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

9.0 Contract Modifications

No amendment or modification of the terms of this Contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in this Contract is binding on any of the parties.

Changes to this Contract include any change in a) compensation; b) beginning/ending date of this Contract; c) scope of work; and/or d) Contractor change through the assignment of contract process. Any such changes, once approved, will result in the issuance of an amendment to this Contract.

10.0 Ownership of Work Product

All data, files, documentation, records, worksheets, or any other related materials obtained, prepared, or developed by the Contractor under this Contract are the property of ORM. If applicable, all software and customizations developed under this Contract are the property of ORM. Contractor, at its expense, shall deliver this property to ORM at the termination or expiration of this Contract, unless otherwise required by this Contract. Delivery of this property shall be in a form specified by ORM.

11.0 Record Ownership

All records, reports, documents and other material delivered or transmitted to Contractor by ORM shall remain the property of ORM. Contractor, at its expense, shall return this property to ORM at the termination or expiration of this Contract, unless otherwise required by this Contract. Delivery of this property shall be in a form specified by ORM.

12.0 Use of State Property

Any property of the State furnished to the Contractor shall, unless otherwise provided herein, or approved by the State and/or ORM, be used only for the performance of this Contract.

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The Contractor shall be responsible for any loss or damage to property of the State and/or ORM which results from willful misconduct or lack of good faith on the part of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices, to ensure that the property will be returned to the State and/or ORM in like condition, except for normal wear and tear, to that in which it was furnished to the Contractor. Upon the happening of loss, or destruction of, or damage to property of the State, the Contractor shall notify ORM thereof and shall take all reasonable steps to protect that property from further damage.

The Contractor shall surrender to the State and/or ORM all property of the State and/or ORM prior to completion, termination, or cancellation of this Contract, unless otherwise specified herein. All reference to the Contractor under this section shall include any of its employees, agents, or subcontractors.

13.0 State Project Manager

Notwithstanding the Contractor's responsibility for management during the performance of this Contract, the State Risk Administrator for Underwriting and Loss Prevention, or their designee, shall be the principal point of contact on behalf of ORM and will be the principal point of contact for Contractor concerning Contractor's performance under this Contract.

14.0 Waiver

Waiver of any breach of any term or condition of this Contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Contract shall be held to be waived, modified or deleted except by the written consent of both parties.

15.0 Warranties

Contractor warrants that all services shall be performed in good faith, with diligence and care, by experienced and qualified personnel in a professional, workmanlike manner, and according to its current description (including any completion criteria) contained in the scope of work.

Contractor further warrants that it has the right to provide and or license its product or services to the State and that it will operate in accordance with this Contract. In the event of a material failure of Contractor's product to function and operate, and/or failure by the Contractor to perform its obligations, in accordance with the terms and conditions of this Contract that results in the termination of this Contract for cause by the State, the State will not be obligated to compensate the Contractor of any costs incurred by Contractor.

Extent of Warranty: THESE WARRANTIES REPLACE ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

16.0 Duty to Defend

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to this Contract, Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The State may, but is not required to, consult with or assist the Contractor, but this assistance shall not affect the Contractor's obligations, duties, and responsibilities under this section. Contractor shall obtain the State's written consent before entering into any settlement or dismissal.

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17.0 Liability and Indemnification

17.1. Contractor Liability

Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners or subcontractors.

17.2. Force Majeure

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. ORM shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. The parties shall use reasonable efforts, including but not limited to, use of continuation of operations plans (COOP), business continuity plans, and disaster recovery plans, to eliminate or minimize the effect of such events upon the performance of their respective duties under this Contract.

17.3. Indemnification

Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description relating to injury or death to any person, or damage, loss or destruction to any property, which may occur or in any way arise out of any act or omission of Contractor, its owners, agents, employees, partners or subcontractors.

The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

17.4. Intellectual Property Indemnification

Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, Contractor, while ensuring appropriate migration and implementation, data integrity, and minimal delays of performance, shall at its sole expense and in the following order of precedence: (i) obtain for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under the Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and performance. Until this obligation has been satisfied, the Contractor remains in default.

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The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

17.5. Limitations of Liability

Contractor's liability to ORM, arising from any negligent acts or omissions of Contractor, whether related to the services provided hereunder or not, shall not exceed $20 million in the aggregate. Without limiting the foregoing, Contractor shall only be liable for actual damages incurred by ORM, and shall not be liable for any indirect, consequential, special or punitive damages. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

17.6. Other Remedies

If the Contractor fails to perform in accordance with the terms and conditions of this Contract, or if any lien or claim for damages, penalties, costs and the like is asserted by or against the State, then, upon notice to the Contractor, the State may pursue all remedies available to it at law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

18.0 Insurance

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors. The Contractor shall furnish the State with certificates of insurance effecting coverage(s) required by this contract in accordance with the Insurance Requirements for Contractors Attachment. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the State before work commences. The Contractor shall maintain the insurance as specified shown in the Insurance Requirements for Contractors: Attachment B for the full term of the Contract. Failure to comply shall be grounds for termination of the Contract.

19.0 Licenses and Permits

Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract, if applicable.

20.0 Severability

If any term or condition of this contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this contract are declared severable.

21.0 Subcontractors

The Contractor may, with prior written permission from ORM, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or ORM for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work.

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22.0 Substitution of Personnel

The Contractor will assign the personnel listed in his proposal. The Contractor's personnel assigned to this contract shall not be replaced without the prior written consent of ORM. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to projects outside this contract, outside of Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks.

23.0 Assignability

Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within ten (10) calendar days of the assignment, the Contractor shall provide notice of the assignment to ORM and the Office of State Procurement. ORM will continue to pay the Contractor and will not be obligated to direct payments to the assignee until ORM has processed the assignment.

Except as stated in the preceding paragraph, Contractor shall only transfer an interest in the Contract by assignment, novation, or otherwise, with prior written consent of ORM. ORM's written consent of the transfer shall not diminish ORM's rights or the Contractor's responsibilities and obligations.

24.0 Code of Ethics

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify ORM if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

25.0 Confidentiality

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out the contract, or which become available to the Contractor in carrying out the contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by ORM in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by ORM to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this contract, or is rightfully obtained from third parties.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of Office of Risk Management.

DocuSign Envelope ID: A80B090E-8CDE-4E81-9D28-40E963826388

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26.0 Contract Controversies

Any claim or controversy arising out of this Contract shall be resolved by the provisions of Louisiana Revised Statute 39:1672.2-1672.4.

27.0 Right to Audit

The State Legislative auditor, federal auditors and internal auditors of the Office of Risk Management, Division of Administration, or others so designated by the DOA, shall have the option to audit all accounts directly pertaining to this Contract for a period of five (5) years from the date of final payment or as required by applicable State and Federal Law. The Contractor and subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Records shall be made available during normal working hours for this purpose.

28.0 Data/Record Retention

Contractor and subcontractor shall retain all their books, their records, and their other documents relevant to this Contract and the funds expended hereunder for five years after final payment or, if Federal funds are used, as required by applicable Federal law, whichever is longer, in accordance with the Louisiana Public Records Law, LA R. S. 441:1 et seq.

29.0 Sanitization of State Data/Records in Contractor's Custody

Contractor shall sanitize all ORM data and records in compliance with NIST SP 800-88 Rev 1, and any future revisions thereto, unless a specific alternative is approved in writing by the Louisiana DOA OTS Information Security Team. Contractor shall provide a Certificate of Sanitization to the ORM's contract monitor at the conclusion of this Contract or if Contract is terminated by either party, whichever comes first.

30.0 Contractor's Certification of No Federal Suspension or Debarment

Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future Contracts.

31.0 Contractor's Cooperation

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

32.0 Security

Contractor's personnel shall comply with all security regulations in effect at the State's premises and externally for materials and property belonging to the State or to the project. Where special security precautions are warranted (e.g., correctional facilities), the State facility shall provide such procedures to the Contractor, accordingly.

The Contractor shall comply with the Office of Technology Services' Information Security Policy at https://www.doa.la.gov/doa/ots/about-us/infosec/.

DocuSign Envelope ID: A80B090E-8CDE-4E81-9D28-40E963826388

DocuSign Envelope ID: 1F37263D-1D1F-4011-A62C-E5419CBB9BAA

Contractor is responsible for promptly reporting to the State any known breach of physical or information security.

33.0 Cybersecurity Training

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost.

For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

34.0 Compliance with Civil Rights Laws

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Federal Rehabilitation Act of 1973 as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Contract.

35.0 Anti-Kickback Clause

The Contractor hereby agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or sub-grantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.

36.0 Clean Air Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) list of Violating Facilities.

37.0 Energy Policy and Conservation Act

The Contractor hereby recognizes the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

DocuSign Envelope ID: A80B090E-8CDE-4E81-9D28-40E963826388

DocuSign Envelope ID: 1F37263D-1D1F-4011-A62C-E5419CBB9BAA

38.0 Clean Water Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) List of Violating Facilities.

39.0 Anti-Lobbying and Debarment Act

The Contractor will be expected to comply with Federal statutes required in the Anti-Lobbying Act and the Debarment Act.

40.0 Prohibition of Discriminatory Boycotts of Israel

In accordance with La. R.S. 39:1602.1, for any contracts with a value of $100,000 or more and for any Contractor with five (5) or more employees, the Contractor certifies that it is not engaging in a boycott of Israel and it will, for the duration of its contractual obligations, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of this Contract.

41.0 Prohibited Use of Funds

Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

42.0 E-Verify

The Contractor shall comply with the provisions of La. R.S. 23:995 and federal law pertaining to E-Verify in the performance of services under this Contract.

43.0 Headings

Descriptive headings in this Contract are for convenience only and shall not affect the construction of this Contract or meaning of contractual language.

44.0 Governing Law

This Contract shall be interpreted under Louisiana Law, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code); purchasing rules and regulations; executive orders; terms and conditions; and specifications listed in the RFP and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to all activities associated with this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

DocuSign Envelope ID: A80B090E-8CDE-4E81-9D28-40E963826388

DocuSign Envelope ID: 1F37263D-1D1F-4011-A62C-E5419CBB9BAA

45.0 Complete Contract

This is the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this Contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

46.0 Order of Precedence

The Request for Proposals (RFP), dated March 31, 2023, addenda thereto, and the Contractor's Proposal dated May 16, 2023, are attached hereto and, incorporated into this Contract as though fully set forth herein. In the event of an inconsistency between this Contract, the RFP and addenda thereto, and/or the Contractor's Proposal, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence first to this Contract, then to the RFP and addenda thereto, and finally, the Contractor's Proposal.

(Signature page follows)

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DocuSign Envelope ID: 1F37263D-1D1F-4011-A62C-E5419CBB9BAA

IN WITNESS WHEREOF, the parties have executed this Contract.

ARTHUR J. GALLGHER RISK MANAGEMENT SERVICES, LLC

SIGNATURE:

By: Brad Fife
D3239AC84FBA4F7...

Name: Brad Fife

Title: Area President

Date: 11/1/2023

OFFICE OF RISK MANAGEMENT SIGNATURE:

By:
742269144E79470...

Name: Melissa Harris

Title: State Risk Director

Date: 11/1/2023

Approved by the Joint Legislative Committee on the Budget

DATE: 11/17/23

DIVISION OF ADMINISTRATION SIGNATURE:

By:

Name: JAY DARDENNE

Title: COMMISSIONER OF ADMINISTRATION

Date: 11/02/23

Office of State Procurement Approval:

By: DocuSigned by:
amy vincent
270B287A5147443...

Title: State Procurement Manager

Date: 2/5/2024

DocuSign Envelope ID: A80B090E-8CDE-4E81-9D28-40E963826388

ATTACHMENT A: STATEMENT OF WORK

1.0 Overview

This Contract is to serve the Office of Risk Management (ORM) by providing insurance broker services for the State of Louisiana's (State) self-insurance program.

1.1 Goals and Objectives

The Contractor will be the State of Louisiana's insurance broker-of-record. The Contractor shall develop and place the most effective and cost-efficient insurance coverage, and provide a range of consulting services associated with the statewide property and casualty programs. The Contractor will provide insurance brokerage and consulting services to assist ORM in fulfilling its critical role to ensure proper protection of the State's assets and activities on behalf of the State'scitizens and taxpayers.

The Contractor will provide annual review of risk exposure and program structure, develop recommendations and re-structuring options based on relevant market conditions, market coverages, present ORM with competitive quotes with recommendations, and place and service the coverage. Related coverages and servicesmay be added to each program at any time during the contract period and the Contractormust handle all additions.

The Contractor will partner with ORM to achieve ORM's statutory duties by determining the most effective and cost-efficient property and casualty coverage and providing a range of consulting services to assist ORM in reaching and maintaining its goals.

The current statewide property program consists of coverage for buildings and business property, equipment breakdown/boiler and machinery, fine arts, specialized equipment, business interruption and various specialty lines encompassing all State Agencies associated obligations as follow:

- Building/Business Personal property/special form including flood
- Terrorism including Nuclear, Biological, Contamination, and Radioactive coverage
- Business Interruption
- Equipment Breakdown
- Fine Arts
- Bridge Property
- National Flood Insurance Program

The current statewide casualty program consists of coverage for liability, auto, workers compensation and various specialty lines encompassing all State Agencies and associated obligations as follows:

- Commercial General Liability including or independent placement of:
    - Professional Liability
    - Publishers Media
    - Elevator and Escalator Liability
    - Watercraft Liability
    - Public Officials and Employees Liability

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  - Employee Benefits Liability
  - Garage Keepers' Liability
  - Special Event/Entertainment Liability
  - Liquor Liability
  - Educators' Legal Liability
  - Law Enforcement Liability
  - Sexual Abuse and Molestation
- Workers' Compensation and Employers' Liability
- Medical Malpractice
- Wet Marine Hull and P&I
- Aircraft Hull and Liability
- Airport Liability
- Cyber Liability
- Automobile Liability and Physical Damage
- Bonds (Fidelity & Surety) and Crime
- Club Sports Liability and Accident
- Intellectual Property Liability
- Student Liability including or independent placement of:
  - Student Organization Liability
  - Student Internship/Professional Liability
  - Participant Accident Insurance
- International Travel insurance
- Non-Owned Aircraft Liability
- Master Builder's Risk and/or OCIP
- Crisis Response Management Coverage
- Inland Marine
- Single Agency Placements
- Pollution Liability

Coverage of the Louisiana Superdome, New Orleans Arena, Champions Square and SMG is part of the statewide program, carrying its own segregated policies. The Contractor will place these policies on behalf of the Louisiana Superdome, New Orleans Arena, Champions Square and SMG. ORM has statutory oversight of the Superdome coverage lines and shall authorize final approval.

The State is statutorily obligated to provide only the following casualty coverage lines for these premises:

1) Commercial General Liability including Host Liquor Liability,

2) Workers' Compensation and Employers' Liability, and

3) Bond and Crime including employee theft.

2.0 Deliverables

A. Key Deliverables

1. Contractor shall bind coverage as agreed upon by ORM within five (5) calendar days of ORM approval.

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2. All coverage documents shall be received (electronically, as requested) within 90 calendar days of their effective date.
3. All certificates of insurance and endorsements shall be received within 48 hours on a normal schedule and within 12 hours on a rush schedule. Rush schedules include but are not limited to those situations where the law requires coverage on a piece of equipment or property before it can be placed in use and there is an emergency condition that requires immediate use.
4. The Contractor will report all claims within 12 hours to the applicable markets when notified by ORM and/or ORM's TPA.
5. Annual placement reports will be submitted to ORM within eight (8) weeks of annual renewals, following coverage effective dates from the start of ORM's fiscal year on July 1st. These reports are to include a breakdown of all coveragelines placed, policy numbers, premium charged, and a breakdown of all changes relative to coverage terms, premium increase/decrease, and any other relevant information.
6. Provide wet marine appraisal services every three (3) years for all State fleet with survey reports and pictures for each. The valuations will include both replacement cost and market value. The appraisal process will begin in August and final reports are due by December 31st. The last appraisal was completed December of 2021. The next appraisal cycle will begin August of 2024.
7. Submit an annual stewardship report outlining intended activities on behalf of the State for the upcoming 12 months, including the status of all items in the prior 12 months' reports. Reports shall be provided two (2) weeks after the end of each contract year.

These Key Deliverables will be subject to a performance penalty as follows:

The flat annual fee otherwise due to the Contractor will be reduced by $1,000 per day when each independent Key Deliverable is not successfully completed and delivered in the timeframes stated herein.

2.1 Reporting

1. Claims history and loss runs shall be submitted annually, a minimum of 60 calendar days before expiration, and at any time upon request by ORM.
2. Premium rates and commission rates shall be reported per market per layer on the bound insurance program within 30 calendar days of binding. The preferred method of reporting is an Excel spreadsheet.
3. The costs associated with the contract shall be subject to audit. The Contractor shall submit an annual statement identifying all income earned by each party participating in the placement of each of the casualty coverage programs and verify that no direct or indirect compensation has been retained.
4. All requested reports, analyses, and recommendations shall be submitted in a timely manner as determined by ORM and communicated to the Contractor.

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3.0 Tasks and Services

The Contractor shall provide, at a minimum, the following services for ORM:

A. Act as broker-of-record for new coverages placed during the contract term.

B. Analyze exposure, claims, coverage forms, and current program data to determine various options in property and casualty program structures and provide recommendations to make the program more efficient and effective. Catastrophe modeling through RMS and AIR is required.

C. Identify programs, products, and markets capable of meeting the State's coverage needs. Make recommendations regarding quality of markets, limits, and differences in various markets' terms and conditions.

D. Offer creative solutions and innovative suggestions for ORM to consider.

E. Assist ORM in identifying and organizing pertinent information in order to effectively market the property and casualty coverage programs. Coordinate the collection of data to include in any market solicitations.

F. With authorization from ORM, solicit quotations for the programs. Act as an advocate for the State in communications with the markets and intermediaries, including negotiations of the lowest possible fees and/or deductible options. ORM anticipates participation in the broker meetings with market representatives to assist in the solicitation of the program.

G. For insurance coverage placement, a maximum of 10% commission rate will be allowed for those placements utilizing a foreign wholesale/intermediary broker. All foreign wholesale/intermediary compensation must be pre-agreed by ORM and fully disclosed. For all premiums placed through domestic brokers that have a commission component, this commission must be identified and refunded to ORM.

H. Compile quotations for the program in an Excel spreadsheet. Where there are an adequate number of markets to do so, provide multiple quotes for competitive purposes. In the event that this requirement is not possible or recommended, the Contractor must submit an explanation/recommendation to ORM for approval. For those markets that decline to offer a quote on coverage, documentation from the market indicating why they chose not to quote must be provided.

I. Consider quotes from all qualified markets. All contacts from qualified and non-qualified markets must be documented and the Contractor must provide all results to ORM.

J. Upon authorization from ORM, bind the program as directed by ORM. Binders and/or confirmation of coverage shall be required upon placement.

K. Review and verify coverage documents received from all insurance markets from which ORM has bound coverage. Determine the coverage placed is correct and verify accuracy of price, rating classification and exposure.

L. In addition to the original paper copies, deliver electronic copies of all coverage documents. All documents shall be submitted electronically (as requested) within 90 calendar days of their effective date. All coverage placed with multiple layers must include an Excel graphic display of the placement showing markets, policy

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numbers, limits, premiums, taxes, fees, and commissions, if applicable, per layer.

M. The Contractor is prohibited from accepting any contingent income, profit sharing, enhanced commission, or other forms of hidden income associated with this contract. Confirm that compensation, including direct and contingent, on all market proposals has not been assessed or has been credited to the premium billed.

N. Ensure the timely billing of all documents and endorsements to ORM and assist with premium allocations or breakdowns by agency for internal ORM billing purposes. Bills should be submitted to ORM within 10 days of binding coverage or endorsements. In the event a Notice of Cancellation has been issued due to nonpayment of premium, work with ORM to resolve the situation and, to the extent possible, make payment on behalf of ORM.

O. Prepare certificates of insurance and endorsements, as requested, within 48 hours on a normal schedule and within 12 hours on a rush schedule.

P. Ensure proper service from markets on coverage placed and endorsements requested.

Q. Assist ORM when other related coverage needs to be added during the term of the contract, at no additional cost.

R. Develop a strategy for any upcoming renewal during the contract period to be presented in writing to ORM a minimum of 90 calendar days before expiration. Include and identify any intended intermediaries used in the solicitation process.

S. Disclose coverage additions and coverage restrictions on all renewal quotes in a chart format as compared to the expiring coverage.

T. Assist ORM with the reporting of claims. Be an advocate for the State on any disputed or problem claims. ORM's third-party administrator shall report the claims to the Contractor and the Contractor will be responsible for the reporting of all claims to the markets. In the event of an incident of high severity, act as an intermediary and advocate for the State with the markets to facilitate communication, data exchange, and prompt resolution of claims.

U. Monitor claims submitted to the markets to ensure they are properly handled and responded to in a timely manner. Provide confirmation to ORM with the markets on all claims, including claim number and representative contact information.

V. As requested by ORM, obtain clarification regarding coverage or claims questions.

W. Provide annual loss runs for each policy a minimum of 60 calendar days before expiration, including any prior year with open losses. These reports shall reflect claims opened and closed and claims reserved and paid by policy year (including all allocated loss adjustment expenses) until all claims are closed. These reports shall be cumulative for the coverage year and not just activity for the year. At ORM's request, loss runs shall be provided at any time during the year.

Information to be reflected on the quarterly report for each individual claim shall include but not be limited to the following:

- Date of Loss;

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- Status of claim (open, closed, reopened);
- Brief Description of Loss;
- Name of State Agency;
- Amount of claim as indicated below (by coverage code, if coverage code is applicable);
- Total Incurred;
- Amount paid;
- Amount reserved;
- Amount recovered;
- Amount of loss adjustment expenses; and
- Net Incurred.

X. Advise ORM on a semiannual basis, or as requested, about current developments in the marketplace as to coverages, forms, availability, pricing or other significant developments that would impact the State or vendors/contractors dealing with the State.

Y. Assist ORM with property-related and casualty-related training classes as needed for State agency personnel. Training on specific topics may be determined by ORM or recommended by the Contractor.

Z. Provide risk management and professional services, as requested by ORM, including, but not limited to, identifying and minimizing loss potential, conducting and/or reviewing property inspections, reviewing casualty exposures, researching alternative risk transfer techniques, attending meetings with State agencies, markets, or other consultants.

AA. At the request of ORM, research and provide recommendations for foreign and domestic market captives and/or risk retention pools.

BB. Assist ORM with the analysis and reporting required as per Act 715 of the 2014 LA Legislative Regular Session.

CC. Assist with the reports and supporting justification needed for certification of the State's property programs through the Department of Insurance as required by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act).

DD. Coordinate quarterly higher education focused round table events addressing targeted topics impacting the higher education landscape.

EE. Provide monthly newsletters for trending risk topics to be shared with ORM client agencies.

FF. Monthly safety newsletters

GG. Coordinate Infrared testing and boiler inspections through program insurers.

DocuSign Envelope ID: A80B090E-8CDE-4E81-9D28-40E963826388

4.0 Performance Requirements

The State Risk Administrator or their designee will serve as contract monitor for the services provided by the Contractor and the expenditure of funds under this contract. The contract monitor will primarily be responsible for the day-to-day contact with the Contractor and day-to-day monitoring of the Contractor's performance.

5.0 Performance Measurements

The State Risk Administrator or their designee, as contract monitor, will oversee the monitoring and management of the services provided by the Contractor and the expenditure of funds under this contract. The contract monitor will be responsible for the day-to-day contact with the Contractor and day-to-day monitoring of the Contractor's performance. The following plan addresses ORM's ongoing monitoring of the program:

1) to help make decisions;
2) to focus on results;
3) to ensure that ORM and its insureds are receiving an appropriate level of service;
4) to evaluate progress toward fulfilling ORM's mission, including the specific goals of providing excellent customer service and controlling costs; and
5) to determine if performance penalties are due as agreed upon in the Contract.

Metrics must remain flexible due to market trends and the expected evolution of ORM's role.

Additional monitoring criteria may be added to this plan at any time at ORM's discretion.

The primary tools ORM will utilize on an ongoing basis is:

- Completing annual performance evaluations to ensure that the Contractor has met all Key Deliverables.

DocuSign Envelope ID: A80B090E-8CDE-4E81-9D28-40E963826388

ATTACHMENT B: INSURANCE REQUIREMENTS FOR CONTRACTORS

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, and employees. Subcontractors shall be required to carry their own insurance.

MINIMUM SCOPE AND LIMITS OF INSURANCE

Workers Compensation

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of $1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of $1,000,000 and a minimum general annual aggregate of $3,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

Automobile Liability

Automobile Liability Insurance shall have a minimum combined single limit per accident of $1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

Professional Liability (Errors and Omissions) (Consulting)

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of $10,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 24 months from the expiration date of the policy, if the policy is not renewed.

Cyber Liability

Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of $2,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 24 months from the expiration date of the policy, if the policy is not renewed.

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DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain, the following provisions:

Commercial General Liability, Automobile Liability, and Cyber Liability Coverages

The Agency, its officers, agents, employees and volunteers shall be named as an additional insured on the Commercial General Liability policy as regards negligence by the Contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.

The Contractor's General Liability insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self- insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance, except Professional Liability (Errors & Omissions) or Cyber Liability.

Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

All Coverages

All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.

The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall not release the Contractor from the obligations of the insurance requirements or indemnification agreement.

The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.

Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

ACCEPTABILITY OF INSURERS

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers withan A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

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VERIFICATION OF COVERAGE

Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any contract renewal or insurance policy renewal thereafter.

The Certificate Holder shall be listed as follows:
State of Louisiana
Office of Risk Management, Its Officers, Agents, Employees and Volunteers
1201 N. Third Street, Suite G-192
Baton Rouge, LA 70802
Contract #: CW7940

Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the contract.

SUBCONTRACTORS

Contractor shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

WORKERS COMPENSATION INDEMNITY

In the event Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents and employees. The parties further agree that Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

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ATTACHMENT C: PRICE SCHEDULE
2023 ORM Broker Services

1) Fixed annual fee for broker services inclusive of travel, all consulting expenses, and costs for use of a domestic wholesaler, if applicable, for the Statewide property program.

$850,000

2) Fixed annual fee for broker services inclusive of travel, all consulting expenses, and costs for use of a domestic wholesaler, if applicable, for the Statewide casualty program.

$110,000

Total Cost (#1 + #2): $960,000

Amendment Number 01
Broker Services for Office of Risk Management
Solicitation Number Doc437807259, Contract Workspace Number CW7940
LaGov Contract/PO Number 2000808008

Be it known, that effective upon approval by the Director of State Procurement, as evidenced by the Director's signature on this document, the Office of Risk Management (hereinafter sometimes referred to as "State" or "ORM") and Arther J. Gallagher Risk Management Services, LLC, located at 4041 Essen Lane Ste 400, Baton Rouge, LA 70809 (hereinafter sometimes referred to as "Contractor") do hereby enter into this Amendment Number 01 to the Contract, under the following terms and conditions through the undersigned and duly authorized representatives of each respective party.

Change From: 2. Term of Contract

This Contract shall begin on November 1, 2023 and shall end on October 31, 2026 unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Contract may be extended for two (2) years at the same prices, terms, and conditions. Total contract time may not exceed sixty (60) months.

Prior to the extension of the contract beyond a thirty-six (36) month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of State Procurement (OSP) to extend contract terms beyond the three (3) year term.

Change To: 2. Term of Contract

This Contract shall begin on November 1, 2023 and shall end on ~~October 31, 2026~~ **January 31, 2028** unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Contract may be extended for ~~two (2) years~~ **up to an additional 9 months** at the same prices, terms, and conditions. Total contract time may not exceed 60 months.

Prior to the extension of the contract beyond a 36 month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the contract amendment to the Office of State Procurement (OSP) to extend contract terms beyond the 36 month term.

Change From: 5. Payment Terms

In consideration of the services required by this contract, ORM hereby agrees to pay the Contractor a fixed annual fee of $ 960,000. The maximum amount payable under this contract for the three (3) year term is $ 2,880,000. Payments are predicated upon successful completion or acceptable progress and written approval by ORM of the described tasks and deliverables as provided in Attachment A: Statement of Work attachment. Payments will be made to the Contractor after written acceptance by ORM of the tasks and approval of an invoice. ORM will make every reasonable effort to make payments within 30 days of the approval of invoice under a valid contract. Payment will be made only upon approval of the State Risk Administrator for Underwriting.

During the execution of tasks contained in Attachment A: Statement of Work, the Contractor may submit invoices, not more frequently than quarterly. The maximum schedule of invoicing is as follows:

Invoice #	To be dated the last working day of	Percent of fixed annual fee
1	November	20%
2	January	30%
3	April	30%
4	July	20%

ORM reserves the right to reduce the flat annual fee otherwise due to the Contractor by $1,000 per day when each independent Key Deliverable, found in Section 3.A. of Attachment A, Statement of Work, is not successfully completed and delivered in the timeframe stated herein. If circumstances arise that are out of the control of the Contractor and will impact Contractor's performance, a clear explanation must be provided as soon as possible to the Contract Monitor.

Payment of insurance premiums will be made under authority of this contract and through the Contractor when approved programs are bound. Contractor will invoice ORM for insurance premiums separately from Contractor's fee. Contractor will be responsible to forward payment to the applicable markets. Any commission included in premiums for domestic/foreign wholesalers shall be disclosed and returned to ORM. Insurance premiums are not included in maximum amount of contract.

Change To: 5. Payment Terms

In consideration of the services required by this contract, ORM hereby agrees to pay the Contractor a fixed annual fee of $ 960,000, **or a monthly rate of $80,000.** The maximum amount payable under this Contract for the ~~three (3) year~~ **51 month** term is ~~$ 2,880,000~~ **$4,080,000.**

Payments are predicated upon successful completion or acceptable progress and written approval by ORM of the described tasks and deliverables as provided in Attachment A: Statement of Work attachment. Payments will be made to the Contractor after written acceptance by ORM of the tasks and approval of an invoice. ORM will make every reasonable effort to make payments within 30 days of the approval of invoice under a valid contract. Payment will be made only upon approval of the State Risk Administrator for Underwriting.

During the execution of tasks contained in Attachment A: Statement of Work, the Contractor ~~may~~ **shall** submit invoices **per the schedule below:** ~~, not more frequently than quarterly. The maximum schedule of invoicing is as follows:~~

Invoice #	To be dated the last working day of	Invoice Amount ~~Percent of fixed annual fee~~
1	November	~~20%~~ **$240,000**
2	January	~~30%~~ **$240,000**
3	April	~~30%~~ **$240,000**
4	July	~~20%~~ **$240,000**
5	**November**	**$240,000**

ORM reserves the right to reduce the flat annual fee otherwise due to the Contractor by $1,000 per day when each independent Key Deliverable, found in Section 3.A. of Attachment A, Statement of Work, is not successfully completed and delivered in the timeframe stated herein. If circumstances arise that are out of the control of the Contractor and will impact Contractor's performance, a clear explanation must be provided as soon as possible to the Contract Monitor.

Payment of insurance premiums will be made under authority of this contract and through the Contractor when approved programs are bound. The Contractor will invoice ORM for insurance premiums separately from Contractor's fee. The Contractor will be responsible to forward payment to the applicable markets. Any commission included in premiums for domestic/foreign wholesalers shall be disclosed and returned to ORM. Insurance premiums are not included in maximum amount of contract.

All other terms and conditions of the Contract shall remain the same. The original Contract and all Amendments constitute the entire Agreement between the State and the Contractor. Any other oral or written communications between the parties before or after its execution shall not alter its effects, unless the change or modification is in writing and signed by authorized representatives of the State and the Contractor. In the event of a conflict between the terms and conditions of the Contract and this Amendment, the terms and conditions of this Amendment shall prevail.

In Witness Whereof, the parties have executed this Amendment Number 01.

Arthur J. Gallagher Risk Management Services, LLC Signature:

By:

Name: Brad Fife

Title: Area President

Date: 10/8/26

Office of Risk Management Signature:

By:

Name: Rachel Dunaway

Title: Director, Office of Risk Management

Date: 10/8/26

Division of Administration Signature:

By: Bryan McClinton

(OBO): **Name:** Taylor Barras

Title: Commissioner of Administration

Date: 10/8/26

Office of State Procurement Approval:

By:

Title:

Date:

Agenda Item No. 10

Review and approval of contracts between the Office of Group Benefits and the following entities, in accordance with the provisions of R.S. 42:802(D)(1):

A. Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana

B. New Orleans Regional Physician Hospital Organization, LLC, d/b/a Peoples Health

C. Humana Health Benefits Plan of Louisiana, Inc.

D. HMO Louisiana, Inc.

State of Louisiana
Office of Group Benefits

Heath Williams
Chief Executive Officer



Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804
Phone (800) 272-8451
Fax (225) 342-9919

Office of Group Benefits

September 17, 2026 Meeting of the Joint Legislative Committee on the Budget

Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana

Administrative Services Only for Self-funded Medical Plans Contract Overview

Blue Cross and Blue Shield of Louisiana

Administrative Services Only for Self-funded Medical Plans Contract

Contract Purpose	To provide administrative services to support the self-funded medical plans offered by OGB. Services include but are not limited to regulatory assistance, medical claims administration, case management, third party recovery, and other general administrative support services.
Eligible enrollees	Active and retired employees of the State of Louisiana and other OGB-participating entities.
Self-funded Health Plan Members as of 09/01/2026[1]	208,119
Beginning Contract Date	01/01/2027
Ending Contract Date	12/31/2029
Renewable Options	Up to 24 Months
Procurement Method	Request for Proposal
Contract Maximum Payable Amount	$4,264,594,614.00
2027 Administrative Fee Payable to Vendor	$31.74 *Per Contract per Month* ("PCPM"), an increase of $7.84 over the 2026 fee amount
2028 Administrative Fee Payable to Vendor	$32.72 PCPM, an increase of $0.98 over the 2027 fee amount
2029 Administrative Fee Payable to Vendor	$33.73 PCPM, an increase of $1.01 over the 2028 fee amount
Number of Plans	Five (no change from 2026)
Plan Year 2026 Rates[2]	7.75% increase over Plan Year 2026 Premiums for all plans

<u>2027 Contract Highlights</u>

- Updates contract format and boilerplate language to align with OSP's current standards.
- The PCPM administrative fee rate will increase incrementally each year of the contract term:
  - 2027: $31.74
  - 2028: $32.72
  - 2029: $33.73

[1] Based on the 09/01/2026 member participation counts for the BCBSLA Magnolia Open Access, Magnolia Local, Magnolia Local Plus, Pelican HRA1000, and Pelican HSA775 plans.

[2] The 7.75% premium rate increase to be implemented effective 01/01/2027 is not associated with the award of the ASO for Self-funded Medical Plans Contract to BCBSLA. Adjustments made to the premiums for OGB's self-funded health plans are based on actuarial recommendations and implemented in accordance with the provisions established by Act 146 of the 2015 Regular Session of the Legislature.

  - 2030: $34.77[3]
  - 2031: $35.85[3]
- Artificial Intelligence ("AI") protections:
  - OGB's written authorization is required for specified uses of OGB PHI to develop, train, or improve AI systems.
  - Prohibits use of OGB PHI in publicly available AI systems without OGB's written authorization.
- Performance guarantees are expanded and strengthened:
  - Total dollars at risk across the contractual performance guarantees are equal to 100% of annual administrative fees.
  - Performance guarantee reconciliation generally uses claims data through April 30; payment deadlines vary by the applicable performance guarantee.
  - Beginning in contract year three and extending through optional years four and five, OGB will withhold 10% of administrative fees until required performance guarantee reports are delivered.
- Implementation and readiness requirements are expanded:
  - Adds formal implementation testing, status reporting, operational readiness review, pre-implementation audit, and detailed Go-Live requirements.
- Audit, recovery, and data-access requirements are expanded:
  - Adds recurring and focused claims audits, corrective action requirements, and recovery of systemic claims-processing errors.
  - Expands OGB and its auditors' access to claims systems and data and prohibits limitations on OGB's access to its data.
- Specialty drug requirements are strengthened:
  - Requires 100% of rebates from specialty drugs covered under the medical benefit to be passed through to OGB.
  - Expands coordination and data-sharing requirements between the medical administrator and OGB's PBM(s).
- Post-termination requirements are expanded:
  - Establishes a 15-month run-out period for claims and appeals unless services are transitioned to a successor contractor.
- Provider payment transparency is increased:
  - Requires notice of material changes to network provider payment terms, including rates, discounts, rebates, refunds, and credits, with specified quarterly updates.
- Liability provisions are revised:
  - Retains the general limitation on direct damages while adding specific liability provisions applicable to personal-data breaches, Business Associate Addendum breaches, and AI-related breaches.

[3] PCPM administrative fee rates for 2030 and 2031 are contingent upon the contract being extended an additional 24 months beyond the 12/31/2029 contract term date.

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Contract Number CW10683
Administrative Services Only (ASO) for OGB
Solicitation Number Doc2065415027

1.0 Contract

Be it known, that effective upon approval by the Office of State Procurement, as evidenced by the Director's, or designee's, signature on this document, the State of Louisiana, Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, Louisiana 70802, (hereinafter sometimes referred to as OGB or State) and Blue Cross and Blue Shield of Louisiana, incorporated as Louisiana Health Service & Indemnity Company (hereinafter sometimes referred to as Contractor or Louisiana Blue/LA Blue) (sometimes hereinafter referred to collectively as the Parties) do hereby enter into this Contract for Administrative Services Only (ASO) services to support certain OGB self-funded plans under the following terms and conditions.

2.0 Term of Contract

This Contract shall begin on January 1, 2027 and shall end on December 31, 2029, unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Contract may be extended for two additional 12 month renewal options at the same prices, terms, and conditions. Total Contract time may not exceed 60 months.

Prior to the extension of this Contract beyond a 36 month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by Law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the Contract Amendment to the Office of State Procurement (OSP) to extend this Contract term beyond the 36 month term.

3.0 Statement of Work

The Contractor shall provide Administrative Services Only (ASO) services to support the OGB's self-funded plans offered by OGB as outlined in the **Attachment I: Statement of Work**.

4.0 Complete Contract

This Contract consists of the following:

Attachment I: Statement of Work
Attachment II: Definitions & Acronyms
Attachment III: Business Associate Addendum
Attachment IV: Records Retention Schedule
Attachment V: Insurance Requirements for Contractors
Attachment VI: Pricing
Attachment VII: Subrogation and Workers Compensation

5.0 Acceptance of Deliverables

Deliverables shall be submitted, reviewed, and accepted according to the following procedure:

1. *General.* The State shall accept work performed in accordance with the **Attachment I: Statement of Work** and/or as subsequently modified in OGB-approved documents. All Deliverables including Ad Hoc Reports shall be submitted to OGB in a format acceptable to OGB.

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2. *Submittal and Review*. The Contractor shall provide written notification to the OGB Contract Monitor that a Deliverable is completed and available for review and acceptance.

   The OGB Contract Monitor shall direct the appropriate review and approval process and coordinate any review outside the project team. The review process shall be comprehensive – identifying all items that must be modified or added.

3. *Rejection*. A failure to submit all or any essential part of a Deliverable shall be cause for rejection of the Deliverable.

4. *Resubmitting Deliverables*. The Contractor shall provide written notification to the OGB Contractor Monitor when the Contractor resubmits a Deliverable for acceptance. The parties shall repeat this process until the resubmitted Deliverable is accepted, or the State determines that the Contractor has breached this Contract and places the Contractor in default.

6.0 Payment Terms

In consideration of the services required by this Contract, OGB hereby agrees to pay the Contractor as follows:

OGB will pay the Contractor a maximum fee of $4,264,594,614 for work performed during the term of this Contract. This fee is inclusive of travel and all Contract-related expenses.

Payments are predicated upon successful completion by the Contractor and written approval by OGB of the described Statement of Work and Deliverables as provided in this Contract. The Contractor will not be paid more than the maximum amount of this Contract. OGB will make no payments on banking or State holidays.

The Contractor may invoice OGB at the billing address designated by the State. Invoices shall include the Contract number, order number, using department and services purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

Payment will be made only upon approval of the OGB Contract Monitor or designee.

6.1. Late Payments

Interest due by OGB for late payments shall be in accordance with La. R.S. 39:1695 at the rates established in La. R.S. 13:4202.

6.2. Prohibition Against Advance Payments

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by Law or otherwise stated herein.

6.3. Claims Payments

OGB will not provide advance funding for payment of Claims. The Contractor shall submit weekly invoices and correlating claims files for reimbursement of Claims no later than 12:00 p.m. CT on the established billing day, with an accompanying check register (Claims disbursements) showing all paid Claims and any other supporting documentation necessary to substantiate invoiced costs. Separate invoices shall be prepared with respect to Claims for each Plan offering and shall identify on each invoice the portion applicable to active and

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retiree Plan Participants. OGB will only reimburse the Contractor for the Claims paid to Network Providers at the Network Provider contracted fee schedule effective on the Claims date of service and will not reimburse the Contractor for payments made to Network Providers that include any bonus or any other supplemental payments. However, reimbursement for value-based payments are subject to the provisions of section 6.5 below. Upon receipt and validation of each Claims invoice, OGB shall wire the undisputed amount within four business days of receipt. If the invoice(s) and electronic check register(s) do not reconcile, payment of the disputed amount will be made within four business days of successful reconciliation. If OGB questions the amount, OGB will notify the Contractor of its questions regarding said amount, and the Contractor shall make a reasonable effort to respond to such questions within five business days.

If OGB fails to wire the undisputed amount of the previous weekly invoice for reimbursement of claims within four business days of receipt, the Contractor shall send written notice via email to the Contract Monitor, the Chief Executive Officer, and the Chief Operating Officer of its intent to suspend claims payments on behalf of OGB until the reimbursement payment for the undisputed amount has been received. After the written notice is sent, the Contractor must provide OGB seven business days to wire the undisputed amount prior to suspending Claims payments. Twenty-four hours prior to the suspension of Claims payment, the Contractor shall submit a second written notice to the Contract Monitor, Chief Executive Officer, and the Chief Operating Officer of its intent to suspend Claims payment. Upon the suspension of Claims payments, the Contractor will continue all administrative services. Claims payments will resume immediately once the undisputed amount that is the subject of the written notice described above has been paid. The Contractor shall not be liable for any penalties or fees that OGB may incur as a result of the Contractor suspending Claims payment due to OGB's non-payment of undisputed amounts of weekly invoices.

6.4. Administrative Fees

OGB will not provide advance funding for payment of Administrative Fees. The Administrative Fee will be a Per Contract Per Month (PCPM) fee which the Contractor will submit as a separate invoice (Administrative Fee Invoice) monthly to OGB. Upon receipt and validation of the Contractor's invoice for monthly Administrative Fees, OGB shall pay undisputed fees by wire transfer within 30 days of receipt. Monthly Administrative Fees will be charged the month following the month in which the service is provided. If OGB questions the amount, OGB will notify the Contractor of its questions regarding said amount, and the Contractor shall make a reasonable effort to respond to OGB's inquiries within five business days. The Administrative Fee represents the sole compensation the Contractor is entitled to under the terms of this Contract. Reimbursement for value-based payments are subject to the provisions of section 6.5 below.

Note: The Patient Certified Outcome Research Institute (PCORI) fees, pass-through Claims, and the No Surprises Act (NSA) Independent Dispute Resolution (IDR) administrative and arbitrator fees are the responsibility of OGB and are not included in the Administrative Fees.

6.5. Value-Based Payments

OGB will not provide advance funding for payment for any Value-Based programs. Invoicing for Value-Based payments will be included in the Claims invoices after any payment is made

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by the Contractor to an applicable provider or facility for these programs and will be clearly identified as Value-Based. Requests for payment for any Value-Based programs will be submitted to OGB on the weekly Claims invoice and shall include a description of the amount for which the Contractor requests reimbursement, the provider or facility to whom the Contractor made the payment, the OGB Plan Participant for whom the Contractor made the payment, and the service or "value" rendered for which the Contractor seeks reimbursement. At its sole discretion, OGB may require additional lines or details in these invoices. OGB acknowledges that invoices for payment for any Value-Based programs may include true-up amounts calculated on applicable claims. Upon receipt and validation of invoices for Value-Based payments, OGB shall wire the undisputed amount within four business days of receipt. If OGB questions the amount, OGB will notify the Contractor of its questions regarding said amount, and the Contractor shall make a reasonable effort to respond to OGB's inquiries within five business days.

OGB agrees to a limited, post-termination obligation for settlement of amounts owed to the Contractor for Value-Based programs if this Contract is terminated. To the extent Contractor is obligated under a Value-Based program to make payments to providers that are attributable to claims for services rendered to OGB members ***before*** termination of this Contract, the Contractor shall submit an invoice to OGB for such amounts no later than three months following the close of the applicable Value-Based program year, provided the close of the applicable Value-Based program year is no later than 12 months after the termination of this Contract. OGB will pay such invoices to the extent the work is performed to OGB's satisfaction.

Any obligation of OGB to reimburse the Contractor for payments under a Value-Based program that are attributable to claims for services rendered to OGB members ***after the date of termination of this Contract*** (regardless of reason) shall terminate with this Contract.

7.0 Taxes

The Contractor agrees that all applicable taxes are included. State agencies are exempt from all State and local sales and use taxes.

The Contractor acknowledges that: (1) an LDR tax clearance certificate is required for approval of this Contract and (2) the Contractor is currently compliant in filing all applicable tax returns and reports, and in the payment of all taxes, interest, penalties, and fees owed to the State. The State reserves the right to withdraw its consent to this Contract without penalty and to proceed with alternate arrangements should the Contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven business days of such notification.

8.0 Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements

During the term of this Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

If the Contractor proposed a good faith subcontracting plan, the Using Agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit the

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Contractor to determine whether the Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letter, e-mails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the Using Agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the Contract award or the existing Contract may be terminated.

9.0 Termination

The State of Louisiana has the right to terminate this Contract immediately for any of the following reasons: (a) misrepresentation by the Contractor; (b) Contractor's fraud, collusion, conspiracy or other unlawful means of obtaining any contract with the State of Louisiana; (c) conflict of contract provisions with constitutional or statutory provisions of State or Federal Law; (d) abusive or belligerent conduct by the Contractor towards an employee or agent of the State; (e) Contractor's intentional violation of the Louisiana Procurement Code (La. R.S. 39:1551 et seq.) and its corresponding regulations; or, (f) any listed reason for debarment under La. R.S. 39:1672.

9.1. Termination for Cause

The State of Louisiana may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of this Contract, or failure to fulfill its performance obligations pursuant to this Contract, provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within 30 days after receipt of such notice, the Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in 30 days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and this Contract shall terminate on the date specified in such notice.

The Contractor may exercise any rights available to it under Louisiana Law to terminate for cause upon the failure of the State to comply with the terms and conditions of this Contract, provided that the Contractor shall file a claim with the Chief Procurement Officer under La. R.S. 39:1671 -1673.

9.2. Termination for Convenience

The State of Louisiana may terminate this Contract for convenience at any time (1) by giving 30 days written notice to the Contractor of such termination; or (2) by negotiating with the Contractor an effective date. To the extent work has been completed prior to receipt of the written notice and performed to the State's satisfaction, the State shall pay the Contractor for, if applicable: (a) deliverables in progress; (b) the percentage that has been completed satisfactorily; and, (c) for transaction-based services up to the date of termination, to the extent work has been performed satisfactorily.

9.3. Termination for Non-Appropriation of Funds

The continuation of this Contract is contingent upon the appropriation of funds to fulfill the requirements of this Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of this Contract or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of this Contract, this Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

When funds are not appropriated or otherwise made available to support continuation of performance in the following fiscal year of a multiyear contract for consulting services, the Contract for the remaining term shall be cancelled and, at the State's discretion, the Contractor shall be reimbursed in accordance with the terms of this Contract for the reasonable value of any nonrecurring costs incurred but not amortized in the price of services delivered pursuant to this Contract. The cost of cancellation may be paid from appropriations made specifically for the payment of such cancellation costs or from unobligated funds of the Using Agency.

With respect to all multiyear contracts for consulting services pursuant to this Subsection, there shall be no provisions for a penalty to the State for cancellation or early payment of this Contract.

10.0 Contract Modifications

No amendment or modification of the terms of this Contract shall be valid unless made In Writing, signed by the parties and approved as required by Law. No oral understanding or agreement not incorporated in this Contract is binding on any of the parties.

Changes to this Contract include any change in a) compensation; b) beginning/ending date of this Contract; c) statement of work; and/or d) Contractor change through the assignment of contract process. Any such changes, once approved, will result in the issuance of an amendment to this Contract.

11.0 Ownership of Work Product

All data, files, documentation, records, worksheets, or any other related materials obtained, prepared, or developed by the Contractor under this Contract are the property of the State. If applicable, all software and customizations developed under this Contract are the property of the State. Contractor, at its expense, shall deliver this property to the State at the termination or expiration of this Contract, unless otherwise required by this Contract. Delivery of this property shall be in a form specified by the State.

12.0 Record Ownership

Except for those records, reports, documents, or other material received from a third party and covered by a Non-Disclosure Agreement with that third party and that are not transmitted to OGB, all records, reports, documents, or other material related to this Contract and/or obtained or prepared by the Contractor in connection with the performance of the services contracted for herein ("Records) shall become the property of the State. The Contractor shall return the Records to the State, at the Contractor's expense within seven days of request or in the specific instance of termination or expiration of this Contract, within 60 days after the termination or expiration of this Contract, and shall retain no copies of the Records unless required by applicable Law or in connection with Contractor's fulfillment of its duties under this Contract provided, the confidentiality and security requirements of the State as set forth in this Contract shall apply to such Records as long as retained by the Contractor. Additionally, once the Records are returned or destroyed in accordance with this Contract after the

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

fulfillment of the Contractor's duties, the Contractor and its subcontractors/vendors must follow the Office of Technology Services (OTS) Information Security Policy for Data Sanitization requirements for all equipment which previously housed confidential or restricted data from all State agencies.

13.0 Use of State Property

Any corporeal property of the State furnished to the Contractor shall, unless otherwise provided herein, or approved by the State and/or Using Agency, be used only for the performance of this Contract.

The Contractor shall be responsible for any loss or damage to property of the State and/or Using Agency which results from willful misconduct or lack of good faith on the part of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices, to ensure that the property will be returned to the State and/or Using Agency in like condition, except for normal wear and tear, to that in which it was furnished to the Contractor. Upon the happening of loss, or destruction of, or damage to property of the State, the Contractor shall notify the State thereof and shall take all reasonable steps to protect that property from further damage.

The Contractor shall surrender to the State and/or Using Agency all property of the State and/or Using Agency prior to completion, termination, or cancellation of this Contract, unless otherwise specified herein. All reference to the Contractor under this Section shall include any of its employees, agents, or subcontractors.

14.0 State Contract Monitor

The State shall appoint a Contract Monitor for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for management during the performance of this Contract, the assigned Contract Monitor shall be the principal point of contact on behalf of the State and will be the principal point of contact for the Contractor concerning the Contractor's performance under this Contract. The OGB Contract Monitor may receive assistance from a third party in evaluating the Contractor's performance.

15.0 Waiver

Waiver of any breach of any term or condition of this Contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Contract shall be held to be waived, modified or deleted except by the written consent of both parties.

16.0 Warranties

The Contractor warrants that all services shall be performed in good faith, with diligence and care, by experienced and qualified personnel in a professional, workmanlike manner, and according to its current description (including any completion criteria) contained in the statement of work.

No Surreptitious Code Warranty. The Contractor warrants that the Contractor will make all commercially reasonable efforts not to include any Unauthorized Code in the software provided hereunder. "Unauthorized Code" means any virus, Trojan horse, worm or other software routine or component designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data, or to perform any other such actions. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

The Contractor further warrants that it has the right to provide and or license its product to the State and that it will operate in accordance with this Contract. In the event of a material failure of the Contractor's product to function and operate, and/or failure by the Contractor to perform its obligations, in accordance with the terms and conditions of this Contract that results in the termination of this Contract for cause by the State, the State will not be obligated to compensate the Contractor of any costs incurred by the Contractor.

Extent of Warranty: These warranties replace all other warranties, express or implied, including the implied warranties of merchantability and fitness for a particular purpose.

17.0 Duty to Defend

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be specifically related to the Contractor or the Contractor's subcontractor(s)' performance of services or duties and responsibilities under this Contract, the Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The State will consult with or assist the Contractor, but this assistance shall not affect the Contractor's obligations, duties, and responsibilities under this Section. The Contractor shall obtain the State's written consent before entering into any settlement or dismissal.

The Contractor shall not have a duty to defend for the portion of any claims, demands, suits, or causes of action arising from the State's act or failure to act. The Contractor will consult with or assist the State, but this assistance shall not affect the State's obligations, duties, and responsibilities under this Section.

18.0 Liability and Indemnification

18.1. Contractor Liability

The Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, to the extent occurring or arising out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors. The Contractor shall not be liable to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description to the extent occurring or arising out of any act or omission of the State, its agents, employees, partners, or subcontractors.

18.2. Force Majeure

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. The State shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. The parties shall use reasonable efforts, including but not limited to, use of continuation of operations plans (COOP), business continuity plans, and disaster recovery

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

plans, to eliminate or minimize the effect of such events upon the performance of their respective duties under this Contract.

18.3. Indemnification

The Contractor shall indemnify and hold harmless the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, the portion of which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

In addition to other remedies available at Law or equity, the State may retain monies from amounts due the Contractor as may be necessary to satisfy claims or costs asserted against the State, for which the Contractor owes indemnification and/or defense.

18.4. Intellectual Property Indemnification

The Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to an actual or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, the Contractor, while ensuring appropriate migration and implementation, data integrity, and minimal delays of performance, shall at its sole expense and in the following order of precedence: (i) obtain for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under this Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and performance. Until this obligation has been satisfied, the Contractor remains in default.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by the Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

18.5. Limitations of Liability

For all claims against the Contractor not governed by any other provision of this Section, regardless of the basis on which the claim is made, the Contractor's liability for direct damages shall be limited to two times the maximum dollar amount of this Contract.

The Contractor's liability for any damages, direct or indirect, for an actual breach of personal data (including any breach of the applicable Business Associate Agreement) is not subject to this limitation. The Contractor's liability for a breach of the applicable Business Associate Agreement (BAA) shall be subject to a supercap of five times the annual amount of administrative fees paid under the terms of this Contract with the exception of any breach related to the use of any Artificial Intelligence. However, the Contractor shall not be liable for damages resulting for an actual breach of personal data which are the direct result of the State's negligence or intentional act.

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

18.6. Other Remedies

If the Contractor fails to perform in accordance with the terms and conditions of this Contract, or if any lien or claim for damages, penalties, costs and the like is asserted by or against the State, then, upon notice to the Contractor, the State may pursue all remedies available to it at Law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

19.0 Insurance

The Contractor shall purchase and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

The Contractor shall furnish the State with certificates of insurance effecting coverage(s) required by this Contract in accordance with the **Attachment V: Insurance Requirements for Contractors**. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the State before work commences. The State reserves the right to require complete certified copies of all required policies, at any time. The Contractor shall maintain the insurance as specified shown in the **Attachment V: Insurance Requirements for Contractors** for the full term of this Contract. Failure to comply shall be grounds for termination of this Contract.

20.0 Performance Bond

The Contractor shall provide a Performance Bond (Surety Bond) in the amount of $50,000,000 to ensure the successful performance under the terms and conditions of this Contract. The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved bonding companies which is published

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

annually in the Federal Register, or by a Louisiana domiciled insurance company with at least an A- rating in the latest printing of the A.M. Best's Key Rating Guide to write individual bonds up to 10% of policyholder's surplus as shown in the A.M. Best's Key Rating Guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds.

No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U.S. Department of the Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A-rating by A.M. Best up to a limit of 10% of policyholders' surplus as shown by A.M. Best; companies authorized by this Paragraph who are not on the treasury list shall not write a performance bond when the penalty exceeds 15% of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance.

In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least 30 business days prior to the effective date of this Contract. Failure to provide within the time specified may cause this Contract to be canceled.

The Contractor shall maintain the performance bond for the full term of this Contract. Failure to comply shall be grounds for termination of this Contract.

The performance bond shall not limit the Contractor's liabilities for any breaches of the Business Associate Addendum or any associated damages. Any such liabilities or damages shall remain the Contractor's responsibility irrespective of any agreement or relationship with a surety or insurance company supplying a performance bond for this Contract.

21.0 Licenses and Permits

The Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract, if applicable.

22.0 Severability

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this Contract are declared severable.

23.0 Subcontractors

The Contractor may, with prior written permission from the State and/or Using Agency, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or Using Agency for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work.

24.0 Substitution of Personnel

If, during the term of this Contract, the Contractor or subcontractor cannot provide the personnel as proposed and requests a substitution, that substitution shall meet or exceed the requirements stated herein. A detailed resume of qualifications and justification is to be submitted to the State for approval prior to any personnel substitution. In the event that any Contractor personnel become unavailable

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

due to resignation, illness, or other factors, excluding assignment to project outside this Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. It shall be acknowledged by the Contractor that every reasonable attempt shall be made to assign the personnel listed in the Contractor's proposal.

The State shall reserve the right to require removal and replacement of any Contract personnel whose performance it considers unacceptable.

25.0 Assignability

The Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within 10 calendar days of the assignment, the Contractor shall provide notice of the assignment to the State and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, the Contractor shall only transfer an interest in this Contract by assignment, novation, or otherwise, with prior written consent of the State. The State's written consent of the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

26.0 Code of Ethics

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify the State if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

26.1. Prohibited Relationships

The Contractor acknowledges and agrees that it is not permitted to engage in any Prohibited Relationship. If such a Prohibited Relationship exists at the time this Contract is signed by the Contractor, the Contractor shall disclose all details of such Prohibited Relationship to OGB and provide a detailed timeline of how the Contractor is dissolving the Prohibited Relationship. Dissolution of any pre-existing Prohibited Relationship shall occur on or before the effective date of this Contract. No funds from this Contract may be used to pay commissions, bonuses, or other fees to non-party entities including but not limited to actuaries, consultants, brokers, etc. without OGB's consent and approval. The Contractor is only permitted to make payment on OGB's behalf and at its direction with written approval.

26.2. Prohibited Communications

The Contractor acknowledges and agrees that it is not permitted to engage in any Prohibited Communications whether written or verbal without obtaining prior approval from OGB In Writing. Prohibited Communications are communications related to OGB, OGB's Plan Participants, OGB's health or life programs, or pending legislation that may affect OGB that are not created or engaged in at OGB's request or suggestion. Prohibited Communications are with an individual or entity who is not employed by OGB or contracted with OGB as a vendor.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Prohibited Communications do not include Contractor's own communications and related work and activities related to health and life insurance and pending legislation related to or in any manner impacting the Contractor as a health insurance issuer and third party administrator that are that are not specifically and completely related to OGB.

26.3. Prohibited Activities

The Contractor acknowledges and agrees that it is not permitted to engage in any Prohibited Activities without obtaining prior approval from OGB In Writing. Prohibited Activities include but are not limited to lobbying matters that may affect OGB in the present or the future or may affect this Contract or OGB's Plan Participants and speaking or testifying at public hearings or open meetings that are not engaged in at OGB's request or suggestion. Prohibited Activities do not include Contractor's own lobbying activities related to health and life insurance and pending legislation related to or in any manner impacting the Contractor as a health insurance issuer and third party administrator that are not specifically and completely related to OGB.

27.0 Confidentiality

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to OGB and the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State In Writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties without breach of the Contract.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the Office of Group Benefits.

With the exception of routine business matters related to the Contractor's services provided under this Contract, the Contractor shall not directly communicate with OGB's Plan Participants without prior written consent from OGB. If the Contractor desires to communicate with OGB's Plan Participants, the Contractor must submit a draft of the communication In Writing addressed to OGB's CEO, OGB's COO, and the Contract Monitor at least five business days before the Contractor intends to distribute the communication. OGB shall have five business days to respond to any such written request.

28.0 Continuing Obligations

Notwithstanding any provisions to the contrary herein, upon the termination of this Contract for any reason, the provisions of this Contract which by their nature require some action or forbearance after such termination, including but not limited to confidentiality, PHI, reporting, indemnity, insurance,

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

records retention, and performance guarantees, shall survive such termination and be binding until any actions, obligations, and/or rights provided therein have been satisfied or released.

29.0 Transition of Services and Data

The Contractor shall comply with the provisions of this Contract, and other requests of OGB/State, to accomplish a timely transition of services without interruption of services to Plan Participants. During any such transition, the Contractor will provide all of the same Records and data that are managed or exist in the Contractor's or their Subcontractor's data systems in the same format as provided during the term of the Contract, to OGB/State or its designee. The Contractor further agrees that no dispute or objection it may have regarding the propriety of any transition of services by OGB/State will relieve the Contractor of these obligations.

30.0 Contract Controversies

Any claim or controversy arising out of this Contract shall be resolved by the provisions of Louisiana Revised Statute 39:1671-1673, as applicable.

31.0 Right to Audit

The State Legislative auditor, federal auditors and internal auditors of Division of Administration and its designated agents, the State, OGB, or others so designated by the State/OGB, shall have the option to audit all accounts, procedures, matters, and records of any Contractor or subcontractor under any negotiated Contract or subcontract directly pertaining to this Contract for a period of five years from the date of final payment under this Contract and for the subcontractor/vendor for a period of five years from the date of final payment under the subcontract or such longer period as required by applicable state and federal Law. The Contractor and subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Records, including direct read access to databases and all tables, shall be made available during normal business hours for this purpose.

The State has the right to hire an independent third-party auditor, if the State deems it necessary, to review all accounts, procedures, matters, and records, and the Contractor and/or subcontractor/vendor shall provide access to all files, information system access, and space access upon request of the State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of this Contract, the Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall, within 30 days of notification of such finding issue, issue a remittance to the State of any payments declared to be improper or beyond the scope of this Contract. In combination therewith, or alternatively, the State may offset the amounts deemed improper or beyond the scope of this Contract against the Contractor's outstanding or subsequent invoices, if any, or may exercise its rights under the performance bond.

32.0 Data/Record Retention

All records, reports, documents, or other material related to this Contract, delivered or transmitted to the Contractor by the State or its employees, agents, or authorized vendors, and/or obtained or prepared by the Contractor or its subcontractors/vendors in connection with the performance of the services under this Contract, shall become records of the State and are referred to herein as "Records."

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

The Contractor agrees to retain all Records in accordance with all Louisiana and federal Laws and regulations. Further, the Contractor agrees to retain all Records in accordance with OGB's official retention schedule (the "Schedule"), represented in the **Attachment IV: Records Retention Schedule** , until such time as the Records are returned to the State or other disposition is agreed. In the event the applicable Law and the Schedule contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable Law or as agreed upon by the parties In Writing if allowed by applicable Law. The Schedules in place as of the effective date of this Contract are contained in the **Attachment IV: Records Retention Schedule** and may be amended from time to time as deemed necessary by the State. The Contractor shall return or, at OGB's request, destroy the Records, at the Contractor's expense, within seven days of request or in the specific instance of termination or expiration of this Contract, within 60 days after the termination or expiration of this Contract, and shall retain no copies of the Records unless required by applicable Law, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor. The Contractor shall continue to retain Records past termination or expiration of this Contract that are relevant to any obligation that survives the Contract's termination or expiration until such obligation has been fully performed, satisfied, resolved, or otherwise expired and any such Records retained hereunder shall be subject to the confidentiality and security requirements of this Contract.

33.0 Sanitization of State Data/Records in Contractor's Custody

The Contractor shall sanitize all State data and records in compliance with NIST SP 800-88 Rev 1, and any future revisions thereto, unless a specific alternative is approved in writing by the Louisiana DOA OTS Information Security Team. The Contractor shall provide quarterly a Certificate of Sanitization to the Using Agency's Contract Monitor.

34.0 Contractor's Certification of No Federal Suspension or Debarment

The Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of this Contract and debarment from future Contracts.

35.0 Contractor's Cooperation

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

36.0 Security

The Contractor's personnel shall comply with all security regulations in effect at the State's premises and externally for materials and property belonging to the State or to the project. Where special security precautions are warranted (e.g., correctional facilities), the State shall provide such procedures to the Contractor, accordingly.

The Contractor shall comply with the Office of Technology Services' Information Security Policy at https://www.doa.la.gov/doa/ots/about-us/infosec/.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

The Contractor is responsible for promptly reporting to the State any known breach of physical or information security.

36.1. Cybersecurity Training

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost.

For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

37.0 Independent Assurances

The State of Louisiana/OGB will require the Contractor and/or subcontractors, if performing a key internal control, to provide some form of assurances that internal controls over the process being administered by the Contractor for the user agency is operating properly. The assurances provided by the Contractor may be in the form of SOC 1, Type II and/or SOC 2, Type II reports resulting from independent SSAE 18 engagement of internal controls, quality assurance reports or other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. If an SSAE 18 review is required, the audit firm will conduct tests of the Contractor's activities and render an independent opinion on the operating effectiveness of the controls and procedures.

As an alternative to a SSAE 18 engagement and resulting SOC 1 Type 2 and/or SOC 2 Type 2 report, if approved by the State of Louisiana/OGB on or before January 15 preceding the report deadline, the Contractor's subcontractors may provide a quality control plan, such as third party Quality Assurance (QA), Independent Verification and Validation (IV & V), or other internal project/program reviews or audit reports. Only where the Contractor is contractually limited in providing a copy of any such subcontractor's assurance to OGB, the Contractor will provide a summary of such report to OGB subject to OGB's determination that the summary report is adequate.

These audits and/or assurances will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the indicated audit. If a SSAE 18 review or audit is required of the Contractor, the audit firm will submit to OGB and/or Contractor a final report on controls placed in operations for the project and include a detailed description of the audit firm's tests of the operating effectiveness of controls.

The Contractor shall supply OGB with an exact copy of the report within 30 calendar days of completion. When required by OGB, such audits may be performed annually during the term of this

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Contract. The Contractor shall agree to implement recommendations as suggested by the audits within three months of report issuance at no cost to OGB. The cost of the SSAE 18 engagement is to be borne by the Contractor.

38.0 Commencement of Work

No work shall be performed by the Contractor and the State shall not be bound until such time as this Contract is fully executed between the State and the Contractor and all required approvals are obtained.

39.0 Compliance with Civil Rights Laws

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Federal Rehabilitation Act of 1973 as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

The Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability or age in any matter relating to employment. Any act of discrimination committed by the Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Contract.

40.0 Anti-Kickback Clause

The Contractor hereby agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.

41.0 Business Associate Agreement

A Business Associate Agreement, ("BAA") shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information ("PHI") and personally-identifiable information ("PII") in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services, as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act of 2009 (collectively, "HIPAA"), and regulations promulgated thereunder, as amended from time to time.

OGB is a "Covered Entity" under HIPAA. For the purposes of this Contract, the Contractor is deemed to be a "Business Associate" of OGB as such term is defined by HIPAA and regulations promulgated thereunder, including in the Privacy Standard of the Federal Register, published on December 28, 2000. The parties have executed the **Attachment III: Business Associate Addendum** attached to and made part of this Contract. The parties understand and agree that if additional agreements are required to be compliant as required under HIPAA and applicable Laws, the parties will execute such agreements in a timely manner. The Contractor agrees that its processes, systems, and reporting will be in full compliance with federal and state requirements, including but not limited to HIPAA, throughout the term of this Contract. Any fines or penalties imposed on any party related to the Contractor's or its

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

subcontractors' non-compliance will be the sole responsibility of the Contractor. The Contractor shall require its subcontractors' and any other vendors' processes, systems, and reporting to be in full compliance with federal and state requirements, including but not limited to HIPAA. Further, the Contractor agrees that its organization, as well as its subcontractors/vendors, will comply with all HIPAA regulations throughout the term of this Contract with respect to any issue related to the OGB Contract, plans, or participants involving PHI/PII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. The Contractor shall require that all agreements with subcontractors or other vendors providing services for this Contract include the provisions of this Section and any Attachments referenced herein. In addition to the BAAs, OGB shall be provided copies of such subcontractor/vendor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI and PII, including but not limited to Claims processing, customer service, and any other services as provided by applicable Laws, shall not be sourced outside of the territorial and jurisdictional limits of the 50 United States of America.

42.0 Centers for Medicare and Medicaid Services

The Contractor shall make its books and records in connection with any Medicare business available to CMS and/or its designees in accordance with 42 CFR 423.504(d) and 42 CFR 423.505(d) and (e). In this regard, CMS and/or its designees shall have the right to audit, evaluate, and inspect any books, contracts, records, computer and/or other electronic systems, including medical records and documentation involving transactions related to the Plan and/or Medicare business provided under this Contract (including coverage costs, low income subsidies, and privacy and security of PHI and other personally identifiable information, enrollment and disenrollment) and any additional relevant information that CMS may require, and these rights shall continue for a period of 10 years, or longer if required by CMS, from the final date of this Contract period or from the date of completion of any audit, whichever is later. CMS and/or its designees shall have direct access (i.e., on-site access) to the Contractor, and the Contractor will make such books, records, computer and/or other electronic systems, directly available to CMS and/or its designee(s) for such inspection, evaluation, and audit.

43.0 Compliance

The Contractor shall comply with all applicable state and federal Laws and regulations. The Contractor will be responsible for ensuring that all benefits and programs offered by OGB and administered by the Contractor meet all current and future requirements of the PPACA and offer guidance to and consult with the State on all such benefits and programs, including benefit design, Formulary design and management, Copayment and/or Coinsurance structure, and appeals of all levels.

The Contractor shall assist OGB in complying with those reporting requirements agreed upon by the parties in the **Attachment I: Statement of Work**, including the following:

- WHCRA Notices
- HIPAA Authorized Delegate Form
- HIPAA Privacy Notice
- Balance Billing Disclosure Notice
- No Surprise Billing Act Notice in EOB
- Prescription Drug Data Collection reports (RxDC), but only as set forth below:

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

1. The Contractor will submit the medical spending template (D2 template) and the P2 template (group health specific data) on behalf of OGB. Note that the D2 template includes aggregate data on all self-funded large group data, and the Contractor does not provide or submit group specific reports. P2 template identifies each unique Group Health plan and is the common thread to link all data files to a Group Health Plan.
2. OGB will be responsible for submitting the premium and life years template (D1 template) and the pharmacy spending templates (D3-D8 templates). OGB must submit its own P2 (group health specific data) and a Narrative Response on the prescription drugs portion, as P2 must be submitted with any D file submission.

The Contractor will provide information/data and reporting as requested by OGB for OGB to comply with any analysis and reporting for OGB's compliance with the Mental Health Parity and Addiction Equity Act (MHPAEA).

The Contractor shall not enter into any agreement with its subcontractors or otherwise that will restrict OGB from accessing relevant information or data. The Contractor shall provide OGB with a Gag Clause Prohibition Compliance Attestation annually by the date determined by OGB so that OGB can meet the federal deadline with the Centers for Medicare and Medicaid Services (CMS) to comply with the Consolidated Appropriations Act of 2021. The Contractor will provide such Gag Clause attestation for the benefits and provides for benefits administered by the Contractor pursuant to this Contract. The State remains responsible for the Gag Clause attestation and any other reporting requirements under any applicable law for benefits that are not administered by Contractor under this Contract, commonly referred to as "carveout" benefits.

Any fines for non-compliance related to services provided by the Contractor under this Contract will be the Contractor's sole responsibility only to the extent that such fines occur or arise out of any action or omission of the Contractor, its agents, employees, partners, or subcontractors.

44.0 Preferred Client

OGB should be recognized as a preferred client relationship and should benefit from yearly pricing improvements provided to any other clients in the Contractor's "book of business". Essentially, if the Contractor offers better pricing to another client during this Contract term, OGB will benefit from the lesser pricing arrangement and receive the benefit of any offered enhancements.

45.0 Clean Air Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) list of Violating Facilities.

46.0 Energy Policy and Conservation Act

The Contractor hereby recognizes the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

47.0 Clean Water Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) List of Violating Facilities.

48.0 Anti-Lobbying and Debarment Act

The Contractor will be expected to comply with Federal statutes required in the Anti-Lobbying Act and the Debarment Act.

49.0 Prohibition of Discriminatory Boycotts of Israel

In accordance with La. R.S. 39:1602.1, for any contracts with a value of $100,000 or more and for any Contractor with five or more employees, the Contractor certifies that it is not engaging in a boycott of Israel and it will, for the duration of its contractual obligations, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of this Contract.

50.0 Prohibition of Companies That Discriminate Against Firearm and Ammunition Industries

In accordance with La. R.S. 39:1602.2, the following applies to any competitive sealed bids, competitive sealed proposals, or contract(s) with a value of $100,000 or more involving a for-profit company with at least 50 full-time employees:

Unless otherwise exempted by Law, by entering into this Contract, the Contractor certifies the following:

1. The company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association based solely on the entity's or association's status as a firearm entity or firearm trade association;
2. The company will not discriminate against a firearm entity or firearm trade association during the term of this Contract based solely on the entity's or association's status as a firearm entity or firearm trade association.

The State reserves the right to reject this Contract if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response or if the certification is no longer true.

51.0 Prohibited Use of Funds

The Contractor agrees not to use Contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of Law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of Law being considered by the Louisiana Legislature or any local governing authority.

52.0 E-Verify

The Contractor shall comply with the provisions of La. R.S. 23:995 and federal Law pertaining to E-Verify in the performance of services under this Contract.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

53.0 Headings

Descriptive headings in this Contract are for convenience only and shall not affect the construction of this Contract or meaning of contractual language.

54.0 Governing Law

This Contract shall be interpreted under Louisiana Law, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code) and La. R.S. 39:196-200 (Information Technology Procurement Code), if applicable; purchasing rules and regulations; executive orders; terms and conditions; and specifications listed in the RFP (Doc2065415027) and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to all activities associated with this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

55.0 Notice

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be In Writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier; (ii) hand delivery if to the State/OGB; or, (iii) registered or certified mail return receipt requested, and addressed as follows:

To Contractor:
Attn: Brian Keller, EVP, Chief Growth Officer
Blue Cross and Blue Shield of Louisiana
5525 Reitz Ave.
Baton Rouge, LA 70809
Or via email
brian.keller@lablue.com

To OGB:
Mr. Heath Williams, CEO
Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804
Or
Mr. Heath Williams, CEO
Office of Group Benefits
201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802
(If delivery by hand)

The U.S. Postal Service does not make deliveries to OGB's physical location.

At any time, either party may change its address and/or addresses for notification purposes by mailing a notice stating the change and setting forth the new address.

56.0 Complete Contract

This Contract and its Attachments represent the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this Contract. Attachments to this Contract include:

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

I. **Statement of Work,**
II. **Definitions and Acronyms,**
III. **Business Associate Addendum,**
IV. **Records Retention Schedule,**
V. **Insurance Requirements for Contractors,**
VI. **Pricing,**
VII. **Subrogation and Workers Compensation.**

This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understandings changing or modifying the terms. This Contract shall become effective upon final statutory approval.

57.0 Order of Precedence

The Request for Proposals (RFP) Doc2065415027, dated March 16, 2026 addenda thereto, and the Contractor's Proposal dated April 28, 2026 are incorporated into this Contract as though fully set forth herein. In the event of an inconsistency between this Contract, the RFP and addenda thereto, and/or the Contractor's Proposal, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence first to this Contract, then to the RFP and addenda thereto, and finally, the Contractor's Proposal.

In Witness Whereof, the parties have executed this Contract.

Blue Cross and Blue Shield of Louisiana Signature:

By: Signed by: Brian Keller 52FBD39787234B7...
Name: Brian Keller

Title: CGO/EVP

Date: 8/31/2026

Office of Group Benefits Signature:

By: Signed by: Heath Williams 21C3CF4BDC4F403...
Name: Heath Williams

Title: CEO, Office of Group Benefits

Date: 8/31/2026

Office of State Procurement Approval:

By: Signed by: Allison Underwood 2D4280C9DB984B5...
Title: State Procurement Assistant Director

Date: 8/31/2026

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Attachment I: Statement of Work

I. Overview

The Contractor shall provide Administrative Services Only (ASO) services for Plan Participants enrolled in the Office of Group Benefits (OGB) self-funded plans. The Contractor will work in close partnership with OGB to support its mission, priorities, and program objectives, in accordance with the requirements set forth in this Statement of Work (SOW). OGB is responsible for managing the self-funded health plans. OGB reserves the right to change and add to its health Plan options at any time during the period of the resulting Contract. The Contractor shall work with OGB to support program offerings and initiatives, as well as accommodate any OGB-directed changes to these offerings and initiatives.

The Contractor will be responsible for all facets of the day-to-day operational administration of OGB's self-funded health Plans, including but not limited to third party administration of health Claims, including network services; Health Savings Account (HSA) services for the respective Plan offerings; call center operations; and general and advisory services regarding health Plan Design(s) and implementation. The Contractor must administer and pay all claims on OGB's behalf without advance funding and provide flexible, unbundled service options with clearly defined fees.

Upon request, the Contractor must collaborate with other OGB contractors, the appointed OGB actuary, OGB's Pharmacy Benefit Managers (PBMs), and employees from the Division of Administration (DOA).

II. Goals and Objectives

To fulfill OGB's delegated responsibility to provide comprehensive, affordable, dependable, and sustainable health benefits to our Members with the aim of keeping expenditures at or below annual projected medical trend.

III. Detailed Requirements

The Contractor affirms it possesses the knowledge, capability, and resourcefulness to effectively provide ASO services for medical and behavioral health benefits in accordance with all applicable federal and state, laws, regulations, policies, and OGB requirements. The Contractor shall provide qualified staff to successfully perform all tasks outlined in this SOW. The Contractor is expected to drive health-risk improvement and mitigate rising healthcare costs so that OGB may continue to provide the best value to its Plan Participants.

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks and services assigned under this Contract. At a summary level, these include:

1. Initial Implementation
2. Account Management
3. Plan Participant Communication
4. Network Management
5. Product and Plan Design Management

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

6. Medical Management Programs
7. Enrollment, Electronic Data Interchange (EDI) and Data Management
8. Claims Processing and Appeals Management
9. Claims Audit, Recovery and Investigation
10. Customer Experience
11. No Surprises Act and Independent Dispute Resolution (IDR)

OGB reserves the right to modify or delete the tasks and services listed prior to and during the term of this Contract, subject to the approval of OGB's CEO, the Office of State Procurement, if applicable, and any other approval required by Laws.

Please note that OGB requires that no Contractor functions involving PII or PHI shall be performed outside of the United States of America.

At a minimum, the Contractor shall be responsible for performing the following tasks and services:

Task 1: Initial Implementation

The Contractor shall have the resources to support on-time implementation of all programs and services included in this Contract. The Contractor must provide Dedicated resources and expertise to support simultaneous implementation of multiple work streams. In addition, the Plan will implement new benefits, services, and OGB vendors throughout the life of this Contract which will require the Contractor to be expeditious in implementing new processes, integrating with new OGB vendors, and/or supporting changes to existing OGB vendors' requirements. When possible, the Plan will work with its consultants, PBMs, incumbent ASO contractor, OTS, and any other necessary parties to let the implementation schedule dictate the Go-Live Date, but in some instances, such as annual benefit changes or OGB vendor changes, the Go-Live Date will be pre-determined. The desired Go-Live Date for this Contract is January 1, 2027. OGB will notify the Contractor as soon as possible about all proposed changes.

The Contractor shall:

A. Provide a fully-assembled implementation team which includes the appropriate subject matter experts. The Contractor shall assign a Designated full-time Implementation Manager and implementation team. The Designated Implementation Manager shall lead and coordinate all Contract implementation activities as outlined in this SOW and transition services from the incumbent contractor. Unless otherwise directed by OGB, the Implementation Manager should be Designated full-time to this project for 90 days after Go-Live. The Contractor's implementation team shall also include a full-time Account Executive Dedicated to this Contract, who will be the primary contact with the State for all day-to-day matters relating to the implementation and ongoing operations outlined herein for the remainder of the Contract term. Also, the Contractor shall assign an Information Systems project coordinator to coordinate information technology activities among the Contractor, OGB and OGB's existing contractors and all internal and external participating and affected entities. The Account Executive must have at least

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

one back-up staff member Designated to handle the overall responsibility of OGB. When the Account Executive is expected to be out of the office for more than four hours, the Designated back-up staff member will be in the office and available to address all questions and report requests during the Account Executive's absence. The Designated back-up staff member will be identified by name, phone number, and alternate phone number prior to the Account Executive leaving the office. The Contractor will also include on their implementation team the following representative (or equivalent) for all implementation meetings and implementation directives: Member service manager, Claims service manager, operations director, enrollment group manager, and data manager.

B. Ensure accurate Group Set-Up & Enrollment for all eligible Plan Participants enrolling in one of OGB's self-funded plans.

C. Plan Contractor Integration and EDI, which includes:

   i. Entry Exit System (EES) contractor integration, as applicable (EDI, Primary Care Physician (PCP) tool, Single-Sign-on (SSOs), Audits)
   ii. PBM contractor integration (Data files, SSOs, Accumulators)
   iii. Actuarial contractor integration, as applicable (Claim holds, Audits)
   iv. Plan Data Warehouse integration (Data files)

D. Validate Provider Network and participation.

E. Provide a project implementation plan to OGB no later than 10 days from Contract execution. The implementation plan shall detail all implementation aspects, including a detailed timeline and description of all tasks to be performed by the Contractor and OGB to implement contracted services to OGB's satisfaction no later than the Go-Live date. OGB must approve the implementation plan In Writing. At a minimum, the implementation plan shall provide specific details on the following:

   i. Identification and timing of the Contractor's and OGB's significant responsibilities and tasks;
   ii. Identification and timing of deliverables and milestones, names and titles of key implementation staff and their roles concerning each item/task/function;
   iii. Data requirements (type and format required);
   iv. Identification and timing for testing and certification of claims processing payment and reconciliation process;
   v. Filing of any documents required by state or federal Laws;
   vi. Plan Participant communications;
   vii. Schedule of in-person meetings and conference calls; and
   viii. Staff assigned to attend and present (if required) at implementation meeting.

F. Have all depository and disbursement bank account(s) set up and tested at least 45 days prior to the Go-Live Date.

G. Have all services, including custom programs, operational by the Go-Live Date.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

H. Work with OGB to finalize Contractor Audit Schedule for 2028 and subsequent years.

I. Support both Unit Testing and End-to-End Testing prior to Go-Live of any initiative. To support testing, the Contractor must supply both the resources and the test environments necessary to support multiple work streams at one time.

J. Support the Annual Enrollment (AE) prior to the effective date of this Contract, which is typically scheduled for October of the year preceding Go-Live, but may be rescheduled to a different time at OGB's sole discretion. The Contractor must have the Group set-up complete, the call center open, any required SSOs in place, the PCP selection tool integrated with OGB's EES Contractor and be able to accept EDI from OGB vendors by the Go-Live Date.

K. Allow OGB to approve all of the implementation team members assigned by the Contractor prior to implementation; these team members shall be available as needed during the implementation but should be designated to this project at least two months prior to the Go-Live Date and at least 90 days after Go-Live. The Contractor's implementation team leaders shall have participated in implementing an ASO Contract for at least one other large employer (i.e., an employer with medical plans covering at least 30,000 lives).

L. Work with OGB and the incumbent contractor to transfer competencies and operational expertise essential to administering OGB's ASO benefits program with minimal interruption to Plan Participants.

M. Conduct project status meetings at least weekly during implementation and daily for the two weeks before and after Go-Live unless OGB approves otherwise. The meetings shall be either by phone, online or onsite as determined by OGB and shall include the Account Executive and Implementation Manager and appropriate Contractor staff. All costs incurred by the Contractor as a result of meeting with OGB for the duration of this Contract shall be the Contractor's responsibility.

N. Provide OGB with meeting minutes from the previous meeting, In Writing, within three business days after each implementation meeting. The meeting minutes shall contain a synopsis of the meeting, including decisions made and outstanding items requiring action and the individual responsible for the action required.

O. At OGB's request, facilitate a comprehensive operational readiness review by OGB and/or its authorized representative within 90 days before Go-Live. The readiness review may encompass, but is not restricted to, an onsite evaluation of the Contractor's operational readiness for all services required in this SOW. (e.g., Member services, call center cultural readiness, training, and website development). The review may also include reviews of documentation including but not limited to:

   i. policy and procedures manual;
   ii. call center scripts;
   iii. Information Systems documentation; and

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

iv. the ability to provide, and the process governing, the preparation of all deliverables required under the Contract.

P. Allow OGB and/or its authorized representative to conduct a pre-implementation systems review and quality assurance audit of the Contractor's progress toward fulfilling the Information Systems, Claims processing and payment requirements contained herein. The review may include onsite or remote reviews, including, but not limited to, staff interviews, system demonstrations, systems testing, and document review.

Q. Complete all tasks to finish the pre-implementation systems review and quality assurance audit (including follow-up test Claims) at least 30 days before Go-Live. This assumes OGB will sign off on the benefit setup at least 60 days before Go-Live.

R. Facilitate system programming including, but not limited to, data collection from OGB; file transfer set-up between OGB and the Contractor; and data transfer and mapping. If the Contractor requires file mapping and/or subsequent updates, the Contractor will provide this service at no additional cost to OGB. The file transfer protocol and the file encryption must meet the Office of Technology Services (OTS) Information Security Requirements as published in the OTS Information Security Policy. Files must be sent electronically to OTS MOVEit DMZ Secure File Transfer Protocol (sFTP) server, preferably utilizing a File Transport Protocol Secure (FTPS). All files must be encrypted with Pretty Good Privacy (PGP) encryption, which includes a prior exchange of Public Key(s). The encrypted file(s) must have an extension of PGP. The encryption key must have an expiration of no longer than five years from the creation date and be approved by the OTS InfoSec Team, key strength is highly suggested 4096 with a minimum allowed 2048, key must include a valid email address and be approved by the OTS InfoSec Team. All files must be in the expected and agreed upon format and encoding prior to encryption. The Contractor shall comply with all OTS instructions regarding the transfer and encryption of files.

S. Provide file data in a layout format designated by OGB to include, but not limited to, Check Register File, Medical Claims File, Network Provider Files, Code Files, Out-of-Pocket Maximum (OOPM or MOOP) tracking, and Adjusted Claims File. The Contractor will need to accept OGB's standard file layout. File feeds will be provided at no cost to OGB. The Contractor shall follow the same file transfer protocol and file encryption as mentioned in point R.

T. In coordination with OGB, create Plan Participant grievance and Appeal procedures compliant with State and federal Law 120 days before Go-Live.

U. Provide Plan Documents for each of OGB's self-funded Plans to OGB for editing 90 days before Go-Live unless another deadline is mutually agreed upon.

V. Mail identification cards (ID Cards) and welcome kits to the homes of newly enrolled Plan Participants within four business days of receipt of eligibility. The Contractor will be

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

responsible for cost of reproducing ID Cards and priority mail shipping in the event of Contractor errors and/or initiated changes.

W. Have the ability to integrate with OGB's other contractor(s), including but not limited to the PBMs and Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA)administrator, and to accurately track Plan Participant out-of-pocket (OOP) accumulation to the maximum accumulation. The Contractor integration must be successfully completed before Go-Live and at no additional cost to OGB and continue throughout this Contract.

X. Provide OGB access to the Contractor's and any subcontractors' internal client financial reporting system, enrollment system, health informatics system, Decision Support System (DSS) and any other Contractor or subcontractor reporting system(s) and tools to generate reports pertaining to the Contractor's delivery of services to Plan Participants outlined herein. The internal financial reporting system access shall include program and fiscal information regarding Plan Participants served, payable amounts, services rendered, Claim level data, etc. and the ability for said personnel to develop and retrieve reports. The Contractor and subcontractor(s) shall provide training and documentation on these systems no later than two weeks before Go-Live. The Contractor and subcontractor shall provide access to this reporting functionality to at least 10 OGB employees no later than two weeks before Go-Live. Additional or replacement users may be added at any time upon OGB's request.

Y. Submit to OGB a copy of all documents describing its Utilization Review (UR) program, evaluation methodology, and audit plan at least two months before Go-Live.

Z. Conduct daily project status implementation meetings with the Contract Monitor onsite or via teleconference.

AA. Ensure the successful and timely completion of all tasks necessary to begin this Contract on the Go-Live Date, at 12:00 A.M CT.

Task 2: Account Management

The Contractor must be transparent when partnering with the Plan on initiatives or providing internal processes, data, or other information, as requested by the Plan. The Contractor must also show a willingness to develop custom networks and Product solutions to support the Plan. Finally, the Contractor must be responsive and have the resources to support Plan operations, implementations, and ongoing data needs.

At a minimum, the Contractor shall:

A. Meet with OGB in person or via teleconference at least biweekly to review and evaluate Contract administration. OGB may modify this schedule.

B. Meet with OGB no less than quarterly to provide information concerning its efforts to develop cost containment mechanisms, administrative improvements, as well as trends in the provision of benefits. The Contractor shall also provide OGB information

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

regarding the administration of the benefit, cost and utilization trends, UR, internal procedures for billing and reconciliation of transactions, the provision of medical treatment, fraud and abuse activities, and other administrative matters. These meetings will typically occur at OGB unless otherwise noted by OGB. OGB may add, delete or edit the topics to be addressed.

C. Provide OGB with written meeting minutes In Writing within three business days of each meeting. The meeting minutes shall contain a synopsis of the meeting, including decisions made and outstanding items requiring action and the individual responsible for the action required.

D. Provide a Dedicated resource, contact name, contact phone number, and contact email for the following roles of the Account Management Team:

i. **Account Executive** - Responsible for overall account relationship including strategic planning in relation to Plan performance, consultative services, recommendations for benefit design and cost containment opportunities, and Contract oversight. The Account Executive must have at least one back-up staff member Designated to handle the overall responsibility of OGB. When the Account Executive is expected to be out of the office for more than four hours, the Designated back-up staff member will be in the office and available to address all questions and report requests during the Account Executive's absence. The Designated back-up staff member will be identified by name, phone number, and alternate phone number prior to the account representative leaving the office.

ii. **Operational Account Manager** – Responsible for oversight of Member Services, Claims Services, Enrollment and Group Set-Up.

iii. **Member Services Manager** - Responsible for all customer service functions and reporting.

iv. **Claims Services Manager** - Responsible for Claims payments and recoveries.

v. **Enrollment and Group Set-up** - Responsible for all enrollment, enrollment files, and reconciliation services.

vi. **Data Manager** - Responsible for providing expertise in data analytics and modeling as well as coordinating data requests, data testing, and data exchanges, including any data files to other OGB vendors, other State Agencies who do business with OGB, and OGB.

vii. **Financial Analyst** – Responsible for financial research, modeling, reporting, and forecasting.

viii. **Implementation Manager** - Responsible for development and execution of Implementation Plans and coordinating with OGB and internal and external resources. The Implementation Manager shall be Dedicated to OGB during the

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

implementation process and must continue to support OGB for a minimum of 90 days after the Go-Live Date. Such support includes, but is not limited to, weekly calls with OGB and the Designated Account Management Team; maintenance of issue tracking logs; and issue resolution.

E. While not all resources need to be Dedicated, OGB expects to have access to other resources as needed. The Contractor shall confirm that the following resources will be available to OGB on an 'as needed' basis, i.e. Designated:

i. **Clinical Director** - Responsible for determining the clinical effectiveness of benefit and program changes, prospectively and retrospectively, as well as for determining outcome-based measures in order to measure clinical effectiveness of alternative care delivery models (e.g., tiered networks, Centers of Excellence, medical home models, etc.). This resource will work proactively and collaboratively with the Plan to identify gaps in care and assist in the development of modified or additional programs to target these gaps and will collaborate with OGB to fully support strategic initiatives.

ii. **Director of Network Management** - Responsible for overall management of the Contractor's network including Provider contracting, network development, and/or Provider relation functions. This resource will work with OGB to develop, implement, and maintain custom Provider reimbursement models or other Provider initiatives as requested by OGB.

iii. **Actuary** - Responsible for calculating financial impact of benefit and program changes, prospectively and retrospectively. Also responsible for calculating Return on Investment (ROI) in order to measure financial effectiveness of alternative care delivery models (e.g., tiered networks, Centers of Excellence, medical home models, etc.) as well as alternate payment models (e.g., Accountable Care Organizations (ACO), clinically integrated networks, etc.). Will be required, upon request, to provide sufficient data and documentation to OGB to independently verify calculations. The Actuary shall be a Fellow of the Society of Actuaries with a primary focus in Health Benefit Systems.

iv. **Privacy Officer** - Responsible for ensuring compliance with all applicable Laws and regulations, including, but not limited to, HIPAA and the Patient Protection and Affordable Care Act (PPACA). Responsible for maintaining internal controls to protect Protected Health Information (PHI) and ensuring that adequate and timely steps are taken in the event of a breach of confidentiality.

v. **Attorney** - Responsible for, at a minimum, communicating program and policy updates, subrogation, and federally required dispute resolutions to OGB and coordinating as necessary with OGB's internal counsel and staff. Responsible for promptly reviewing materials for the Contractor and providing appropriate, legally justifiable, feedback to OGB.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

F. Meet with OGB within two weeks of a new request or initiative and will bring to the table the resources with the appropriate subject matter expertise and authority to discuss the specific topic(s) requested by OGB. Meeting topics could include, but would not be limited to, data requests, network and/or Product development, pilot programs, and other initiatives.

G. Once a project or initiative is underway, meet with OGB within one week of the request and will bring to the table the resources with the appropriate subject matter expertise and authority to discuss the specific topic(s) requested by OGB.

H. Respond to Plan inquiries regarding legal, financial, or operational matters within 48 hours of the request, unless extended by OGB. The response should be received prior to 5:00 p.m. CT.

I. Respond to Plan inquiries regarding Member and Provider matters by the close of the next business day following the day of the request, unless extended by OGB.

J. Work with OGB and other OGB vendors as needed to resolve issues. This includes providing Contractor resources and expertise needed to address the specific issue(s), not just the Account Management Team; and multiple meetings per week prior to and after Go-Live to ensure all services are normalized.

K. Provide updates to OGB regarding actual or pending Laws, regulations, policies, and procedures specific to self-funded Plans for health benefits provided by OGB and other topics related to the provisions of this Plan; additionally, provide OGB with the projected impact of such Laws on the Plan to the extent such Laws impact the services Contractor provides under this Contract. OGB remains responsible for obtaining its own legal, financial, tax, and other professional advice with regard to any actual or pending laws, regulations, policies and procedures.

L. Upon request, provide written documents outlining internal processes and procedures and, when requested by OGB, agree to alter internal processes to meet the needs of OGB.

M. Upon request, provide detailed cost information on any program offered under this Contract or proposed in the future to OGB.

N. Assist OGB in responding to legislative inquiries and requests by making all necessary resources available to the appropriate parties. Necessary resources include but are not limited to the Account Management Team, Actuary, analytics and outcomes, and the government relations department. The Contractor shall respond within the period set by OGB, which will be determined at the time of the inquiry, depending upon the scope, complexity and urgency of the request.

O. Assist OGB in responding to inquiries received from Plan Participants, Network Providers, or other persons. Such requests shall 1) have priority status, 2) be subject to a tracking method approved by OGB, and 3) result in the delivery of all requested

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

information, documentation, etc. When immediate responses are required for each specific inquiry submitted by OGB, the Contractor shall assist OGB in preparing its reply by providing data and documentation within the periods prescribed by OGB.

P. When possible, provide a minimum of 30 days advanced notice of any change in OGB's Account Management Team and a description of the training requirements for the new team member. Dedicated personnel assigned to this Contract shall not be replaced without the prior written notice to and approval by OGB. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to projects outside of the Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in a timely manner to avoid delays in providing services. Reasonable exceptions would apply in situations beyond the Contractor's control (i.e., resignation/termination with less than 30 days' notice). OGB reserves the right to request changes to any of the assigned personnel based on unsatisfactory performance levels as determined by OGB. Additionally, OGB will be provided with the opportunity to interview any new team member(s).

Task 3: Plan Participant Communication

The Contractor shall use a variety of mechanisms to assist Plan Participant communication, using technological methods whenever appropriate, including but not limited to utilization of a website, mobile application, and development of written materials.

At a minimum the Contractor shall:

A. Subject to OGB's customization and approval, be responsible for Plan Participant communications. Deliverables include developing, updating, accuracy validation and printing and/or emailing all Plan Participant communication materials. This includes but is not limited to Network Provider directories, advertisements, annual and special enrollment benefits guides, brochures and promotions, educational materials, and other Plan-related printed materials (e.g., promotional, Plan Participant education, ID Cards, benefits brochures, Explanation of Benefits (EOB), Appeal forms and Appeal determination letters, clinical program notices and letters, pre-formatted letters, system-generated letters and notifications, correspondence forms, and other written materials and forms). Written communications or edits to previously approved communications to Plan Participants that OGB has not approved will be subject to OGB's approval prior to distribution. The Contractor will be responsible for all costs associated with designing, writing, printing, distributing, and mailing all such information.

B. At least 14 business days prior to the planned date for dissemination, prepare and submit OGB's Summary of Benefits and Coverage (SBC) document to OGB staff for review and approval prior to printing and/or dissemination to Plan Participants. OGB will review the draft prepared by the Contractor and approve the document In Writing as correct in the description of the benefits and compliant with all applicable Laws and

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

regulations before dissemination to its Primary Plan Participant(s). If any changes to the draft prepared by the Contractor are needed, OGB will request such changes In Writing. The Contractor shall update the draft to include OGB's requested changes and submit the revised draft to OGB within five business days of OGB's requested changes.

C. In accordance with federal guidelines, distribute SBCs at the beginning of the Contract, upon renewal of the Contract, or when changes made by OGB to the Plan would require the distribution of a new SBC to all Primary Plan Participant(s).

D. Upon the Plan Participant's request, provide printed materials in a medium widely accepted and in compliance with all applicable Laws and regulations.

E. Conduct annual Plan Participant and OGB Account Management satisfaction surveys and report results to OGB within 30 days after the end of the calendar year. The survey tools are subject to OGB's approval. The Contractor's Plan Participant survey questions and content shall be approved by OGB in advance of survey administration. OGB Account Management satisfaction will be measured in the following areas:

   i. Providing effective support in preparing for and conducting enrollment events/sessions;

   ii. Providing OGB with timely notification of issues impacting Plan Participants;

   iii. Responding to issues and questions in a timely, comprehensive manner;

   iv. Developing and following through on action plans, effectively coordinating to resolve open issues;

   v. Being accessible and attending scheduled meetings; and

   vi. Delivering agreed-upon reports and communication of program results in a timely manner.

F. Provide a website specific to OGB which complies with all applicable Laws and conforms to or exceeds the standards described in Task 10 Customer Experience. This Designated OGB website will include a location for all relevant documents for each Plan Design, such as SBCs, Schedule of Benefits (SOB), and Plan Documents.

G. Notify the Primary Plan Participant(s) as required under the Women's Health and Cancer Rights Act (WHCRA) of 1998.

H. Provide a HIPAA Authorized Delegate Form to the Primary Plan Participant(s).

I. Provide each Primary Plan Participant with the Contractor's HIPAA privacy notice if Primary Plan Participant(s) need to contact the Contractor's privacy department. OGB will prepare and the Contractor will provide OGB's HIPAA privacy notice to Primary Plan Participant(s).

J. Provide a Balance Billing Disclosure Notice to the Primary Plan Participant(s).

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

K. Not prepare or distribute any Plan Participant notices required under the Patient Protection and Affordable Care Act or any other state or federal Law unless the Contractor assumes responsibility thereof In Writing or under the Contract. This includes, but is not limited to, Genetic Information Non-discrimination Act (GINA) notices, Michelle's Law notices, or COBRA notices.

L. Provide the Primary Plan Participant(s) with notices required under the No Surprises Act.

M. Provide the Primary Plan Participant(s) with any new federal or state-required notices that arise during the term of the Contract.

N. Provide any communications to Plan Participants upon OGB's request.

Task 4: Network Management

OGB requires the Contractor to provide a strong network in all 64 Parishes of Louisiana and throughout the United States. The Contractor must also partner with OGB on network initiatives that provide affordable, quality care and increase transparency, predictability, and value for Plan Members.

At a minimum the Contractor shall:

A. The Contractor agrees OGB is a government entity and must comply with applicable federal and state laws.

B. Work with OGB to develop and implement Provider-specific alternative payment arrangements, if requested by OGB.

C. If requested by OGB, develop a custom network, at the regional or State level, of lower cost, high quality providers to be paired with a custom Plan Design. This offering may be a full replacement, or offered alongside, other Plan Design options as long as the offering(s) meet all applicable regulatory requirements. In the event additional costs will be incurred, the parties agree to work in good faith on an amendment to this Contract.

D. Have the ability to offer a network which includes bundled/episodic payment arrangements and clinically integrated network arrangements.

E. Upon request, supplement OGB's custom network with other Providers contracted directly by the Contractor for services such as reference labs, durable medical equipment, and other commodity services to ensure access to care standards are met in Louisiana.

F. Administer any other self-funded Plan should the Plan Designs change as directed by OGB. OGB retains the right to modify, eliminate or add self-funded Plans.

G. Maintain a comprehensive quality assurance program that prospectively, concurrently, and retrospectively ensures the quality of care provided by Network Providers in

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

addition to the quality of services provided by both Network Providers and the Contractor.

H. Review and comment on proposed revisions to the benefits in the Plans. When so requested, the Contractor shall comment regarding:

   i. Industry best practices;
   ii. The overall cost impact to the Plan(s) and comparisons to benchmarks in the Contractor's book of business;
   iii. Any potential cost impact to the Contractor's fee;
   iv. Impact upon UR;
   v. Impact upon Contractor's performance;
   vi. Necessary changes in the Contractor's reporting requirements; and
   vii. Any other issues impacting the Plan(s).

I. Work with OGB to develop and implement reimbursement strategies to reduce costs for specific high-cost services.

J. Review and assess the practice patterns of Network Providers to identify those practicing outside of peer norms, specifically those identified with significant over-utilization and under-utilization of services or unusually low quality of care scores. The Contractor shall share its findings with Network Providers and OGB, and take measures to maintain a quality, efficient and effective network of providers.

K. Have a Provider Network Management Team that will support OGB on any custom or private label network solutions.

L. Have a Provider Credentialing Team which could be utilized to credential potential Network Providers if OGB were to develop a network solution that may include Providers not currently enrolled in the Contractor's other networks.

M. Have the ability to communicate directly with providers and shall communicate Plan-specific information to providers, as requested by OGB.

N. Contract only with providers who are duly licensed to provide such medical services, and require all Network Providers to maintain all required licenses and accreditations both at the time of selection and throughout their participation as a Network Provider. The Contractor shall perform appropriate provider credentialing continuously to ensure the quality of Network Providers. The Contractor shall complete the processes necessary to reconfirm the licensure, accreditations, credentials, and standing of Network Providers no less frequently than every three years. OGB desires the Contractor to be accredited by National Committee for Quality Assurance (NCQA) or URAC.

O. Maintain face-to-face, telephonic, and written communication with Network Providers to ensure a high degree of continuity in the provider network and ensure that the Network Providers are familiar with applicable requirements.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

P. Notify OGB In Writing as soon as the Contractor is aware of any material adjustments to any Network Provider payment terms, including but not limited to Network Provider fee schedules, contract rates, other Network Provider payment arrangements, discounts, Rebates, refunds, or credits negotiated with the Network Provider, and how such adjustments are reasonably likely to affect the cost of Claims payments by OGB. Such notification shall be made for all hospitals, physician groups of 20 or more, or a broad classification of Network Providers. The Contractor shall provide an update to OGB on a quarterly basis of any such material adjustments.

Q. Have approval In Writing from OGB prior to any implementation of new network program for OGB.

R. Provide services to Members traveling outside the United States who have an emergent medical need.

S. Apply the same Utilization Management and payment rules to providers located in Louisiana and throughout the United States.

T. Work with OGB to ensure reimbursement rates for virtual visits with Network Providers are set in accordance with applicable state or federal law requirements.

U. Provide transition of care services to assist Members when their provider is no longer in the network.

V. If OGB deploys a custom network or reimbursement models, provide a provider portal that allows Network Providers to submit Claims, access policies, receive announcements, and perform other functions necessary for proper participation in OGB's custom network.

W. If the Plan deploys a custom network, administer Plan-specific provider contract documents which may include, but not be limited to, Network Participation Agreements, reimbursement exhibits, pricing policies, fee schedules, and pricing development and maintenance policies.

X. Maintain a network of Network Providers that meet or exceed the following standards, based on the zip codes of OGB's Plan Participant's primary residence.

Provider Type	***Criteria*** (to the extent that such physical Provider Type exists in the defined geographic area. Cash pay only providers are excluded from the term exists.)
Hospitals	1 within 15 miles

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Providers	
Primary Care	2 within 15 miles
Pediatricians	2 within 15 miles
OB/GYN	2 within 15 miles
Specialists	2 within 15 miles
Urgent Care	1 within 15 miles

Y. Provide Health Reimbursement Arrangement services for respective Plan offerings, if applicable.

Z. Prohibit Network Providers from Balance Billing Plan Participants for covered services when requested charges exceed negotiated fees.

AA. Maintain standards and protocols for tracking all incidents/potential issues with Network Providers (e.g., Plan Participant complaints, irregular billing practices, and quality of care issues). In addition to responding to each incident/issue, the Contractor shall initiate a Network Provider review when the number of incidents/issues reaches a threshold defined in advance by OGB. The content of this review shall include but not be limited to medical chart audits and outcomes analysis. The Contractor shall inform OGB of such incidents/potential issues and provide additional reporting.

BB. Submit to OGB a summary of its standards, protocols, and thresholds for tracking incidents and issues with Network Providers at least one month before Go-Live and shall provide a report of the Network Provider tracking results upon request. The Contractor shall notify OGB, In Writing, within 30 days of any significant changes to its Network Provider tracking standards and protocols.

CC. Immediately notify OGB upon receipt of a demand from Centers for Medicare and Medicaid Services (CMS). The Contractor shall compile a well-researched defense to the demand and submit the defense to CMS. As appropriate, the Contractor shall remit payments on behalf of OGB to the CMS or to state Medicaid collection entities. Unless requested by OGB In Writing not to make such payments, OGB will reimburse the Contractor for Claims re-adjudicated as a result of payments correctly remitted by the Contractor on behalf of OGB to CMS, US Treasury, or Medicaid collection entities.

DD. Provide subrogation and reimbursement services for OGB, including outreach to Plan Participants, attorneys, risk management, and any other entity necessary to recoup subrogation and reimbursement payments as set forth in the **Attachment VII: Subrogation and Workers' Compensation Process and Procedures.** For settlements over a certain amount, the Contractor must consult with OGB and obtain prior approval In Writing.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

EE. Process run-on Claims for eligible OGB Plan Participants incurred prior to but not processed as of the effective date of this Contract at OGB's request.

FF. Process Claims for OGB-eligible Plan Participants that were incurred prior to but not processed as of the termination of this Contract and which are received by the Contractor not more than one year following Contract termination. However, at OGB's request, the handling of such Claims may be transitioned to a successor contractor appointed by OGB prior to the end of the runout period, and the Contractor shall reasonably cooperate in transitioning such services to any successor contractor appointed by OGB. Further, the Contractor will continue to process all Claims and Claims Appeals incurred prior to the termination of this Contract during the fifteen-month run-out period following termination unless otherwise transitioned to a successor contractor appointed by OGB, at OGB's option.

GG. If required by applicable law, the Contractor will perform run-off services, which may include processing Claims after the termination of this Contract. When Contractor performs such run-off services, OGB will reimburse to Contractor any additional payments for which OGB is responsible pursuant to such law. As an example, Federal IDR payment determinations may be incurred by OGB after the fifteen-month period noted above.

HH. Provide immediate notification upon receipt by the Contractor of any non-routine CMS-related inquiries regarding OGB's self-funded health Plans and prepare a response to such inquiries for OGB's approval within the specified period mutually agreed upon by the parties; the Contractor will submit such response upon OGB's written approval.

II. Work with OGB's PBMs to ensure medical and prescription drug expenditures accumulate toward OOPMs for all Plans.

JJ. Be responsible for paying Claims for certain office-administered immunizations (e.g., for seasonal flu, pneumococcal, shingles, etc.), injectables, infusion therapy, and other Specialty Drugs as directed by OGB. As permitted by applicable state and federal Laws, rules, and regulations, the Contractor shall evaluate and transition appropriate outpatient Specialty pharmaceuticals to the most clinically appropriate, cost-effective site of care such as physician offices or home health from hospital settings which tend to have higher costs. OGB contracts with a PBM for the purpose of providing most outpatient pharmacy services. However, the PBM is not the exclusive provider of all outpatient pharmacy products.

KK. Pay for allowable, medically necessary office visits for Plan Participants who bring pharmacy-supplied Specialty Drugs to a Network Provider for administration.

LL. Ensure that its Network Providers comply with the applicable drug Utilization Review and PA requirements for office-administered, office-supplied Specialty Drugs. The Contractor shall further ensure that its Network Providers do not bill Plan Participants for any Claims that the Contractor rejects because of the Network Provider's failure to

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

comply with such requirements. Additionally, the Contractor shall provide its Network Providers with sufficient training, references, and educational materials to ensure Network Provider compliance.

MM. Coordinate as detailed below. Except as provided in this Contract or Part B determination by CMS, the Contractor is not responsible for the provision or payment of outpatient pharmacy services. However, the Contractor is responsible for coordinating with the PBM and OGB as necessary to ensure that Plan Participants receive appropriate pharmacy services. Coordination by the Contractor shall include the following:

i. Inclusion of pharmacy benefit information in its Member handbook, including the toll-free telephone number for the PBM, on the back of the Member ID Card.

ii. Inclusion of pharmacy benefits information in the Contractor's Annual Enrollment materials for distribution to Plan Participants, as requested and approved by OGB. Such materials shall include network lists, website information, toll-free Member services number, policies and procedures, confidentiality statement, hyperlinks to OGB and other contractors (as directed by OGB), and other updates and/or changes that may be helpful to Plan Participants.

iii. Upon request and direction by OGB, the Contractor shall also include in its annual Welcome Packet to Plan Participants, at the conclusion of OGB's Annual Enrollment period, any letter or other pharmacy benefits related materials.

iv. Accepting and maintaining prescription Accumulator data from the PBM in a manner, format, and frequency specified by OGB. The Contractor shall also share Plan Participant medical OOP Accumulators with the PBM for the purpose of allowing the Contractor and the PBM to routinely track Plan Participant OOPMs.

v. Intervening with individual Network Providers, as identified by the Contractor and as directed by OGB, (1) whose prescribing practices appear to be operating outside industry or peer norms as defined by OGB's contractors, (2) are non-compliant as it relates to adherence to OGB's formulary and/or generic prescribing patterns, and/or (3) who are failing to follow required PA processes and procedures. The goal of these interventions will be to improve prescribing practices by the identified Network Provider. Interventions shall be individualized, as requested by OGB.

vi. Provide Plan Participant eligibility/enrollment, Copayment/Coinsurance, and benefit coverage information, supplied by OGB or its Designated agent in a mutually agreed upon format, to Specialty network pharmacies for medication covered under the medical benefit at the time of dispensing through the online electronic transmission link maintained between the Contractor and pharmacies to assure Claims are processed appropriately.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

NN. Collaborate with the external providers of the Specialty Drug on a case-by-case basis to secure the most favorable financial arrangement. OGB recognizes that some dispensing of Specialty Drugs will occur through the medical benefit but seeks to reimburse Network Providers for the provision of Specialty Drugs via the medical benefit at or below the Wholesale Acquisition Cost (WAC).

OO. Develop a high-performance or tiered network of providers and/or facilities without State direction. Before implementing a high performance or tiered network, the Contractor shall send the plan to OGB for approval In Writing. The Contractor's plan shall include the information specified by OGB, including, at a minimum, the (1) quality and cost efficiency measures that the Contractor will use to determine whether a Network Provider satisfies the criteria to participate in the network; and (2) proposed Plan Participant cost-sharing benefits or incentives for Plan Participants who receive Covered Benefits from high-performance Network Providers or facilities.

PP. The Contractor agrees to act in good faith in supporting the integration and ongoing operations of any of the aforementioned alternative payment models or clinically integrated systems that may be designed and managed by other OGB contractors.

QQ. Have the capability to manage two-sided risk models and, upon request, will implement a custom risk arrangement for OGB.

RR. Only authorize and pay for organ transplants performed by a transplant program that is approved by Medicare, when applicable, for the applicable transplant (e.g., heart/lung, heart-only, kidney-only). The Contractor may require additional criteria on their Network Providers over and above the requirements listed above. The Contractor shall establish transplant Centers of Excellence and OGB may offer cost-sharing benefits or incentives for Plan Participants who receive transplants at a Contractor-designated Center of Excellence.

SS. Maintain a network of Centers of Excellence for treatment or surgical interventions including, but not limited to: bariatric surgery (Center of Excellence use required), orthopedic surgery, oncology/cancer surgery, cardiology/cardiac surgery, gene therapy, and maternity. The criteria for Centers of Excellence shall be developed by the Contractor and limited to facilities that adhere to the highest standards of patient safety and quality care. As directed by OGB, the Contractor shall only authorize and pay for procedures performed at Centers of Excellence and/or shall provide incentives to Plan Participants to use Centers of Excellence for the specified services (including, but not limited to, lower Plan Participant cost sharing for procedures performed at such facilities). Additionally, the Contractor shall provide health navigators to direct Plan Participants to these facilities when medically appropriate.

TT. Offer at least one national Telemedicine/Telehealth service benefit option that meets or exceeds requirements of State Laws and regulations and allows Plan Participants easy access to 24/7 non-urgent care.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

UU. Have the ability to offer a network which includes bundled/episodic payment arrangements and clinically integrated network arrangements. Any Value-Based program is expected to drive health risk improvement and mitigation of rising costs of healthcare in order for OGB to continue to provide the best value to its Plan Participants.

VV. The Contractor shall:

i. Administer other reference-based pricing models, if requested by OGB in addition to working with OGB to expand and/or customize bundled/episodic payment arrangements as necessary.

ii. As soon as reasonably possible, notify OGB In Writing of any upcoming changes to Value-Based payments the Contractor anticipates will result in increases in Value-Based payments by OGB. The Contractor shall not utilize or implement any Value-Based Programs specific to only OGB's Plan Participants.

iii. Maintain proven processes for evaluation, maintenance, and re-evaluation of Network Providers for Value-Based care. Contractor will use its best efforts to provide a method by which Plan Participants can identify Network Providers practicing Value-Based care and incentives to Plan Participants for doing so.

iv. Report descriptive information and data about its Value-Based payments in sufficient detail to enable OGB to make an approval determination, as well as adequately monitor the Contractor's program and billings following approval. The information that may be requested shall include, but not be limited to, the following:

a. The type(s) of arrangements, such as: withholds, bonuses, capitation;
b. The percentage of any withhold or bonus the Plan uses;
c. The patient panel size and, if the Plan uses pooling, the pooling method;
d. The projected fiscal impact to the Plan as a result of the program; and
e. If approved, semi-annual reporting on the number of Plan Participants served, program specific outcomes, and fiscal impact of the program.

Task 5: Product and Plan Design Management

OGB seeks innovation in both Product and Plan Designs. The Contractor should have an efficient business rules-based Claims system that cannot only support state, federal, and other custom benefits but also accommodate unique medical and Claims processing policies. The Contractor should be expeditious in its approach to piloting new programs and demonstrate "speed to market" when rolling out new Products, Plan Designs, and benefit features to meet the challenges facing state government health plans**.**

At a minimum the Contractor shall:

A. Administer OGB's Plan offerings which shall include at a minimum:

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

i. Traditional Health Maintenance Organization (HMO)
ii. Traditional Preferred Provider Organization (PPO)
iii. Qualified High-Deductible Health Plan with employee or non-Medicare retiree funded HSA.

B. Administer any new Plans proposed by the Contractor and agreed to by OGB. OGB has sole discretion in deciding whether or not to agree to offer any new Plan.

C. OGB reserves the right to make any changes to Plan Designs. Changes include modifications, additions or deletions of Plans. OGB will work with the Contractor to ensure such changes are made within the timeframes required by all applicable federal and state laws.

D. Customize its current Value-Based and incentive Plan Design features and/or implement new, customized ones, if requested by OGB.

E. Integrate real-time or near real-time deductible and/or OOP Accumulators with OGB's PBMs to support a combined Medical/Rx Deductible and/or OOPM.

F. Administer benefits in accordance with all federal and state requirements and notify the Plan of new mandates, or other requirements, that will require benefit changes to maintain compliance.

G. Partner with OGB to design custom benefits and/or Plan Design features, as requested by OGB and provide associated financial/actuarial impact analysis.

H. Amend Plan Documents for each of the Plans from time to time as requested by OGB or as mandated by Law.

I. Have the ability to administer special PCP programs such as a tiered Copay program that will reduce a Copay when the Member visits his or her PCP.

J. Have a system that will support auto adjudication for each of the following Plan Design features. The Contractor shall confirm each Plan Design feature below:

i. Applying a Copay and a Deductible to the same service
ii. Applying a Copay based on the provider's network tier
iii. Waiving the Emergency Room (ER) Copay when the Member is admitted for an inpatient stay and/or an observation stay
iv. Applying a different cost-sharing arrangement (e.g., Deductible, Copay, Coinsurance, etc.) for each of the following:
    a) PCP
    b) Specialist
    c) Urgent Care
    d) ER
    e) Physical Therapy
    f) Occupational Therapy
    g) Speech and Hearing Therapy

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

h) Outpatient Behavioral Health
i) Per Inpatient Confinement

v. Setting benefit limits by age
vi. Setting benefit limits by frequency of service
vii. Setting benefit limits by confinement
viii. Setting benefit limits by sex
ix. Cross-accumulate out-of-network (OON) OOP with in-network OOP, but not the in-network OOP to the OON OOP. The Contractor's system should have the ability to auto adjudicate any carve-out benefits such as bariatric surgery and potential legislative mandates in the future.

K. Upon request, customize and support medical policies according to Plan needs and requirements.

L. Upon request, administer Member cost-sharing (e.g., Copay, Deductible, Coinsurance) for a specific service based on place of service.

M. Upon request, integrate with other OGB contractors to deliver Value-Based and/or incentive benefits.

N. Offers HSA administration and/or will integrate with an HSA administrator and PBM administrators with prior approval by OGB.

O. Work with OGB to implement benefits that may not be finalized and/or approved until close to the effective date. While it is OGB's preference to have all benefits approved by the Board more than six months in advance, there are dependencies that may impact the timing of final benefit approval.

P. Assist OGB in meeting its responsibilities with respect to providing the continuation of health care coverage required by the COBRA and the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). OGB is the administrator for the purposes of COBRA and shall remain responsible for meeting all COBRA and USERRA requirements applicable to OGB. OGB shall also be responsible for promptly notifying the Contractor of individuals who elect to continue Contractor coverage under COBRA or USERRA provisions. The Contractor's responsibilities shall include, but are not limited to, (1) answering inquiries from former Plan Participants that continue Plan coverage under COBRA or USERRA provisions and (2) preparing reports for OGB on COBRA and USERRA cases.

Q. Assist OGB in meeting its responsibilities regarding the receipt of Medical Child Support Orders (MCSOs).

Task 6: Medical Management Programs

The Contractor should provide high quality, evidence-based, Member centric, cost-efficient clinical management programs that support Members with the most appropriate, effective, and high-value benefits to improve their health while fostering an optimum Member

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

experience. OGB prefers that the Contractor be accredited from either URAC or NCQA. If the Contractor is accredited by either as of Go-Live, the Contractor shall maintain such accreditation throughout the term of this Contract and submit annual certification of accreditation.

A. The Contractor will at a minimum:

   i. Partner with OGB on Medical Management initiatives and provide relevant clinical and financial outcome data to support project implementation and evaluation, if requested by OGB.
   ii. Customize any of its Medical Management programs, if requested by OGB.
   iii. Apprise OGB of disease trends within the OGB population.

B. Concerning the Contractor's Medical Policies and Procedures, the Contractor will at a minimum:

   i. Provide comprehensive, holistic, evidence-based medical policies and Medical Management of Members' physical and behavioral health, including substance misuses, which focus on quality, positive Member outcomes, and cost efficiencies.
   ii. Override any Medical Policy, if requested by OGB.
   iii. Maintain an online publicly accessible library of medical necessity coverage policies.
   iv. Have an electronic UR system that contains complete documentation of the review process (i.e., sufficient to accurately portray the events of the review during an independent medical audit of the UR record) by capturing administrative and clinical data as well as clinical notes by the UR staff.

C. Concerning Population Health, the Contractor will provide at a minimum:

   i. Medically Necessary Case Management and Complex Case Management services, which include:

      a. Patient advocacy including, but not limited to, assistance gathering clinical history to ensure proper level of care approvals and placement (through Network Provider outreach calls) with a Network Provider and/or facility with the best quality and fit for the Plan Participant's clinical needs;
      b. Clinical Care Coordination and services for high-risk Plan Participants requiring or admitted to facility-based care;
      c. Telephonic, electronic, and onsite visits, when necessary, to ensure the quality, effectiveness, and appropriateness of treatment and discharge planning;
      d. Development of alternative treatment plans, where benefit coverage allows flexibility in determining the most clinically appropriate, cost-effective alternative treatment for the Plan Participant; participation, as

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

necessary, in the Appeals process; and Care Coordination with other OGB contractors.

e. To foster better medical outcomes and limit costs to OGB, identify and communicate with Plan Participants with high-risk conditions such as, but not limited to, terminal illness, cancer, major cardiac surgery, severe injury, major trauma, high-risk maternity, neonate admissions, cognitive or physical disability, dialysis, or transplants.
f. Registered nurse case managers shall work with the Plan Participant, health care Network Providers, primary caregivers, and appropriate contractors to coordinate the most appropriate, cost-effective care and care settings. This shall include transition to designated contractors for continued follow-up and ongoing management, as designated by OGB, as well as clinical management and oversight of activities to ensure timely and effective transition to appropriate contractors.

ii. Disease Management (DM) which includes, but are not limited to:

a. Identification of candidacy for DM and/or other programs
b. Risk stratification
c. Member engagement
d. Care Coordination, other interventions

iii. Patient Journey/Care Management services encompassing some or all of the above. Additionally, the Contractor shall integrate with other OGB contractors and/or other State Agencies who do business with OGB to deliver a Patient Journey/Care Management program for Plan Members, if requested by OGB.

D. Concerning Utilization Management, the Contractor will provide at a minimum:

i. Utilization Review (UR)

Unless otherwise directed by OGB, the Contractor shall maintain a UR function designed to help individual Plan Participants secure the most appropriate level of care consistent with their health status. In carrying out this function, the Contractor shall provide a system for reviewing the appropriateness and medical necessity of inpatient hospital care, skilled nursing facility stays, inpatient rehabilitative care, oncology (chemotherapy and radiation therapy), medical Specialty Drugs, and other levels of care included in the Contractor's standard UR programs, or as specified by OGB, and for setting in place PA's for these and other Covered Benefits. OGB shall have the option to approve and apply any UR programs and criteria developed by the Contractor, including UR programs performed by a subcontractor or other entity at the time of the Contract effective date or at any point during this Contract Claims processing period. Any UR program shall not be bundled with a DM or Wellness Program. The Contractor shall provide the complete UR program list and the State's selection inventory to the State within ten business days of receipt of written request

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

from OGB or upon an update to the UR program list. Any provision of the Plan Documents and any State or federal Laws shall take precedence over any protocol used by the Contractor.

a. Mental Health UR: The Contractor shall use appropriately licensed professionals to supervise all medical necessity decisions and specify the type of personnel responsible for each level of UR including PA and decision-making and who are familiar with the Plan Documents. The Contractor shall provide both short and long-term UR services based on evidence-based formal written clinical guidelines utilized by experienced mental health and substance abuse clinicians for the entire term of the Contract. Mental health UR shall further consist of the following, when appropriate as determined on a case-by-case basis:

    1. Consultation and review of all records by board-certified specialty-matched psychiatric advisors, in cases where peer-to-peer review leads to disagreements regarding medical necessity or appropriateness of care;

b. PA's: The Contractor shall utilize PAs to ensure appropriate treatment in compliance with all applicable federal and state laws and regulations. OGB reserves the right to implement PAs or alter an existing PA.

c. Unless otherwise directed by OGB, the Contractor shall complete 97% or greater of all medical and behavioral health PAs within the following standards for timeliness set forth in all applicable Laws, including but not limited to La. R.S. 22:1260.44. Receipt of the request is measured from the date and time all necessary information is received for a request from a provider or facility.

d. The Contractor shall have in place an effective process that identifies and manages Plan Participants in need of inpatient hospital care. This shall include:

    1. Identify patients in need of inpatient hospital care to review the level of care requested, determine the extent of care required, and identify appropriate additional or alternative services as needed; this shall include admission review or the pre-certification/authorization of an inpatient stay.

    2. Concurrent review during a patient's inpatient hospital stay, where qualified Medical Management staff coordinate care with the hospital staff and patients' physicians. This shall include reviewing the continued hospitalization of patients and identifying medical necessity for stays as well as available alternatives.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

3. Discharge planning, providing a process by which the Contractor's UR staff works with the hospital, the patient's physicians, the patient's family, and appropriate community resources to coordinate the patient's discharge and post-discharge needs and reduce the likelihood of readmission.

4. When necessary, retroactively review urgent and/or emergency admissions to determine the medical necessity of the service.

e. The Contractor shall have in place an effective process that identifies and manages Plan Participants in need of skilled nursing facility care. This shall include:

1. Identify patients in need of skilled nursing care to review the level of care requested, determine the extent of care required, and identify appropriate additional or alternative services as needed; this shall include admission review, or the pre-certification/authorization of a skilled nursing facility stay.

2. Concurrent review during the course of a patient's skilled nursing facility stay, where qualified Medical Management staff coordinate care with the skilled nursing facility staff and patients' physicians. This shall include reviewing the continued skilled nursing facility stay of patients and identifying medical necessity for stays as well as available alternatives.

3. Discharge planning, providing a process by which the Contactor's UR staff work with the skilled nursing facility, patient's physicians, patient's family, and appropriate community resources to coordinate discharge and post-discharge needs of the patient and reduce the likelihood of readmission.

f. The Contractor shall maintain a comprehensive internal audit program for UR services and shall take prompt corrective action to correct any deficiencies or quality of care issues.

g. The Contractor shall notify OGB, In Writing, within 30 days of any changes to its UR program.

h. Provisions for periodic onsite visits by utilization and Case Management clinical staff to high volume and non-compliant Network Providers, to continually improve the efficiency and effectiveness of these services.

E. Concerning Wellness and Prevention, the Contractor will provide at a minimum:

i. Wellness and Prevention Programs to support Plan Members.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

ii. A program that includes onsite preventive Wellness visits by licensed staff and have processes to accept, process, and report on completed Wellness PCP forms completed by the Member's provider. In its sole discretion, OGB shall have the option to adopt or reject adoption of such a program.

F. Concerning Carve-Out Benefits, the Contractor will at a minimum:

i. Have the ability to carve-out PBM services from this Contract.

a. The Contractor shall provide specific Claims data or other clinical data, as requested by OGB to support benefits that may be administered by OGB's PBM(s).

b. The Contractor shall provide Claims and analytical data to support the transition of specific Specialty Drugs to OGB's PBM(s) as requested by OGB.

ii. Administer Bariatric Surgery Program(s).

a. Coordinate with OGB to maintain the waiting list for OGB's bariatric program and administer the benefit in accordance with LA R.S. 42:860.

b. OGB will first determine that persons seeking enrollment in the Bariatric Surgery Program meet the employment eligibility requirements.

c. The Contractor will then assess the clinical eligibility of active state employees and retirees seeking participation in the Bariatric Surgery Program and will coordinate and communicate with providers as necessary. Such assessment may include reviewing and assisting with duplicate requests submitted by different providers on behalf of the same active state employee or retiree.

d. Administer benefits, when necessary, as related to Heads Up! program participants. (The Heads Up! Program was a study sponsored by OGB and performed through the Pennington Biomedical Research Center.)

iii. Legislative Mandates: In coordination with OGB, the Contractor will implement changes to benefits plans as mandated by new Laws.

G. Concerning Specialty Drugs, the Contractor will at a minimum:

i. Pass through to OGB 100% of all Rebates from Specialty Drugs covered under medical benefits and administered to OGB Plan Participants in any setting, including any Rebates related to Claims from out-of-state providers and facilities.

ii. Transition specific Specialty Drug coverage to the Plan's PBM(s), if requested by OGB.

iii. Provide Claims and analytical data to support the transition of specific Specialty medications to OGB's PBM(s) as requested.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

iv. Appropriately identify and engage Members in each of the following types of programs:

a. Transition of Care (TOC) programs

b. High utilizer outreach and management programs

1. No less than bi-annually, the Contractor shall identify Plan Participants using ER services inappropriately or excessively. The Contractor shall conduct outreach to those Plan Participants for the purpose of educating the Plan Participant on appropriate ER use, enrolling the Plan Participant in Case Management, if appropriate.

v. Integrate data from OGB's PBM and/or other OGB vendors to administer benefits on the Contractor's platform. Any such Plan Design will be implemented after BRDs and an implementation plan are completed and if required, an amendment is executed.

vi. Meet with OGB and OGB's PBMs to coordinate medical and pharmacy management programs.

Task 7: Enrollment, EDI and Data Management

The Contractor's platform must support OGB's enrollment rules. The Contractor must also be able to support OGB's Participating Employer set-up requirements which include setting up and maintaining all participating state and local government agencies. The Contractor must also have extensive experience with Medicare eligibility as OGB has both Medicare primary and Medicare secondary Members. At the time of publication, the 834 file format is not utilized; however, OGB is working to utilize this format.

At a minimum the Contractor shall:

A. Support OGB's Participating Employer set-up structure which includes establishing, maintaining, and reporting on all participating individual state agencies, local government agencies and retirees.

B. Support the addition of new Participating Employers throughout the year and assist with any name changes or reporting requirements, as needed.

C. Have the capability to accept at least 750,000 transactions in a single file transmission.

D. Have the capability to extract and send up to 750,000 transactions to OGB contractors in a single file.

E. Produce recurring outbound data files for OGB contractors, OGB, and/or other State Agencies who do business with OGB such as the Office of Technology Services (OTS).

F. Support the receipt of monthly Audit Files from OGB's audit contractor and work with OGB and the EES contractor, if applicable, to review and correct discrepancies.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

G. Agree to other enrollment audits, as requested by OGB, to address specific issues.

H. Enroll and accurately process Claims for both Medicare primary and non-Medicare primary Members within the same Member contract and Plan Design.

I. For Section 111 (CMS) Reporting, OGB will be the Responsible Reporting Entity (RRE) for its Group Health Plan (GHP). Upon request, the Contractor will provide assistance to OGB in order for OGB to fulfill the RRE duties.

J. Store and utilize the Medicare Beneficiary Identifier (MBI), in addition to other Member identification numbers, such as Social Security Number (SSN) and OGB's unique Member ID.

K. Maintain Medicare Eligibility effective and termination dates as well as Medicare Part A and Part B effective and termination dates.

L. Maintain accurate Medicare primacy effective and termination dates.

M. Maintain multiple Medicare entitlement reasons, as applicable.

N. Collect, store, and utilize other commercial insurance information to coordinate benefits for Plan Members.

O. Enroll split-contracts where the family Members are split between the Contractor and another carrier (i.e., Primary Plan Participant enrolled in a Medicare Advantage Plan with another carrier and non-Medicare-primary Plan Participants are enrolled in a self-funded Plan administered by the Contractor).

P. Support enrollments where one or more family Members are enrolled in one Plan as Medicare primary and other family Member(s) are enrolled in another Plan as non-Medicare primary, or vice versa.

Q. Provide a PCP selection tool that can be integrated with OGB's enrollment portal to facilitate the Members' PCP elections.

R. Routinely perform provider maintenance of PCP data to ensure that the PCP selection tool contains the most current PCP data and that only valid PCPs may be elected.

S. Provide ID Cards with all data elements required by applicable Laws, regulations, and any customization requested by OGB, including, but not limited to, each of the following:

   i. Plan's logo
   ii. Plan's messaging
   iii. Plan's network (if applicable)
   iv. In-Network Deductibles, Coinsurance, Copays, OOPMs
   v. OON Deductibles, Coinsurance, Copays, OOPMs or if no OON is provided
   vi. Plan's Rx Bank Identification Number (BIN) and PBM information
   vii. Group Name

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

viii. OGB's Member ID
ix. Telephone number and website address for Member assistance
x. How to locate an In-Network Provider

T. Meet all Plan, federal, and state mandated Plan enrollment communication and/or reporting requirements such as, but not limited to, the production of Certificates of Creditable Coverage (CCC) and reporting requirements under sections 6055 and 6056 of the IRS code.

U. Provide custom Claims data files to OGB on a monthly basis, or more frequently, if requested by OGB. The file requirements will be documented in BRDs during implementation and may be updated from time to time throughout the lifetime of the Contract, as requested by OGB.

V. Provide ad hoc data files as requested by OGB.

W. Not place limitations on OGB's access to OGB's data.

X. Accept industry standard and/or custom data files from OGB vendors and/or other State Agencies who do business with OGB, as requested by OGB, which includes but is not limited to:

i. ASC X12 EDI transaction sets.
ii. XML files.
iii. Flat/ Fixed Files.
iv. APIs.

Y. Accept and process multiple data files within the same day.

Z. Accept and process multiple concurrent file transmissions.

AA. Process "change" records as either terminated or added records.

BB. Load and process "terminated" and "add" transactions for the same Members within the same day.

CC. Exchange the enrollment and eligibility data using secure protocols.

DD. Provide a copy of outbound files delivered to other OGB contractors to OGB via sFTP or SharePoint based on instructions from OGB.

EE. Not change business rules for processing inbound files from OGB or OGB contractors for consistent data quality.

FF. Configure thresholds to reject an entire file based on how many records successfully passed business edits. Thresholds will be determined during implementation.

GG. Have a Load-Rate of at least 98% on accurate transactions received via EDI from the Plan.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

HH. In addition to accepting and processing daily enrollment data file from OGB, manually load any data that cannot be processed automatically within three business days.

II. Process enrollment updates manually for Members requiring immediate enrollment and benefits.

JJ. Notify OGB immediately when any event or condition is discovered that adversely affects Members.

KK. Accept and store multiple Member ID numbers from OGB such as a unique Member ID, or MBI and/or the Member SSN.

LL. Use the unique Member ID provided by OGB as the primary Member ID for Claims processing, customer services and other operational purposes; therefore, the unique Member ID number will be the sole Member ID on the ID Card.

MM. Send the unique Member ID number to other OGB contractors as needed during the course of day-to-day operations.

NN. Accept and load Member enrollment with retroactive effective dates that may cross multiple Plan Years.

OO. Adjust enrollment effective or termination dates retroactively that may cross Plan Years.

PP. Meet with OGB and other OGB contractors on a weekly basis, or as requested by OGB.

QQ. Display the appropriate Group name on Member ID Cards, the secure Member portal, and applicable reports.

RR. Support an Annual Enrollment (AE) period that generally lasts about six weeks during a time period chosen by OGB. Additionally, the Contractor shall:

i. Support multiple AEs in one Plan Year, if requested by OGB.

ii. Vary the AE periods by Group and/or Product, if requested by OGB.

iii. Upon request, receive Member enrollments from OGB prior to AE that have been “Mapped” to a specific Plan Design for the next Plan Year. The “Mapping” of Members will occur over several weeks prior to the beginning of AE. These “Mapped” Members may be included in the daily EDI Change Files received from OGB or in a Full File, if chosen by OGB.

iv. Receive and process Member elections from OGB after AE using a Full File or via daily Change Files that come during AE. The type of file will be determined by OGB during the initial implementation and will be re-evaluated annually as part of AE planning.

v. Produce and distribute ID Cards for more than 200,000 Members after AE so that Members receive their ID Cards prior to the new Plan Year.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

SS. Produce and mail CCCs to Members whose coverage terminates, as required by Law:

i. Members who reside in states that require annual CCCs.

ii. On demand for Members who request new copies of CCCs.

TT. Upon notification by OGB's COBRA Administration and Billing, hold Claims for Plan Participants who have not paid their premium bill.

UU. Confirm that the monthly custom Claims data file that will be provided to OGB can be sent as a full file or change file. The specific requirements will be developed during the implementation process.

VV. Confirm that it will provide reference tables and data dictionaries, with thorough field descriptions, to support the monthly custom Claims data files, and that the reference tables and data dictionaries will be updated as needed and sent to OGB within three business days of any change.

WW. Conduct a Medicare repricing exercise to benchmark the Contractor's network rates against Medicare reimbursement rates and provide results to OGB.

Task 8: Claims Processing and Appeals Management

The Contractor must have an efficient business rules-based Claims system and Appeals management process that can support required state, federal, and other custom benefits. The business rules-based Claims system and Appeals management process must have the ability to be customized based on OGB's specific Plan Documents and eligibility rules.

At a minimum the Contractor shall:

A. Process all Claims, including Claims that are Medicare primary and Medicare secondary, from the same Claims processing platform.

B. Perform all aspects of Claims processing, Coordination of Benefits (COB) including non-Medicare and Medicare, Claims reimbursement, adjudication, and payment. The Contractor shall verify benefits and eligibility before paying Claims.

C. Be able to process Claims for multi-tiered networks. Make coverage decisions, process Claims, and determine payment levels based on the appropriate allowed amount pursuant to the terms of OGB as construed by the Contractor.

D. Furnish EOBs and/or notices of any denials for PAs or Claims to all Plan Participants as applicable.

E. Provide a process for reimbursing Plan Participants through either electronic submission or paper reimbursement forms.

F. Customize any Appeals letters, as requested by OGB.

G. On a weekly basis, provide invoice credits to OGB for any prompt-pay penalties included in the weekly Claims disbursement for that week as OGB will pay no prompt-pay

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

penalties for Claims that are paid outside of the prompt-pay guidelines to the extent prompt pay penalties are the result of Contractor's action, inaction, or system failure. Contractor will not be required to pay for prompt-pay penalties to the extent any such prompt-pay penalties are the result of OGB's action, inaction, or system failure.

H. For Claims, invoice OGB for the amount in the provider's contract as of the date of service. OGB shall not pay any Claims that reflect increases in provider reimbursement rates that occurred after the date of service.

I. Customize EOBs with OGB's logo. Additionally, the Contractor will customize EOBs as directed by OGB.

J. Ensure that submitted Claims are processed in accordance with published policies.

K. Maintain and make accessible to OGB at least 10 years of OGB Claims history.

L. Work with the Plan's internal legal counsel and other OGB contactors, as appropriate, throughout the Appeals process; and make available the Contractor's subject matter experts to testify during hearings when requested.

M. Process all Claims in accordance with all applicable Laws.

N. Upon request, pay all Claims, including non-network Claims, based on assignment of benefits.

O. Coordinate benefits with other commercial payors.

P. Support all future state and federal requirements at no additional cost to OGB.

Q. Produce EOBs that meet all federal requirements.

R. Prevent Primary Plan Participants from having access to a Dependent's EOBs when the Primary Plan Participant does not have custodial rights.

S. Mail EOBs directly to Dependents 18 years of age or older without a copy to the Primary Plan Participants.

T. Mail a Dependent's EOB to a different address if a different address exists in the Dependent's demographic record when requested by OGB.

U. Support Members' election of electronic EOBs in lieu of paper EOBs.

V. If requested by OGB, provide a single, combined Medical and HRA EOB.

W. Work with OGB to develop best-in-class grievance and Appeal procedures that comply with state and federal regulations. The Contractor will be responsible for resolving Appeals specific to Covered Benefits, medical necessity, and external reviews consistent with the Appeals program and Plan Participant requested reviews of coverage denials as allowed by and in accordance with all applicable Laws.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

X. Assist OGB in complying with grievance and Appeal procedures adopted by OGB and as outlined in the Benefit Plan or Summary Plan Document. The Contractor shall abide by the grievance and Appeals procedures as stated in the annual Plan Document.

   i. For the first level of internal Appeal, the Contractor shall determine whether benefits are payable in accordance with OGB due to an adverse benefit determination within the periods required by Law. The Contractor will also issue timely decision notices of benefit determination in the appropriate format in accordance with applicable federal Law. If the Contractor receives first level internal Appeals requiring eligibility determinations, the Contractor will notify OGB immediately upon receipt and forward the Appeal to OGB within five business days of receipt.

   ii. At the conclusion of the first level of internal Appeal for benefit determination, the Contractor will notify the Plan Participant of the Contractor's disposition of the Appeal, including instructions on how to initiate any additional levels of Appeal that may be available to the Plan Participant. The determination will include instructions on how the Plan Participant may initiate a second-level benefit determination Appeal to the Contractor.

   iii. For the second level internal Appeal for benefit determination, the Contractor will determine whether benefits are payable in accordance with the Plan due to an adverse benefit determination and issue decision notices in the appropriate format within the respective periods required by Law. Additionally, the Contractor will notify the Plan Participant in writing of any external review rights that may be available.

Y. Unless otherwise requested by OGB In Writing, the Contractor will facilitate OGB's external review procedures by randomly assigning an external review request sent by OGB to the Contractor to one of the Contractor's contracted Independent Review Organizations (IROs). The Contractor is responsible for complying with applicable Laws regarding external review. OGB acknowledges that OGB is responsible for ensuring that the Plan is administered consistently and in accordance with applicable Laws; provided, however, the Contractor will be responsible for ensuring Claims received by the Contractor are processed in accordance with state and federal Laws and regulations.

Z. In the event the Contractor receives any final Appeal or grievance requests made by a denied claimant, the Contractor shall forward the request to OGB within five business days of receipt.

Task 9: Claims Audit, Recovery, and Investigation

The Contractor must be open to audits by the Plan's auditors as well as audits performed by the Louisiana Legislative Auditor. OGB expects the Contractor to respond timely to all audit requests and be prepared to support multiple audits simultaneously. OGB, at its discretion,

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

may use its own contractors to seek recoveries; therefore, the Contractor must support OGB's recovery contractors by providing Claims data, adjusting Claims, and posting payments. The Contractor must also demonstrate dedication to the detection and reduction of fraud, waste, and abuse. This includes the recovery of fraud dollars and a willingness to assist in the prosecution of those who commit fraud.

At a minimum the Contractor shall:

A. Support ongoing quarterly Claims accuracy audits, or Standard Audits, performed on a statistically valid random sample of Claims selected by OGB's audit contractor. The results of these audits will be used to measure Claims accuracy for quarterly Performance Guarantees. The Contractor shall provide OGB's Auditors with access to provider contracts and system pricing necessary to perform the review and audit. In addition to the random sample, the audit will include a targeted sample selected by OGB's audit contractor based on a comprehensive analysis of all Claims.

B. An audit plan will be provided to the Contractor prior to the initial quarterly audit that will define the ongoing Standard Audit timelines. Both the random Claims sample and the targeted sample will be used to identify overpayments owed to the Plan. For purposes of Standard Audits, Claims accuracy will be measured based on the following criteria:

    i. Financial Accuracy: Total dollar amount processed accurately divided by the total dollar amount processed in the audit sample. The total dollar amount processed accurately is calculated by subtracting the absolute values of the dollars processed in error from the total dollars processed. Underpayments and overpayments are not offset by one another.

    ii. Payment Accuracy: The number of Claims with the correct benefit dollars paid divided by the total number of Claims paid in the audit sample.

    iii. Processing Accuracy: The number of Claims processed with no procedural errors divided by the total number of Claims processed. For purposes of the above definitions, if Contractor has identified and recovered an overpayment or processed an underpayment prior to the audit, it is not an error. If the Contractor has identified but not recovered the overpayment or processed the underpayment, it is an error.

C. In addition to supporting ongoing quarterly Claims accuracy audits, support "focus audits," such as, but not limited to, COB audits, duplicate Claims audits, eligibility audits, and comprehensive electronic audits conducted by OGB's audit contractor on an as-needed basis.

D. Assist OGB to ensure compliance with all federal and state Laws and regulations not otherwise stated previously (i.e., prompt pay, mental health parity, disclosures, reporting, CMS requirements, etc.)

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

E. Provide an investigation team or similar unit to investigate possible fraud and abuse and will share details about specific investigations that impact OGB, including the names of the providers involved. The Contractor shall investigate any activity, prescription related or otherwise related to the Plan which the Contractor believes to be fraudulent or abusive, whenever detected by the Contractor or brought to the attention of the Contractor by OGB or other persons. The Contractor shall have established procedures and system edits to aggressively monitor and proactively search for cases and potential cases of fraud and abuse; such procedures shall include providing OGB with a quarterly report of fraud activities and discoveries relating to the Contract. In instances when the Contractor has detected fraud, the Contractor will pursue collection, and will report to OGB such collection, remitting any collection owed to OGB on a quarterly basis.

F. Support any other audit requested by OGB. OGB will provide reasonable notice to the Contractor prior to starting another audit.

G. Support multiple audits simultaneously. Although OGB will work with the Contractor to manage the scope, duration, number, and timing of audits whenever possible, audits may occur simultaneously and for extended periods of time.

H. Provide OGB's Auditors access to all necessary data, systems, and any other materials needed to successfully perform the audits, including remote, view-only access to view the Claims adjudication system used by Contractor to process OGB's Claims.

I. Provide onsite office space at the Contractor's facilities where OGB's Claims are processed, including system access for OGB's Auditors or OGB.

J. Have the ability to customize any standard audit reports to meet OGB's specific audit needs.

K. Provide Claims files to OGB's Auditors on a monthly basis.

L. Provide feedback on all site visit Claims within two weeks of the end of the onsite visit. The Contractor shall also respond to any findings in the draft audit report within two weeks of receipt.

M. For all identified problems, provide a corrective action plan for OGB's review, approval, and monitoring within 30 days of the final report, or another timeframe as specified by OGB.

N. Provide full impact reports, and review and recover out-of-sample Claims for any audit findings that reveal systemic or easily repeatable issues. These out-of-sample Claim recoveries will not impact Performance Guarantee measures.

O. Not enter into a settlement on OGB's behalf with a provider, a Member, or anyone else, without first obtaining OGB's approval, subject to the **Attachment VII: Subrogation and Workers' Compensation Process and Procedures**.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

P. Allow OGB to perform onsite reviews and validations of the Contractor's internal processes. To the extent feasible, OGB will provide a 30 day advance notice prior to conducting any such onsite reviews or validations.

Q. Provide workflows, data, and other materials to review the Contractor's processes within 30 days of OGB's written request.

R. Work with OGB to develop process improvement plans.

S. Not charge OGB any fee for the identification, recovery, or adjustment of overpayments, duplicate payments, or other processing errors.

T. Provide Plan-specific investigation reports on a monthly basis and customize these reports, as requested by OGB.

U. Notify OGB within five business days of receipt of any class action notice and/or knowledge of other lawsuits related to the services provided hereunder in which the Contractor determines OGB could have an interest and provide a copy of such to OGB. The Contractor is not authorized to file such Claims on behalf of OGB without OGB's express written consent. The Contractor will provide Claims data and reporting to file for refunds or to participate in any such action or litigation at no additional cost.

V. Notify OGB, within three business days of identification, about any situation that may negatively impact the administration or delivery of the program, Plan, or benefits, including but not limited to, file and data sharing between contractors. The situation shall be researched and resolved in a period mutually agreed upon with OGB.

W. Assist OGB in meeting its responsibilities with respect to administering individual rights and obligations, such as access, amendments, and disclosure accounting rights, as required by the HIPAA and its implementing regulations issued by the U.S. Department of Health and Human Services (45 C.F.R. Parts 160-164) as described in the **Attachment III: Business Associate Addendum**.

Task 10: Customer Experience

A top priority for OGB is ensuring a superior Customer Experience with all customer-facing resources and tools. The Contractor must show a dedication to constant Customer Experience improvements and be an innovator in Member engagement. Engagement includes web-based and mobile technology, transparency tools, and provider search functions that clearly identify low-cost, high-quality providers by specialty. If OGB-specific networks are utilized, these tools must display the OGB-specific information. The Contractor shall comply with the following:

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

A. Call Center

The Contractor shall provide a Dedicated customer service call center. OGB requests that the hours of operation for this call center span at least 8:00 a.m. to 5:00 p.m. Central Time (CT), Monday through Friday except on State holidays. Additionally, the Contractor shall:

i. Provide a Dedicated toll-free number for Plan Members to contact the Dedicated customer service call center**.**

ii. Provide a nurse line that must be staffed and available to receive calls 8:00 a.m. to 5:00 p.m. CT Monday through Friday, except on State holidays.

iii. Upon request, provide expanded hours of operation during the AE period or other appropriate times as requested by OGB.

iv. Customize its Interactive Voice Response (IVR) script with a Plan-specific greeting and prompts, and warm transfers to other OGB contractors. Script, Plan-specific greetings, and prompts must be approved In Writing by OGB. Customer Service Representatives (CSRs) will answer the phones with a greeting that identifies the call center as a representative for OGB.

v. Make and receive warm phone transfers to/from OGB and other OGB contractors who may be required to resolve the Members' issues.

vi. Offer Telecommunications Device for Deaf (TDD) services for Plan Members who need them.

vii. Provide non-English speaking services for callers who may need assistance in other languages.

viii. Record and track all Member calls including date of initial call, inquiry closed, representative who handled the call, call status, if and where the call was referred for handling, reason for call (issue), and what was communicated to the Member. Upon request, the Contractor will provide this information via a report, organized by call reason type.

a) The Contractor will provide copies of recorded calls to OGB within two business days of the request.
b) The Contractor will provide detailed copies of all call notes to OGB within two business days of the request.
c) The Contractor will provide copies of call notes to Members upon request.

B. Online resources

The Contractor will:

i. Provide a web portal to be utilized by OGB staff to view real-time individual Member enrollment and Claim information.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

ii. Provide a secure Member web portal and mobile application (app) that are available 24/7, excluding periodically scheduled maintenance.

iii. Customize the Member-facing web portal with OGB's branding (logo) as well as provide customized materials through the web portal and app.

iv. Have a secure Member web portal and app that will capture Plan Members' preferences for communication and allow a Member to access a virtual ID Card, print a temporary card, and/or order a new ID card.

v. Have a portal that will provide health and wellbeing resources to Members, such as interactive evidence-based educational content, personalized coaching, challenges, activity trac links to Plan approved/promoted websites and tools for self-management.

vi. Provide a Member portal and app that will allow Members to:

a) View Claims and Claim payment status.
b) View and print EOBs.
c) View Deductible and OOP accumulations.
d) Single-Sign-On (SSO) to the HSA contractor, if applicable.
e) View HRA Claims, if applicable.
f) View HRA balances, if applicable, including, but not limited to:
    1) Initial HRA funding.
    2) Rollover funds.
    3) Incentive funds.

vii. Provide the following services when the Member is logged into the secure Member web portal or accessing the Contractor's external site:

a) Search for providers by specialty.
b) Search for procedure/service cost.

C. Letters and other written communications with Plan Participants

i. For any programs implemented by OGB, the Contractor will develop and implement new letters and/or communication materials for Members and/or providers.

ii. The Contractor will provide a secure email address for Plan Participants and respond to their inquiries within three business days from receipt.

D. Customization

i. The Contractor will customize the content of any and all letters or other materials (including ID Cards and EOBs) that will be sent and/or displayed to Members.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

ii. The Contractor will co-brand letters or other materials that the Contractor sends to Members, utilizing OGB's logo after receiving approval to do so In Writing from OGB.

E. Resolution of issues

i. The Contractor will provide an escalation team to respond to and resolve inquiries from OGB.

ii. The Contractor will contact OGB immediately for all urgent Member demographic or benefit issues.

iii. When appropriate, the Contractor will mail apology letters to Plan Participants who have been impacted by a Contractor error within three business days upon confirmation/identification. The Contractor will obtain OGB's approval of apology letters In Writing prior to sending to more than 50 Plan Participants. The Contractor will supply OGB with a sample letter for approval prior to issuing the first apology letter.

F. Customer Service Representatives (CSRs) and Healthcare Navigators

i. Provide Dedicated CSRs to research and resolve, to the satisfaction of OGB, Benefit Plan issues, Claims payment, denial inquiries and complaints submitted by Plan Participants, pharmacies, and OGB. CSRs must be able to gather and analyze data, create a historical picture, including a timeline of Claim activity for the individual Plan Participant, and develop appropriate correspondence for complicated Claim issues.

ii. The Contractor shall have CSRs and/or Healthcare Navigators to support Plan Participants with resources and services, including but not limited to:

a) Educating Plan Participants on how to understand their EOBs and bills;

b) Working with Plan Participants and Network Providers on Claims and billing resolution;

c) Finding high-quality, low-cost Network Providers;

d) Encouraging participation in Value-Based initiative programs and identify Network Providers;

e) Maximizing benefits;

f) Closing gaps in care;

g) Navigating denials and Appeals;

h) Recommending Contractor-sponsored expert medical opinion services and/or Case Management; and

i) Warm phone transferring to OGB or OGB contractors for benefit services.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

iii. The CSRs and Healthcare Navigators shall be fully trained on the Contractor's website and mobile applications to assist Plan Participants with navigating the website or mobile application to review Claims, find Network Providers, identify provider quality ratings, estimate future medical costs, and access additional Contractor resources.

iv. The CSRs and Healthcare Navigators shall be trained to direct Plan Participants to high-performance, high-quality Network Providers and/or facilities, particularly when there are associated Plan Participant benefit incentives.

G. Miscellaneous

i. The Contractor shall provide appointment scheduling assistance to Plan Participants who are unable to secure an appointment with a geographically accessible Network Provider within the periods specified in the Network Provider adequacy and access standards in Task 4: Network Management, bullet point X. OGB defines appointment scheduling assistance to include the following:

a) If the Plan Participant is unable to secure an appointment with a Network Provider within a reasonable period of time through the Plan Participant's own good faith efforts and the Plan Participant requests the Contractor's assistance, then the Contractor has an affirmative obligation to contact the Network Provider directly to facilitate appointment scheduling.

b) If a Plan Participant is unable to locate a Network Provider who is accepting new patients through their good faith efforts and the Plan Participant requests the Contractor's assistance, the Contractor has an affirmative obligation to assist the Plan Participant in locating such a Network Provider and securing an appointment.

ii. The Contractor will participate in routine calls to discuss Plan initiatives, upcoming Plan mailers and/or events, and develop and implement process improvements between OGB contractors and other State Agencies who do business with OGB. These routine calls may include OGB contractors and other State Agencies who do business with OGB.

iii. Upon OGB's request, the Contractor will conduct surveys, including an annual Member satisfaction survey for all Plan Members. The Contractor will be responsible for communicating the survey to Plan Members and may provide a link to the survey on OGB's website. The Contractor will be responsible for developing the custom survey, as directed by OGB, hosting the survey, and providing a summary of results. Prior to administering the Member survey, the Contractor must obtain OGB's written approval of the survey content and administration methodology.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

iv. The Contractor will attend OGB-hosted AE events to educate Members on Plan options. OGB representatives are generally on the road across the state or hosting online webinars during most of September and October, promoting AE. Representatives from the Contractor and Medicare Advantage (MA) carriers generally attend and may provide presentations to Members, primarily retirees.

v. Outside of AE, the Contractor will attend events around the State, as requested by OGB.

vi. The Contractor will assist with OGB's benefit booklet review and/or provide guidance regarding OGB's benefit booklets which includes individual booklets for each Plan offered.

vii. Upon request, the Contractor will provide marketing and communication resources to OGB to develop materials.

viii. The Contractor will include non-discrimination notices on all significant publications and communications as required by Section 1557 of PPACA.

Task 11: No Surprises Act and Independent Dispute Resolution

The Contractor shall be responsible for management of Claim disputes subject to the No Surprises Act (NSA) with OON providers, OON facilities, and/or OON providers of air ambulance services by:

A. Responding to initial claims from OON providers, OON facilities, and/or OON providers of air ambulance services by paying an initial payment amount or the Qualifying Payment Amount (QPA), or issuing notice of denial of payment within 30 days of receipt of a clean Claim, as appropriate.

B. Being in compliance with all applicable Laws, fulfilling all disclosure obligations to providers, facilities, and any applicable entity on behalf of OGB.

C. Providing OON providers, OON facilities, and/or OON providers of air ambulance services with contact information for initiating the Open Negotiation period at the time of initial payment or notice of denial.

D. Responding to Open Negotiation Notices that are submitted to the Contractor by OON providers, OON facilities, and/or OON providers of air ambulance services within the timeframe set forth in the act.

E. When appropriate and with OGB's written consent or upon OGB's request, initiate Open Negotiations.

F. Engaging in good faith negotiations with OON providers, OON facilities and/or OON providers of air ambulance services over disputes for Claims covered by the NSA, at any time from initial Claim payment through conclusion of any IDR process.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

G. Responding to Notices of IDR Initiation that are submitted by OON providers, OON facility, and/or OON providers of air ambulance services via the Federal IDR portal.

H. Being authorized and must perform IDR services including, but not limited to, the following:

i. Furnishing or responding to Notices of IDR Initiation via the Federal IDR portal within the timeframe set forth by Law and regulation.

ii. The Notice of or response to IDR Initiation shall include all content requirements as determined by applicable Law, including the most recent applicable regulations issued by the Departments.

iii. To the best extent practicable, the Contractor shall utilize due diligence to obtain OGB's consent In Writing prior to initiating an IDR proceeding.

iv. OGB will provide its consent In Writing within five business days of receipt of the notice that the Contractor intends to initiate an IDR proceeding. If OGB fails to provide a response to the Contractor's notice within the timeframe set forth above, the Contractor shall take appropriate action as necessary to protect OGB's interests.

v. If OGB objects In Writing to an IDR proceeding, the Contractor shall not take action contrary to OGB’s objection regarding that IDR proceeding.

vi. Communicating regarding selection of a certified IDR entity.

vii. If the initiating party, the Contractor shall select a preferred certified IDR entity to be identified in the notice of IDR Initiation.

viii. If the non-initiating party, the Contractor shall submit a Certified IDR Entity Selection Response Notice to object to the initiating party's preferred certified IDR entity within the time allowed by Law, as applicable.

ix. If the non-initiating party, the Contractor shall object to the IDR process when it believes that the Federal IDR process is not applicable.

x. Appearing on behalf of OGB for all IDR proceedings initiated in the CMS IDR portal.

xi. Submitting to the IDR entity additional information on behalf of OGB that is related to the parties' positions, including but not limited to raising all applicable defenses.

xii. Submitting to the IDR entity a position on behalf of OGB within the timeframe required by the NSA.

xiii. If the amount of the Offer contained in the Position Statement submitted to an IDR entity exceeds the greater of the QPA or the highest in network rate for the

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

year the service was rendered, the Contractor shall secure position authority from OGB In Writing prior to submission.

xiv. Paying the IDR entity fee and administrative fee to the certified IDR entity prior to submission of a position on behalf of OGB, which will be reimbursed by OGB. OGB is responsible for any additional payment made to a provider following IDR negotiation or IDR payment determination.

xv. Requesting extensions of time for extenuating circumstances.

xvi. Advising OGB of Payment Determinations involving OGB within 30 calendar days from the end of each month.

xvii. Submitting to the IDR entity and, when necessary, to CMS any appropriate appeals, requests for review, and/or post-determination objections to any adverse Payment Determination.

xviii. Submitting to the IDR entity requests for copies of offers by adverse parties, when requested by OGB.

xix. The Contractor shall notify OGB within 30 calendar days from the end of each month if the Contractor has objected to a Notice of IDR Initiation as not initiated within the time set forth by applicable Law.

IV. Deliverables

The Contractor must support OGB's custom reporting requirements which include reports that are sent to OGB on a daily, weekly, monthly, quarterly, semi-annual, and annual basis. These reports must be accurate and received on the schedule defined by OGB. OGB will also have ongoing, ad hoc report requirements; therefore, the Contractor must have the resources and expertise to assist OGB as needed.

The deliverables listed in this Section are the minimum required from the Contractor. Additional deliverables may be required upon request.

Reporting Minimum Requirements:

Deliverable	Description	Frequency
Independent Assurances	The Contractor and its subcontractors performing key delegated functions shall each supply OGB with an exact copy of the SOC 1, Type II report and/or SOC 2, Type II report resulting from an independent annual SSAE 18 engagement, other assurances as described in this Contract for the period January 1 - December 31, or other approved report (as agreed to by OGB). The Contractor shall also provide a bridge letter to OGB for the period of January 1 - June 30 of the	Due March 31 of each calendar year beginning March 31 of the second contract year. The bridge letter covering the period of January 1 to June 30 of each year will be due July 31 of each year beginning

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

	following independent assurance reporting period no later than July 31 of each calendar year.	on July 31 of the second contract year.
Account Satisfaction - Overall Primary Plan Participant(s) Satisfaction Survey	Conduct annual Primary Plan Participant(s) satisfaction survey for medical and behavioral health and report results to OGB.	Due by Jan 31 after each calendar year.
Account Satisfaction - OGB Satisfaction Survey	Conduct annual OGB satisfaction survey and report results to OGB.	Due by Jan 31 after each calendar year.
Claims Operation - Claims Processing Accuracy	97% or greater of audited Claims adjudicated correctly in accordance with the Plan.	Due April 30, July 31, October 31, and January 31 of each calendar year.
Claims Operation - Financial Accuracy	97.5% or greater of audited Claims paid accurately in accordance with the contractor provider rates at the time of incursion.	Due April 30, July 31, October 31, and January 31 of each calendar year.
Claims Operation - PA and UR Timeliness	97% or greater of medical and behavioral health PAs completed within timelines standard of PA and UR decision-making described in Task 6 Medical Management Programs.	Due April 30, July 31, October 31, and January 31 of each calendar year.
Claims Operation - Trend Guarantee	The Contractor will provide OGB with a settlement report for the trend guarantee.	By July 31st of each year for the previous calendar year's trend guarantee.
Claims Operation - Waste, Fraud, and Abuse	Over-utilization, abuse or fraud by Plan Participant or Network Provider addressing prevalence, outcomes, and fiscal impact.	Due April 30, July 31, October 31, and January 31 of each calendar year.
Claims Operation - Recovery and Special Investigations Management	A collection of reports addressing recovery from Plan Participants, providers, and subcontractors, medical audit repayments, other coverage, and reporting in accordance with the **Attachment VII: Subrogation and Workers' Compensation Process and Procedures**.	Due April 30, July 31, October 31, and January 31 of each calendar year.
Claims Operation - Therapeutic Trend Cost	Shall be mutually agreed upon, at the Health Care Cost Procedure Code level on the drug classes included in the site of care service program. The baseline will be average unit cost based on historical Claims experience for the previous calendar year.	Due April 30, July 31, October 31, and January 31 of each calendar year.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Claims Operation - Therapeutic Utilization Reduction	In mutually agreed upon targeted therapeutic classes; at a minimum, 75% of new patients meeting criteria will be serviced in facilities, providers' offices, or in a home setting that has pricing parity (goal is to move away from outpatient hospital setting).	Due April 30, July 31, October 31, and January 31 of each calendar year.
Customer Service - Customer Experience Reporting	Operations Dashboard of Key Performance Indicators (KPIs), reported monthly, but submitted to OGB on a quarterly basis. • First Call Resolution • Abandoned Call Rate • Plan Participant Written Inquiry Timeliness • Average Speed to Answer • Appeals and Grievances	Due April 30, July 31, October 31, and January 31 of each calendar year.
Financial - Unclaimed Property	Detailed listing, in a mutually agreeable format, of any unclaimed property of OGB Plan Participants held by the Contractor.	June 30 of each calendar year.
Financial - Initial Revenue Report	Annual report detailing any known Revenues outside the administration fee related to this Contract for the preceding calendar year, by source, in accordance with La. R.S. 42:813-817 (2024 La. Acts No. 546).	Submit to OGB and the Louisiana House and Senate Committees on Insurance by April 1 for preceding calendar year.
Financial - Final Revenue Report	Annual report updating and supplementing as appropriate any information not reported in the Initial Revenue Report to ensure that all Revenues for the preceding calendar year are reported, in accordance with La. R.S. 42:813-817 (2024 La. Acts No. 546).	Submit to OGB and the Louisiana House and Senate Committees on Insurance by June 30 for preceding calendar year.
Financial - Pharmacy Rebate Checks	Provide OGB with 100% of Rebates for injectable and other rebatable drugs. Provide OGB with Rebates for all Plans. Provide breakout details for said Rebates, including Rebates by Plan.	After the close of each quarter (April 30, July 31, October 31, and January 31), during the quarter that Rebates check(s) issued.
Implementation - Pre-Implementation Audit	Complete the pre-implementation audit, including follow-up test Claims, at least 10 calendar days prior to the established implementation date or another date established by OGB.	Due 90 days after agreed-upon implementation date.
Medical Management - Medical	Medical Management Reporting package for all Plans and offered programs. Package will include, but not be limited to:	Due April 30, July 31, October 31, and

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Management Reporting Package	• Quarterly Medical Cost and Clinical Outcomes • Medical and Behavioral Health Clinical Trend • High-Cost Claimants • Readmissions Rate • Inpatient Reviews • Mental Health 30-day follow-up • Population Health services, if OGB opts-into any of those services	January 31 of each calendar year.
Network Operation - Network Reporting Package	Report addressing network issues, access, disruption, provider incidents, and minimum overall network discounts.	Due April 30, July 31, October 31, and January 31 of each calendar year.
Operational Reporting - Quarterly Strategic Report	Dashboard addressing financial and utilization data, plan strategies, and opportunities presented to OGB at quarterly on-site meetings. If applicable, must include • HRA Utilization and Forfeiture reporting (if applicable) • PA and UR Timeliness	Due April 30, July 31, October 31, and January 31 of each calendar year.
Operational Reporting - Plan Participant-Level Enrollment Accuracy	98% or greater of Plan Participant updates within two business days of receipt of a complete eligibility file submission.	Due monthly, 15 days after the end of each month.
Operational Reporting - Reports in Response to Audit Requests	The Description will be provided at the time of audit request.	Within five business days from the request unless otherwise directed by OGB.
Operational Reporting - No Surprises Act IDR Quarterly Claim Notification Reporting	The Contractor shall provide a quarterly report to OGB listing each Independent Dispute Resolution (IDR) occurring in the prior quarter. At a minimum, this report shall include the following: • File Date(s) • Name(s) of Provider, Facility, or Provider of Air Ambulance Services • Date of Claim(s) • IDR entity/entities • Claim amount(s) • Status of IDR as Pending or Resolved • Award amounts	Within 15 calendar days after close of each quarter.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Operational Reporting - No Surprises Act IDR Annual Claim Notification Reporting	The Contractor shall provide an annual report to OGB that aggregates the information provided in the IDR Quarterly Claim Notification Reporting.	Within 30 days after each calendar year.
Operational Reporting - No Surprises Act IDR Payment Determination	The Contractor shall submit written notice to OGB providing the QPA or the initial payment amount, and the final award amount.	No later than 30 calendar days from the end of each month.
Operational Reporting - Value Based Reporting	Reporting on Value-Based billings. Billing details will be provided weekly after payments are issued to providers.	Due weekly, as paid.
Operational Reporting - Performance Guarantees Report	Indicating timeliness of submission and pass/fail status.	Due April 30, July 31, October 31, and January 31 of each calendar year.
Operational Reporting - Ad hoc reporting	Reporting requested by OGB on an ad hoc basis.	Due upon a date set by OGB.
Operational Reporting – Annual Value-based Report	Reporting showing Value-based payments made and tracking improved health outcomes.	Due September 1st of the following year.

The Contractor shall also:

A. Provide standard and ad hoc reports in any format, as requested by OGB, including but not limited to :

   1. Excel
   2. PDF
   3. Text
   4. XML
   5. HTML
   6. CSV (raw format).

B. Customize any report, as requested by OGB.

C. Combine Claims and financial data in reporting.

D. Email all standard reports, to the email addresses provided by OGB. If PHI is included, the reports shall be sent via sFTP.

E. Produce ad hoc reports at OGB’s request within the timeframe specified by OGB to support OGB’s responsibilities to the Board and/or Legislature.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

F. Include Book of Business and other internal and/or external benchmarks in reports, when requested by OGB.

G. Provide other enterprise-level, executive reports as well as departmental and ad hoc reporting, as requested by OGB. Stratifications may include:

1. Demographics
    a. Gender
    b. Age
2. Geography
    a. ZIP Code
    b. Parish
3. Active and Retiree (Pre- and Post-65)
4. Plan Type
5. Time period
    a. Calendar Year (CY)
    b. Year-to-Date (YTD)
    c. Month-to-Month
    d. Fiscal Year
    e. Quarterly
    f. Ad hoc
6. Paid and incurred Claims
    a. By National Provider Identifier (NPI), In/Out-of-Network, Contractor's unique provider number
    b. PCP, Specialist, Hospital
7. Network
    a. In/Out-of-Network
    b. Quality Outcomes
8. Utilization Trends
    a. High-Cost Claimants
    b. High Volume Claims Utilizers
9. Disease Categories via International Classification of Diseases-10th Revision, Clinical Modification (ICD-10), Diagnosis-Related Group (DRG), or ad hoc criteria.
    a. Chronic conditions
    b. Acute conditions
    c. Catastrophic (cost-driving outliers)

Other Deliverables requested during this Contract include the following items, included for convenience and not as an exhaustive list.

A. Task 1: Implementation

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

1. Project Implementation Plan – Due 10 calendar days after date of fully negotiated Contract is submitted to OSP.
2. Contractor Audit Schedule for 2028 – as applicable
3. Project Status Meetings – Due Weekly during Implementation and Daily in the two weeks before and after the Go-Live Date. To be done either Onsite, by phone, or teleconference.
    a. Meeting Minutes – Due within three business days after the meeting.
4. Comprehensive Operational Readiness Review – Due 90 calendar days before Go-Live Date.
5. Plan Participant Grievance and Appeal Procedures – Due 120 calendar days before the Go-Live Date.
6. Plan Documents for each Self-funded plan for editing – Due 60 calendar days before the Go-Live Date. OGB to provide edits to the Contractor 90 calendar days before the Go-Live Date.
7. Documents describing the UR Program – Due Two months before the Go-Live Date.

B. Task 2: Account Management

1. Biweekly meetings – In person or Teleconference.
2. Quarterly Cost Containment Meetings – In person at OGB.
    a. Meeting Minutes due within three business days for both of the above meetings.
3. Plan Participant Communication Materials – Due as needed.
4. Processes and Procedures – Due as requested by OGB.
5. Detailed Cost information on any program offered – Due as requested.

C. Task 3: Plan Participant Communication

1. Plan Participant Communication Materials – Due as needed.
2. Summary of Benefits and Coverage document – Due to OGB 14 business days prior to planned date for dissemination.
    a. If changes are needed to document that was submitted by the Contractor to OGB for review, OGB will review and provide any such changes to the Contractor within five business days of receipt.

D. Task 4: Network Management

1. Summary of its standards, protocols, and thresholds for tracking incidents and issues with Network Providers – Due at least one month before Go-Live Date.
    a. Report of the Network Provider tracking results, upon request.
2. Response to Non-routine CMS inquiries – Due at an agreed upon specified period of time.
3. Plan for high-performance or tiered network of providers and/or facilities - Due as applicable.

E. Task 6: Medical Management

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

1. UR System – Should be in place at the start of the Contract. Revisions and customizations will be due upon request by OGB.

F. Task 7: Enrollment, EDI and Data Management

1. Query-Only File to CMS to obtain Part A, B, and C information on Plan Members – Due Quarterly.
   a. Medicare primacy audit with Plan Enrollment data in the Contractor's system – Due Quarterly.
2. ID Cards with all Data elements required by applicable law, regulation and with any OGB customization, subject to ID Card requirements and standards the Contractor is obligated to follow and/or physical size and spacing limitations of the ID Cards – Due As needed.
3. Custom Claims data files to OGB – Due at least monthly. More frequently, if requested by OGB.
4. Copy of Outbound files delivered to other OGB vendors to OGB via sFTP or SharePoint based on instructions from OGB – Due as needed.
5. CCC's - Due as required by law.

G. Task 9: Claims Audit, Recovery, and Investigation

1. Claims file to Auditors – Due Monthly
2. Feedback on all site visit claims – Due within two weeks following the site visit.
   a. Respond to finding in the draft audit report – Due within two weeks of finding.
3. Corrective Action plan for OGB review and approval – Due within 30 calendar days of the final report, or another timeframe as specified by OGB.
4. Impact Reports – Due as applicable.
5. Workflows, data, and other materials to review the Contractor's processes - Due within 30 calendar days of request.

V. Performance Standards, Audits, and Guarantees

The Contractor will be subject to the performance standards detailed in this SOW. These performance guarantees are the minimum acceptable standards for this Contract. OGB shall have the ability to amend the performance guarantees each Contract year. OGB reserves the right to audit performance guarantee reports on an annual basis. A third party may be utilized to perform this audit without limitation of the scope.

A. Measurement Periods: It is anticipated that the first period to be measured shall be the first calendar year, ending on December 31. The second period will be for the following calendar year (January 1 through December 31), and the third period for the following calendar year. The fourth period, subject to the renewal option, will be for the following calendar year, and the fifth period, subject to the renewal option, will be for the next calendar year. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

B. Penalty at risk: The Contractor's total dollar amount at risk for all proposed Performance Guarantees amounts to the total annual administrative fee paid by OGB. Penalties owed by the Contractor will be paid automatically and will not need to be requested.

1. The Contractor will be subject to per day fees for the independent assurance performance guarantee. For calendar year 3, 10% of calendar year 3 Administrative Fee payment under the resulting Contract will be withheld until the performance guarantee reports are provided to OGB. If the option to extend this Contract is exercised, for calendar years 4 and 5, 10% of the calendar year 4 and 5 Administrative Fee payments under the resulting Contract will be withheld until the performance guarantee reports are provided to OGB, for each respective calendar year.

2. Pre-Implementation Audit penalty shall be paid within 60 calendar days of notification to the Contractor.

3. All other performance guarantee metrics shall be reported quarterly and reconciled on an annual basis, unless another time period is agreed to between OGB and the Contractor, using Claims data through April 30th after the end of the performance year. Any penalties owed to OGB shall be paid automatically by June 30th after the end of the performance year.

Metric	Performance Standard	Due Dates & Penalty at Risk
Independent Assurances	The Contractor and its subcontractors performing key delegated functions shall each supply OGB with an exact copy of the SOC 1, Type II report and/or SOC 2, Type II report resulting from an independent annual SSAE 18 engagement, other assurances as described in this Contract for the period of January 1-December 31, or other approved report (as agreed to by OGB) beginning March 31 of the second contract year and each calendar year thereafter. The Contractor shall also provide a bridge letter to OGB for the period of January 1-June 30 of the following independent assurance reporting period no later than July 31 of each calendar year.	$1,000 per day Report due March 31 following each calendar year. Bridge letter covering the period of January 1 to June 30 of each year will be due July 31 of each year. Payment due by August 15th following each calendar year.
Account Satisfaction - Overall Primary Plan Participant Satisfaction Survey	Satisfaction Rate must be 85% or greater.	3% Report due by Jan 31 after each calendar year. Payment due by August 15th following of each calendar year.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Metric	Performance Standard	Due Dates & Penalty at Risk
Account Satisfaction - OGB Satisfaction Survey	Satisfaction Rate must be 85% or greater, using metrics mutually agreed upon by the Contractor and OGB prior to the Go-Live Date.	3% Report due by Jan 31 after each calendar year. Payment due by August 15th following each calendar year.
Claims Operations - Claims Processing Accuracy	97% or greater of audited Claims adjudicated accurately in accordance with the Plan.	7% Report due April 30, July 31, October 31, and January 31 of each calendar year. Payment due by August 15th following each calendar year.
Claims Operations - Financial Accuracy	97.5% or greater of audited Claims accurately paid in accordance with the contracted provider rate.	7%Report due April 30, July 31, October 31, and January 31 of each calendar year. Payment due by August 15th following each calendar year.
Claims Operations - PA and UR Timeliness	97% or greater of medical and behavioral health PA's completed within timelines standard of PA and UR decision-making described in Task 6 Medical Management Programs.	6% Report due April 30, July 31, October 31, and January 31 of each calendar year. Payment due by August 15th following each calendar year.
Claims Operations - Trend Guarantee*	The Contractor will provide OGB with a settlement report for the trend guarantee.	30% By July 31st of each year for the previous calendar year's trend guarantee. Payment due by August 15th following each calendar year.
Customer Service – Customer Experience Reporting - First Call Resolution	80% or greater Plan Participant calls resolved on first call. Measurement: The number of calls that are completed without the need for referral or follow-up actions divided by the total number of calls (excludes calls routed to IVR).	2% Due April 30, July 31, October 31, and January 31 of each calendar year.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Metric	Performance Standard	Due Dates & Penalty at Risk
		Payment due by August 15th following each calendar year.
Customer Service – Customer Experience Reporting - Abandoned Call Rate	Less than or equal to 5% abandonment rate as a percentage of all calls disconnected before a Customer Service Representative gets on the line. (Excludes calls abandoned within the first 30 seconds and calls routed to IVR).	2% Due April 30, July 31, October 31, and January 31 of each calendar year Payment due by August 15th following each calendar year.
Customer Service – Customer Experience Reporting - Plan Participant Written Inquiry Timeliness	95% or greater of all written inquiries will be answered within seven business days.	2% Due April 30, July 31, October 31, and January 31 of each calendar year. Payment due by August 15th following each calendar year.
Customer Service – Customer Experience Reporting - Average Speed to Answer	The average elapsed time between when a call is accepted into Contractor's system and when a customer service representative gets on the line will be less than or equal to 60 seconds.	2% Due April 30, July 31, October 31, and January 31 of each calendar year. Payment due by August 15th following each calendar year.
Implementation - Pre-Implementation Audit	Complete the pre-implementation audit, including follow-up test Claims, at least 10 calendar days prior to the established implementation date or another date established by OGB.	$1,000 per day Due 90 days after agreed-upon implementation date Payment due within 60 days of notification to Contractor.
Network Operation - Minimum Overall Network Discounts*	The Contractor will guarantee a 64.7% or greater network discount for Louisiana in Network Providers, excluding pharmacy. The discount guarantee will be based on the discount percentage defined as the contractual discount accepted by providers for covered services divided by covered billed charges. The Contractor will provide a discount report illustrating the overall discount achieved.	30% Report due April 30, July 31, October 31, and January 31 of each calendar year. Payment due by August 15th following each calendar year.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Metric	Performance Standard	Due Dates & Penalty at Risk
Operational Reporting - Quarterly Strategic Report	Dashboard addressing financial and utilization data, plan strategies, and opportunities presented to OGB at quarterly on-site meetings.	3% Report due April 30, July 31, October 31, and January 31 of each calendar year. Payment due by August 15th following each calendar year.
Operational Reporting - Plan Participant-Level Enrollment Accuracy	98% or greater of Plan Participant updates within two business days of receipt of a complete eligibility file submission.	3% Report due monthly, 15 days after the end of each month. Payment due by August 15th following each calendar year.
Value-Based ROI*	Meets ROI provided. See **Attachment VI: Pricing** for details.	$28 Million

*Trend Guarantee, Minimum Network Guarantee or Minimum Overall Network Guarantee, and Value-Based ROI details and calculations are set forth in **Attachment VI: Pricing**

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Attachment II: Definitions & Acronyms

Accountable Care Organization (ACO) refers to a group of healthcare providers that work together to improve the quality and cost of care for a specified group of patients.
Account Executive is a dedicated full-time employee of the Contractor who has primary oversight and management of this Contract and all services, deliverables, and requirements within.
Account Management Team is the Contractor's staff for ASO services assigned to OGB which shall include an Account Executive, Operational Account Manager, Member Services Manager, Claims Services Manager, Enrollment and Group Set-up, Data Manager, Financial Analyst, Implementation Manager, Clinical Director, Director of Network Management, Actuary, Privacy Officer, and Attorney.
Accumulators is a program that tracks a Plan Participant's Out-of-Pocket healthcare costs.
Administrative Fee(s) is the Contractor's sole compensation under this Contract. The Administrative Fee includes all services related to this Contract including but not limited to appeals, clinical programs, communications, eligibility maintenance, explanation of benefits, formulary customizations, member grievances and call centers, on-site audits and surveys, prior authorizations and step therapy, trend management, and benchmark reporting and transaction fees. The Administrative Fee does not include pass-through Claims, PCORI fees or NSA IDR fees.
Annual Enrollment (AE) is a time period determined by OGB in which persons who are eligible for coverage through OGB may elect to enroll in new coverage, terminate coverage, change plans, and add/drop dependents for the following plan year.
Appeals is the process by which a Plan Participant contests a denied Prior Authorization or medical Claim.
ASO means Administrative Services Only.
Balance Bill or Balance Billing means seeking payment from a Plan Participant for any charged amount(s) over and above the allowed amount.
Benefit Plan is the covered benefits provided to Plan Participants as defined by the Plan offered by OGB.
BRD means Business Required Documents.
Case Management is a collaborative process of assessing, planning, and facilitating Care Coordination, evaluating and advocacy for options and services to meet an individual's and family's comprehensive health needs through communication and available resources to promote quality cost effective health outcomes.
Complex Case Management means Case Management involving comprehensive assessment of the members' condition; determination of available benefits and resources; and development and implementation of a Case Management plan with performance goals, monitoring and follow-up.
Care Coordination is a component of Population Health in which a nurse works collaboratively with providers to ensure appropriate treatment is in place to address all dimensions of the member's health, (e.g., clinical, functional, psychosocial, financial, support system, environmental, cognitive) when the member is unable to be reached or declines participation in Case Management.
Centers of Excellence means providers selected to perform certain specialized procedures because of their expertise, outcomes and favorable financial arrangements.
Certificates of Creditable Coverage (CCC) is a document indicating a person's health coverage has ended, issued by an insurer to the insured upon termination of coverage, as mandated by the Health Insurance Portability and Accountability Act (HIPAA).

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

CDHP means Consumer Driven Health Plan.
Claim(s) means the Covered Benefits Claims processed through an online Claims adjudication system or otherwise sent and processed by the Contractor.
CMP means Civil Money Penalties.
CMS means Centers for Medicare and Medicaid Services.
COB means Coordination of Benefits.
COBRA means Consolidated Omnibus Budget Reconciliation Act.
Code Files are codes used in Claims processing that are not standard, universally accepted values. Codes that fall into this category include, but are not limited to, provider specialty codes, denial reason codes, types of service codes and override codes.
Coinsurance is the percentage of the allowed amount for each medical, behavioral or pharmaceutical service provided to a Plan Participant that is the responsibility of the Plan Participant.
Contract Execution means that this Contract is fully signed by the Contractor and Using Agency and approved by the Office of State Procurement.
Contract Monitor is the OGB employee or his/her designee who will serve as the primary point of contact for the Contractor.
Copay or Copayment is the portion of the allowed amount (flat dollar amount) for each medical, behavioral or pharmaceutical service provided to a Plan Participant that is the responsibility of the Plan Participant.
Covered Benefit(s) are the healthcare services, products, or supplies made available as a covered benefit to Plan Participants as set forth in the respective Plan.
CSR means Customer Service Representative.
Customer Experience is the Contractor's customer service resources and performance for both Plan Participants and OGB staff.
CY means Calendar Year.
Decision Support System (DSS) is a database and query tool containing healthcare information and Claims data that allows for analytics and executive decision-making.
Dedicated means wholly-assigned to OGB and this Contract without supporting additional clients.
Deductible is the amount that must be paid by each Plan Participant prior to payment of Covered Benefits by the Plan.
Dependent is an individual eligible for coverage through OGB based on their relationship to the Primary Plan Participant in accordance with guidelines set forth in OGB's Plan Documents and Title 32 of the Louisiana Administrative Code.
Designated means assigned to support this Contract but may support additional clients or contracts.
Disease Management (DM) is a targeted intervention program(s) offered by the Contractor and/or OGB provided to Plan Participants with specific diagnoses which encourage improved self-management of their overall health through member engagement.
EDI means Electronic Data Interchange.
DRG means Diagnosis Related Group.
EES means Entry/Exit System.
EGWP means Employer Group Waiver Plan.
ER means Emergency Room**.**
Explanation of Benefits (EOB) is a document that summarizes the cost of medical services or treatments and explains how the Claim was processed.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

FTPS means File Transport Protocol Secure.
Go-Live or Go-Live Date is the date the Contractor will take over operational administration of OGB's self-funded health Plans, desired to be January 1, 2027.
Group is the total population of Plan Participants enrolled in a specific Plan.
Heads Up! - The Heads Up! Program was a study sponsored by OGB and performed through the Pennington Biomedical Research Center.
Healthcare Common Procedure Coding System (HCPCS) is a set of healthcare procedure codes based on the American Medical Association's Current Procedural Terminology (CPT).
Healthcare Navigator is an individual who provides assistance and care coordination, determines individual barriers, and guides Plan Participants through available medical, insurance, and social support systems.
HMO means Health Maintenance Organization.
Health Reimbursement Arrangement (HRA) is an account used to reimburse Plan Participants annually up to a fixed, tax-free dollar amount for medical expenses and other costs.
Health Savings Account (HSA) is a tax-exempt trust or custodial account set up with a qualified trustee for individuals covered under a qualified high-deductible health plan to pay for qualified medical expenses.
HIPAA means Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services, as amended from time to time, including by the Health Information Technology for Economic and Clinical Health Act of 2009 ("HITECH").
Identification Cards (ID Cards) are printed identification cards containing specific information about the Covered Benefits to which Plan Participants are entitled. All ID Cards shall have the applicable logo or other label, agreed upon by both parties In Writing, identifying the Contractor as the ASO.
Implementation Manager is a Designated full-time employee of the Contractor who is responsible for leading and coordinating all Contract implementation activities as well as a Designated implementation.
Independent Dispute Resolution (IDR) is the No Surprises Act (NSA) process that uses a third party to resolve payment disputes between health plans and providers. The process is used when open negotiations between the parties are unsuccessful.
Information System(s) is a combination of computing and telecommunications hardware and software that is used in (a) the capture, storage, manipulation, movement, control, display, interchange and/or transmission of information, i.e., structured data (which may include digitized audio and video) and documents as well as non-digitized audio and video; and/or (b) the processing of information and non-digitized audio and video for the purposes of enabling and/or facilitating a business process or related transaction.
In Writing means written communication between the Parties, which may be in the form of an official memo or documents sent via post mail, fax, or email communications.
IRO means Independent Review Organization.
IVR means Interactive Voice Response, an automated telephony system that interacts with callers, gathers information, and routes calls to the appropriate recipients.
JLCB means Joint Legislative Committee on the Budget.
Law(s) means all state and federal laws and regulations that apply to OGB or the Contractor.
MA means Medicare Advantage.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Maximum Out-of-Pocket or Out-of-Pocket Maximum (MOOP or OOPM) is the sum of any Deductibles, Copayments, or Coinsurance required or incurred for any Covered Benefit up to a limit as defined by the Plan.
MBI means Medicare Beneficiary Identifier.
Medical Child Support Orders (MCSOs) is a court judgment or decree that requires one or both parents to provide health insurance or cash medical support for a child.
Medical Policy is the Contractor's practices in all functions of work.
Medical Review is the examination of a Plan Participant's medical records and Claims to establish medical necessity and appropriateness of covered services.
MSP means Medicare Secondary Payer.
Member(s) is any and all individuals enrolled in the Plan regardless of whether they are the Primary Plan Participant or Dependent. This term is interchangeable with the term "Plan Participant(s)".
Member ID or OGB's Member ID is a set of numbers and/or letters unique to a Plan Participant provided by OGB and used by the Contractor to identify the Plan Participant; also indicated by "unique Member ID."
MMSEA means Medicare, Medicaid, and SCHIP Extension Act of 2007.
National Committee for Quality Assurance (**NCQA)** is a non-profit organization dedicated to improving healthcare quality. NCQA accredits and certifies a wide range of healthcare organizations.
Network Provider is a healthcare provider participating in the Contractor's established network to provide healthcare services to Plan Participants.
No Surprises Act (NSA) is a federal law that protects patients from unexpected medical bills. It went into effect January 1, 2022.
NPI means National Provider Identifier.
Out-of-Network (OON) is a healthcare provider that does not participate in the Contractor's established network to provide healthcare services to Plan Participants.
OGB means the Office of Group Benefits, the agency within the Division of Administration for the State of Louisiana tasked with the responsibility of providing health and life benefit programs to the employees and retirees of the State and their dependents. The mission of the Office of Group Benefits is to successfully manage employer-based benefits programs for current and former employees of the State of Louisiana and other participating groups under the authority of Chapter 12 of Title 42 of the Louisiana Revised Statutes of 1950, Sections 801, 802, 821, 851 and 871-879 as amended by Act 150 of the First Extraordinary Session of 1998 and Act 1178 of 2001.
Open Negotiation means formal communication used to initiate a 30 business day negotiation period regarding OON payment disputes under the No Surprises Act.
Out-of-Pocket (OOP) means any Deductibles, Copayments, or Coinsurance required or incurred by Plan Participants for any Covered Benefit.
OTS means Office of Technology Services.
Participating Employer is any State Agency, school board, Political Subdivision, or other entity that participates in the programs offered through OGB.
PBM means Pharmacy Benefit Manager.
PCMH means Patient-Centered Medical Home.
PCP means Primary Care Physician.
PCPM means Per Contract Per Month. Contract in this instance means the Primary Plan Participant.
PGP means Pretty Good Privacy.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Plan is OGB's defined health benefit plan pursuant to which Covered Benefits are provided to Plan Participants.
Plan Design means the rules that structure OGB's health plans and determine how Plan Participants access and contribute toward health care services.
Plan Documents means the legal publications that define eligibility, enrollment, benefits and administrative rules of the Plan.
Plan Participant(s) is an **i**ndividual entitled to Covered Benefits through OGB as identified in the eligibility data file prepared, maintained and determined by OGB, and delivered to the Contractor. This includes Primary Plan Participants and Dependents. This term is interchangeable with the term "Member(s)".
Plan Year is the designated 12-month period for operating and administering an employee benefit plan.
PMPM means Per Member per Month.
PPO means Preferred Provider Organization.
Population Health is a component of Wellness and Health Promotions referring to Case Management, Complex Case Management, Care Coordination, Disease Management, and Patient Journey/Care Management.
Preventive Care refers to a type of routine health care that aims to prevent or detect serious diseases and other health problems before they become more serious.
Primary Plan Participant(s) is the Plan Participant who has a direct relationship with OGB or the employee/retiree that governs the coverage under the Plan.
Prior Authorization (PA) is a program requirement where certain healthcare services, treatments, or procedures must gain approval before services are rendered and payment can be authorized.
Product is a package of health benefits that are offered within a specific service area.
Prohibited Relationship is an arrangement between any OGB consultant or vendor and the Contractor which provides the OGB consultant or vendor with a financial benefit as a direct or indirect result of the Contractor's contractual relationship with OGB.
Protected Health Information (PHI) as defined in the HIPAA Privacy Rule, 45 CFR § 160.103. Any individual's health information that is created, used, or disclosed in connection with the provision of healthcare services.
Public Key means a cryptographic, shareable code used in asymmetric encryption to encrypt data and verify digital signatures.
PPACA means the Patient Protection and Affordable Care Act.
QPA means Qualifying Payment Amount.
Rebate means all revenue received by the Contractor (including rebate aggregators or any similar contracted entities) from outside sources related to Plan Participant utilization of medications (including specialty medications), durable medical equipment, medical services, and devices that are paid for through the medical benefit. Also, the amounts paid to the Contractor (i) pursuant to the terms of an agreement with a manufacturer or a contracted Network Provider or facility, (ii) in consideration for the inclusion of such manufacturer's product(s) on the Contractor's formulary, the Contractor's contracted Pharmacy Benefit Manager's formulary, the Contractor's covered medical services, or the Contractor's durable medical equipment and device lists and (iii) which are directly related and attributable to, and calculated based upon, the specific and identifiable utilization of certain drugs, durable medical equipment, medical services or devices by Plan Participants. These would include access fees, market share fees, Rebates, Specialty Drug Rebates, specialty pharmacy Claims, biosimilar drugs, service fees, rebate administrative fees and marketing

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

grants from pharmaceutical manufacturers, wholesalers and data warehouse contractors, discounts, credits, inflation protection, chargebacks, commissions, and any fees received for sales of utilization data to a manufacturer.

Revenue(s) means all financial benefits the Contractor receives related to utilization or enrollment in OGB's Plan. These include but are not limited to access fees, market share fees, formulary access fees, inflation protection and penalty payments, and marketing grants from pharmaceutical manufacturers, wholesalers, and data warehouse vendors. Revenues also mean any financial benefits received by the Contractor attached to a rebate. Revenues also mean any positive difference between the amounts OGB pays for Prior Authorizations and other programs or services and the work performed by the Contractor for these programs or services. Amounts received but not retained by the Contractor as payment for network access, or value-based clinical and provider quality performance programs based on national benchmarks, shall not be considered as Revenue.

Revenue Reports are reports required by La. R.S. 42:813-817 (Act 546 of the 2024 Regular Legislative Session for Louisiana). Annually, the Contractor shall file a report with OGB detailing any known revenues outside the administration fee related to their current contract with OGB for the preceding calendar year by source.

ROI means Return on Investment.

RRE means Responsible Reporting Entity.

sFTP means Secure File Transfer Protocol**.**

Single-Sign-On (SSO) is technology that allows users to access multiple applications and websites with one set of login credentials.

SSN means Social Security Number.

SOB means Schedule of Benefits.

Specialty Drug is a covered product that: (a) is injected, infused, orally or topically administered, or inhaled for the ongoing treatment of complex, chronic conditions; (b) requires extensive patient education, risk assessment, mitigation strategies, and/or clinical monitoring; (c) may require temperature-controlled shipping or other special handling and careful adherence to treatment; and (d) meets CMS requirements for placement on the specialty tier of a Medicare Formulary, if applicable. When a drug is identified as a Specialty Drug, it shall be considered a Specialty Drug for all purposes, including Eligible Member Cost Share, therapeutic classification, pricing and all related guarantees.

Summary of Benefits and Coverage (SBC) is a document that provides information about the Plan's benefits and coverage. The SBC is designed to help individuals eligible for coverage compare and choose a plan best suited for their health needs.

URAC is an independent, nonprofit organization that promotes healthcare quality through accreditation and certification programs. Originally, URAC was incorporated under the name Utilization Review Accreditation Commission. However, that name was shortened to the acronym URAC in 1996 when URAC began accrediting other types of organizations, such as health plans and Preferred Provider Organizations.

USERRA means Uniformed Services Employment and Reemployment Rights Act of 1994.

Utilization Management (UM) is a set of processes that evaluate the medical necessity and appropriateness of healthcare services and treatments. UM is used to control healthcare costs and ensure the best use of resources.

Utilization Review (UR) includes any cost containment programs performed by the Contractor and/or its subcontractor(s) utilizing medical policies and/or other clinical criteria and treatment

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

guidelines that combine evidence-based care, optimal treatment, optimal Network Provider and optimal site of care.

Value-Based means a healthcare reimbursement program that reimburses healthcare providers based on the quality, efficiency, and outcomes of care they provide patients, including incentive-based payments and/or bonuses. Value-based may be paid on a per claim basis or a per member basis or a yearly basis.

Warm Transfer is the practice utilized by a Customer Service Representative where the representative passes a Plan Participant's information to OGB or an OGB vendor before transferring the call.

Wellness and/or Prevention Program is a collection of initiatives designed to encourage and support Plan Participants to adopt and sustain behaviors that reduce health risk, improve quality of life, and identify Plan Participants who may benefit from other Medical Management offerings; may include OGB's Live Better Louisiana preventive screenings, vaccination campaigns, discount programs for health-boosting services, and others.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Attachment III: Business Associate Addendum

State of Louisiana, Office of Group Benefits
HIPAA Business Associate Addendum

This HIPAA Business Associate Addendum (Addendum) is entered into effective the 8/31/2026 , 2026 (Effective Date), by and between Blue Cross and Blue Shield of Louisiana, incorporated as Louisiana Health Service & Inde (Business Associate), and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the Covered Entity), and adds to the Agreement or Contract effective January 1, 2027, entered into between Covered Entity and Business Associate (Agreement).

Whereas, pursuant to the Agreement, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information (PHI) that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity; and

Whereas, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services (HHS), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act (HITECH) (HIPAA).

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. *Definitions*. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.
2. *Compliance with Applicable Law*. The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.
3. *Uses and Disclosures of PHI*. Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:
    a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
    b) Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.

d) Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.

e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

4. *Required Safeguards to Protect PHI.* Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI (ePHI) on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. Artificial Intelligence (AI)

(a) Any supercap for breaches of this BAA do not apply for use of PHI or ePHI with any form of AI.

(b) Artificial Intelligence (AI) Definitions:

i. Artificial Intelligence or AI Systems – Means a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations or decisions influencing real or virtual environments. Artificial intelligence systems use machine and human-based inputs to: perceive real and virtual environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action. AI Systems include, but are not limited to:

1. Generative AI Systems, which create text, images, audio, video, software code, or other content;
2. Natural-Language Processing Systems, including chatbots, virtual assistants, translation tools, document-analysis tools, and text-classification systems;
3. Predictive Analytics Systems, which forecast outcomes, behavior, demand, risk, eligibility, costs, or other future conditions;

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

4. Decision-Support Systems, which generate recommendations, rankings, scores, evaluations, or proposed courses of action for human consideration;
5. Automated Decision Systems, which make or materially influence decisions with limited or no human intervention;
6. Machine-Learning Systems, which identify patterns or improve performance through training on data; and
7. Data Extraction, Summarization, and Document-Processing Systems, which review, organize, summarize, redact, or extract information from records.

ii. AI Usage Data: AI usage data may include AI configuration, access, transmission, input quality, decisions, disparities, and outcomes to the extent necessary to satisfy 45 CFR 164.312(b).

iii. Public AI Systems – an AI System that is made generally available for use by the public or a broad, unrestricted class of users, whether free of charge or for a fee operating on shared infrastructure outside the Associates control. A Public AI System includes publicly accessible web-based platforms, applications, models, or services that are not provided exclusively to the Associate under a private agreement.

iv. Third Party AI Systems – an AI System developed, owned, operated, hosted, or maintained by a person or entity other than Covered Entity and provided to the Business Associate through a private contract, license, subscription, procurement, or other restricted-use arrangement.

(c) The terms of this Addendum still apply to PHI when PHI is used in connection with artificial intelligence ("AI") systems or processes. Business Associate agrees it will implement and maintain an AI Governance Program addressing the use of PHI in AI systems, consistent with HIPAA Security Rule requirements and an industry-recognized AI governance framework, such as the NIST AI Risk Management Framework. Business Associate will only use PHI in AI systems to perform services for Covered Entity and in accordance with the terms of this Addendum. Unless expressly authorized in writing by Covered Entity:

i. PHI shall not be used for development, training, or improving AI systems.
ii. PHI shall not be used in public AI systems; and
iii. PHI shall not be used for any purpose other than fulfilling contractual services.

Business Associate shall ensure that PHI is not disclosed to or processed by public AI systems and shall implement safeguards to prevent unauthorized access, retention, or inferential disclosure of PHI through public AI systems or output. With the written permission of OGB, or for those systems contained in the attached schedule, a Business Associate may utilize internal AI Systems and approved third-party AI Systems to identify, classify, redact, or de-identify PHI in accordance with 45 C.F.R. §164.514 when such activities support the performance of contractual services.

(d) Approval for Integration of Contractual Services with Third-Party AI Systems. As of the Effective Date, Business Associate may continue using the third-party AI systems identified in an attached schedule.

i. Business Associate shall maintain and provide, on a quarterly basis upon request, an updated schedule of third-party AI systems authorized to process Covered Entity PHI.

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ii. Business Associate may update product names, service names, versions, or successor offerings from an existing approved vendor without requiring separate approval, provided there is no material change in the nature of PHI processing or applicable safeguards.

iii. Business Associate may implement new third-party AI systems prior to inclusion on the quarterly schedule, provided such systems are subject to appropriate contractual, privacy, security, and access controls and are used solely for purposes permitted under this Agreement.

(e) Audit rights. Business Associate must implement hardware, software, and/or procedures to retain AI usage data. Upon request, Business Associate must provide AI usage data sufficient to satisfy HHS's required audit controls pursuant to 45 CFR 164.312(b). Covered Entity may elect a third-party auditor to administer the audit.

6. *Reporting to Covered Entity.* As soon as reasonably practicable (but not more than 48 hours), Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for by this Agreement, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any Security Event of which it becomes aware that may constitute a breach of unsecured PHI. Business Associate shall cooperate with Covered Entity's investigation, analysis, notification, and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities. Business Associate shall conduct a breach risk assessment to ascertain the probability that PHI has been compromised within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Business Associate shall provide the breach risk assessment to Covered Entity within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Security Event is defined in the OTS Information Security Policy as an observable event, or collection of events, that may indicate a potential incident and shall be reviewed or investigated and may or may not be required for promotion to an Incident. https://www.doa.la.gov/doa/ots/about-us/infosec/.

7. *Notifications and Reporting to HHS.* Following a breach of unsecured PHI, Business Associate shall send the required notifications to plan participants, news media outlets, and the Secretary as required by HIPAA. Business Associate shall consult with Covered Entity prior to publishing a notification in a prominent media outlet and provide Covered Entity with a copy of the final publication one business day before date of publication. Business Associate shall provide Covered Entity with copies of notifications sent to plan participants five business days before sending the notification(s). Business Associate shall provide Covered Entity with copies of notifications submitted to the Secretary within three business days of submission.

8. *Mitigation of Harmful Effects.* Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

9. *Agreements with Third Parties.* Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business

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Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

10. *Access to Information.* Within 10 days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five days forward such request to Covered Entity.
11. *Availability of PHI for Amendment.* Within 10 days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.
12. *Documentation of Disclosures.* Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.
13. *Accounting of Disclosures.* Within 10 days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 10 of this Addendum, to permit Covered Entity to respond to the request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.
14. *Other Obligations.* To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation. Such obligations include but are not limited to Covered Entity's obligations to provide breach notifications.

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15. *Availability of Books and Records.* Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for six years following the final payment under the Agreement.
16. *Effect of Termination of Agreement.* Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within 60 days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.
17. *Breach of Contract by Business Associate.* In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.
18. *Indemnification.* Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section 18 of the Addendum shall survive the termination of the Agreement or this Addendum.
19. *Exclusion from Limitation of Liability.* To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section 19 of the Addendum shall survive the termination of the Agreement and this Addendum.
20. *Injunctive Relief.* Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute

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proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

21. *Third Party Rights.* The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.
22. *Owner of PHI.* Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.
23. *Changes in the Law.* Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and records retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.
24. *Judicial and Administrative Proceedings.* In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments prior to the Business Associate responding to the request. Covered Entity shall have the right to control Business Associate's response to such request.
25. *Conflicts.* If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

In Witness Whereof, the parties have executed this Addendum effective the day and year first above written.

Louisiana Blue aka Blue Cross and Blue Shield of Louisiana Signature:

By: Signed by: Brian Keller 52FBD39787234B7...

Name: Brian Keller

Title: CGO/EVP

Date: 8/31/2026

Office of Group Benefits Signature:

By: Signed by: Heath Williams 21C3CF4BDC4F403...

Name: Heath Williams

Title: CEO, Office of Group Benefits

Date: 8/31/2026

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Attachment IV: Records Retention Schedule

Records Retention Schedule

SSARC-932 (09/20)

Louisiana State Archives—Records Management
Louisiana Secretary of State
Post Office Box 94125, Baton Rouge, LA 70804
recmgt@sos.la.gov

Page 1 of 15 R-2025-349 JO

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Executive

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Internal Audit Records/Reports	ACT + 2 FY	3 FY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the FY in which the audit report is issued.*
2	LLA Audit Records/Reports	ACT + 2 FY	3 FY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the FY in which the audit report is issued. *
3	Group Benefits Policy and Planning Board Meeting Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created. *
4	Group Benefits Policy & Planning Board Reports	LOA + 10 CY	0	LOA + 10 CY	M	R	N	V	
5	Group Benefits Policy & Planning Board Meeting Minutes	PERM	0	PERM	M	R	N	V	
6	Group Benefits Estimating Conference Meeting Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created. *
7	Group Benefits Estimating Conference Meeting Minutes	PERM	0	PERM	M	R	N	V	
8	OGB 5-year Strategic Plan	ACT + 5 FY	0	ACT + 5 FY	P	S	N	V	ACT = until the end of the FY in which the Strategic plan was drafted. *

Permitted Retention Period Abbreviations
ACT – Active Period (when used define term in remarks column)
FY- Fiscal Year (July 1- June 30)
CY – Calendar Year (Jan 1 – Dec 31)
AY – Academic Year (Aug 1 – July 31)
FFY – Federal Fiscal Year (Oct 1 – Sept 30)
MO – Months WK – Week (Mon-Sun) DY - Day(s)
PERM – Permanent (Life of State) LOA – Life of Agency
NOTE: Please put an asterisk (*) in the Remarks section for any record series that contains born-digital or imaged records. Include brief description of the technology. (Ex. Scanned to OnBase).

Security Status Codes
P – Public Record
M – May Contain Confidential Information
C – Confidential Information

Archival Processing Codes
A – Transfer to State Archives
R – Retain in Agency Archives
S – Review by State Archives
O – Other (Specify in Remarks)

State Records Center Use
Y – Yes
N - No

Vital Record Identification Code
V= Vital
I = Important
U= Useful

Agency Abbreviations
LLA = Louisiana Legislative Auditor
OGB = Office of Group Benefits

Heath Wilkins — Agency Approval
6/9/25 — Date Signed
Lettice Davis — Secretary of State, State Archives & Records Services
JUN 11 2025 — Date Approved

as amended

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Records Retention Schedule

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Louisiana State Archives—Records Management
Louisiana Secretary of State
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recmgt@sos.la.gov

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Administration -- Finance

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Budget Request Documents/Records	ACT + 5 FY	0	ACT + 5 FY	P	S	N	V	ACT = until the end of the FY in which created*
2	Actuarial Revenue/Expenditure Line-item Projections	ACT + 5 FY	0	ACT + 5 FY	M	S	N	V	ACT = until the end of the FY in which received*
3	Actuarial Premium Rate Schedules	ACT + 5 CY	0	ACT + 5 CY	P	S	N	V	ACT = until the end of the FY in which received*
4	Official Premium Rate Schedules	LOA + 10 CY	0	LOA + 10 CY	P	R	N	V	
5	Monthly OTS Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received*
6	Annual IAT Agreements & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received*
7	Miscellaneous/One-time Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received*
8	OGB Fiscal Note Worksheets & Supporting Documents	ACT + 5 CY	0	ACT + 5 CY	M	S	N	V	ACT = until the end of the CY in which the document was created*
9	DOA Analysis Sheets & Supporting Documents	ACT + 5 CY	0	ACT + 5 CY	M	S	N	V	ACT = until the end of the CY in which the document was created*
10	Fuel Invoices & Supporting Documents	ACT + 1 FY	3 FY	ACT + 4 FY	M	S	Y	V	ACT = until the end of the FY in which the document was received*

Permitted Retention Period Abbreviations
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PERM – Permanent (Life of State) LOA—Life of Agency
NOTE: Please put an asterisk (*) in the Remarks section for any record series that contains born-digital or imaged records. Include brief description of the technology. (Ex. Scanned to OnBase).

Security Status Codes
P – Public Record
M – May Contain Confidential Information
C – Confidential Information

Archival Processing Codes
A – Transfer to State Archives
R – Retain in Agency Archives
S – Review by State Archives
O – Other (Specify in Remarks)

State Records Center Use
Y – Yes
N – No

Vital Record Identification Code
V= Vital
I = Important
U= Useful

Agency Abbreviations
OGB – Office of Group Benefits
OTS – Office of Technology Services
IAT- Inter Agency Transfers
DOA – Division of Administration

Heath Williams — Agency Approval
6/9/25 — Date Signed
Latrice Davis — Secretary of State, State Archives & Records Services
JUN 11 2025 — Date Approved

as amended

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Records Retention Schedule

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Louisiana Secretary of State
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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Administration -- Communications

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Annual Enrollment Member Guides	LOA + 10 CY	0	LOA+10 CY	P	R	N	V	
2	Annual Enrollment Member Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created*
3	Annual Enrollment HR Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created*
4	Agency/Member Memos on OGB Policies/Procedures Changes	LOA + 10 CY	0	LOA+ 10 CY	P	R	N	V	
5	Medicare Part D Creditable Coverage Notices	ACT + 6 CY	0	ACT + 6 CY	M	S	N	V	ACT = until the end of the CY in which the notices were created*
6	Publications	LOA + 10 CY	0	LOA + 10 CY	M	R	N	V	
7	Designation Forms (OGB Coordinator, OGB Additional Agency Contacts) (GB-74, GB-76)	LOA + 10 CY	0	LOA + 10 CY	M	R	N	V	

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Archival Processing Codes
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S – Review by State Archives
O – Other (Specify in Remarks)

State Records Center Use
Y – Yes
N - No

Vital Record Identification Code
V= Vital
I = Important
U= Useful

Agency Abbreviations
HR – Human Resources
OGB – Office of Group Benefits

Heath Williams — Agency Approval
6/9/25 — Date Signed
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JUN 11 2025 — Date Approved

as amended

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Administration – General

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Employee Driver Authorization Forms	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the employee separates from agency*
2	OGB Employee Safety Meetings Training Materials & Sign-in Sheets	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received*
3	OGB Employee PES Evaluations and Planning Session Documents	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which supervision ends*
4	OGB Employee Time & Attendance Reports	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the CY in which the reports were created or received*
5	Vehicle Logs & Supporting Documents	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received*
6	SOF & Supporting Documents	ACT + 2 FY	1 FY	ACT + 3 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received*
7	Daily Documents/Mail Assignments Logs	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	U	ACT = until the end of the FY in which the logs were created*
8	**Records Management Files:** Retention Schedules, disposal requests, Transmittals, Surveys and Exceptions)	LOA + 10 CY	0	LOA + 10 CY	M	R	N	V	

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State Records Center Use
Y – Yes
N - No

Vital Record Identification Code
V= Vital
I = Important
U= Useful

Agency Abbreviations
SOF –Special order Form
OGB= Office of Group Benefits
PES = Personnel Evaluation System

Agency Approval — 6/9/25 Date Signed

Secretary of State, State Archives & Records Services — JUN 11 2025 Date Approved

as amended

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Contracts Management

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Contracts, Contract Amendments, & Supporting Documents	ACT + 3 CY	7 CY	ACT + 10 CY	M	S	Y	V	ACT = Until the end of the CY in which the contract expires or is terminated*
2	OGB Contract Solicitations (RFP, ITB, RFI) & Supporting Documents	ACT + 3 CY	0	ACT + 3 CY	M	S	Y	V	ACT = Until the end of the CY in which the solicitations deadline ends*

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S – Review by State Archives
O – Other (Specify in Remarks)

State Records Center Use
Y – Yes
N - No

Vital Record Identification Code
V= Vital
I = Important
U= Useful

Agency Abbreviations
OGB= Office of Group Benefits
RFP = Request for Proposal
ITB = Intent to Bid
RFI = Request for Information

Heath Williams — Agency Approval
6/9/25 — Date Signed
Latrice Davis — Secretary of State, State Archives & Records Services
JUN 11 2025 — Date Approved

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Agency Services

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Member Participation Schedules	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
2	OGB Member Collections Notices & Supporting Documents	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
3	OGB Member Appeals & Supporting Documents	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
4	OGB-participating Agency Administrative Error Appeals & Supporting Documents	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
5	Enrollment Change Forms & Supporting Eligibility Documents (GB-01)	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
6	Designation Forms (Agency Master User, Eligibility/eEnrollment Contact) (GB-75, GB-78)	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	

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Security Status Codes
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Archival Processing Codes
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R – Retain in Agency Archives
S – Review by State Archives
O – Other (Specify in Remarks)

State Records Center Use
Y – Yes
N - No

Vital Record Identification Code
V= Vital
I = Important
U= Useful

Agency Abbreviations
OGB = Office of Group Benefits

Heath Williams — Agency Approval
6/9/25 — Date Signed
Latrice Davis — Secretary of State, State Archives & Records Services
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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Customer Service

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	OGB Member Correspondence	LOA + 10 CY	0	LOA + 10 CY	C	A	N	V	
2	**Daily Work Papers**: includes printed copies of imaged documents and non-essential notes with PHI or OGB member contact info, produced by OGB Customer Service section staff	ACT	0	ACT	M	S	N	U	ACT = until the end of the day in which the work papers were created *
3	OGB Visitor Logs/Sign-in Sheets	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	U	ACT = until the end of the FY in which the logs were created*

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Agency Abbreviations
OGB= Office of Group Benefits
PHI = Personal Health Information

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Medical and Pharmacy Benefits Administration – Health Insurance

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Self-funded Health Plan Medical TPA Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received *
2	Self-funded Health Plan Pharmacy TPA Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received *
3	Fully Insured Health Plan Vendors Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received *
4	Capitated Primary Care Network Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received *
5	IMMEHRA Vendor Invoices and Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received *
6	Health Plan Vendors Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the report or deliverable was received *
7	Health Savings Account Enrollment & Payroll Deduction Election/Changes (GB-79 Forms)	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
8	TPA Health and Pharmacy Claims (including supplemental Claims)	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	

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State Records Center Use
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N - No

Vital Record Identification Code
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U= Useful

Agency Abbreviations
TPA = Third party administrator
IMMEHRA = Individual Medicare Market Exchange with Health Reimbursement Arrangements
OGB = Office of Group Benefits

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Medical and Pharmacy Benefits Administration – Life Insurance

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Fully Insured Basic and Supplemental Life Insurance Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the document was received *
2	Fully Insured Basic and Supplemental Life Insurance Vendor Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the document was received *
3	Fully Insured Basic and Supplemental Life Insurance Member Beneficiary Designation/Change Forms	LOA + 10 CY	0	LOA+ 10 CY	C	R	N	V	

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Medical and Pharmacy Benefits Administration – Flexible Benefits & COBRA

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	FSA & COBRA TPA Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received *
2	FSA & COBRA TPA Vendor Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received *
3	Flexible Spending Arrangement Enrollment/Stop Form (GB-2)	LOA + 10 CY	0	LOA+ 10 CY	M	R	N	V	

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State Records Center Use
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N – No

Vital Record Identification Code
V= Vital
I = Important
U= Useful

Agency Abbreviations
OGB = Office of Group Benefits
TPA = Third Party Administrator

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits/Invoicing

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Reconciled Invoices with Payment Record	PERM	0	PERM	M	R	N	V	*

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits/Compliance

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	**Section 111 Reporting Documents and Reports:** mandated by the Centers for Medicare and Medicaid Services (CMS). Includes research, communication with CMS, internal communication, reports, working files	PERM	0	PERM	M	R	N	V	
2	Administrative Procedures Act Documents and Reports	PERM	0	PERM	P	R	N	V	
3	Mandated Legislative Reports and Regulations	ACT + 5 CY	0	ACT + 5 CY	P	S	N	V	ACT = Until end of CY report is submitted (*Regulations that become OGB policy and procedure may become permanent records*)
4	OGB HIPAA Compliance Records	ACT + 6 CY	0	ACT + 6 CY	M	S	N	V	ACT = until the end of the CY in which the records were created or received.*

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Agency Abbreviations
OGB = Office of Group Benefits
HIPAA = Health Insurance Portability and Accessibility Act

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Agency No	Agency / Division / Section
003.005	Division of Administration / Office of Group Benefits / Discontinued Programs

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Filing Deadline Mail Records	ACT + 3 CY	0	ACT + 3 CY	M	S	N	I	ACT = until the end of the CY in which the document was created or received. *
2	Live and Event Claims Records	LOA + 10 CY	0	LOA + 10 CY	C	A	N	V	
3	Field and Audit Reports	ACT + 5 CY	0	ACT + 5 CY	M	S	N	I	ACT = until the end of the CY in which Report was issued. *
4	Health Claims (including Supplemental Claims)	LOA + 10 CY	0	LOA + 10 CY	C	A	N	V	
5	Explanation of Benefits (EOBs)	LOA + 10 CY	0	LOA + 10 CY	C	A	N	V	
6	Medical Records	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
7	Pre-determinations	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
8	Case Management	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
9	Medical Necessities	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	

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003.005	Division of Administration / Office of Group Benefits / Discontinued Programs

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
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10	Paid in Vouchers	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
11	Flexible Benefit Master File	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
12	Hospital Audits, Statistical Reports and Work Papers	ACT + 5 CY	0	ACT + 5 CY	M	S	N	I	ACT = until the end of the CY in which Report was issued.*
13	Fraud and Abuse Case Files and Logs	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
14	Health Claim Audits and Work Papers: (including over $500 plan Member check Audits)	ACT + 5 CY	0	ACT + 5 CY	C	S	N	I	ACT = until the end of the CY in Audit is completed.*
15	Special Reports (Outlier, Check Cycle)	ACT + 10 CY	0	ACT + 10 CY	M	S	N	I	ACT = until the end of the CY in which report is run.*
16	Reviews (Medical and Chiropractic)	LOA + 10 CY	0	LOA + 10 CY	C	R	N	V	
17	Preferred Provider Option/Exclusive Provider Option Contracts	LOA + 5 CY	0	LOA + 5 CY	M	R	N	V	
18	Logic Approvals	ACT + 3 CY	7 CY	ACT + 10CY	M	S	N	V	ACT = until the end of the CY in which plan expires.*

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Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
19	Adjusted Batch Listings	ACT + 7 CY	0	ACT + 7 CY	M	S	N	I	ACT = until the end of the CY in which plan expires. *
20	**Fully Insured Basic and Supplemental Life Insurance:** all claims documents received, requested and sent (Employer Statements, Beneficiary Statements, Explanation of Benefits, Beneficiary Information, Enrollment Information), Notes, Calls and Payments	ACT + 70 CY	0	ACT + 70 CY	M	S	N	V	ACT = until end of CY in which employee separates from the agency

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Attachment V: Insurance Requirements

The Contractor shall purchase and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. Minimum Scope and Limits of Insurance

1. **Workers Compensation**
   Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of $1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. **Commercial General Liability**
   Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of $1,000,000 and a minimum general annual aggregate of $2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Automobile Liability**
   Automobile Liability Insurance shall have a minimum combined single limit per accident of $1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. **Professional Liability (Errors and Omissions)**
   Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of $3,000,000.00. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of this Contract. The policy shall provide an extended reporting period of not less than 24 months, with full reinstatement of limits, from the expiration date of the policy.

5. **Cyber Liability**
   Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of $25,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of this Contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages

    a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
    b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under this Contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

    To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

    a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, the Contractor is required to notify Agency of policy cancellations or reductions in limits.
    b. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
    c. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.

    d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

D. Acceptability of Insurers

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.

2. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

E. Verification of Coverage

1. The Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any Contract renewal or insurance policy renewal thereafter.

2. The Certificate Holder shall be listed as follows:

   State of Louisiana
   Office of State Procurement
   1201 N 3rd St, Claiborne Building, Suite 2-160
   Baton Rouge, LA 70802

3. In addition to the Certificates, the Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this Contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under this Contract.

F. Subcontractors

The Contractor shall include all subcontractors as insureds under its policies Or shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

G. Workers Compensation Indemnity

In the event the Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that the Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of the Contractor, its owners, agents and employees. The parties further agree that the Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. The Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this Contract.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Attachment VI: Pricing

I. Monthly Administrative Fee*

	2027	2028	2029
Monthly Administrative Fee PCPM:	$31.74	$32.72	$33.73
Annual Total Amount at risk for Performance Guarantees:	100% of Annual Total Administrative Fees	100% of Annual Total Administrative Fees	100% of Annual Total Administrative Fees

*If the Contract is extended in accordance with the provisions of this Contract, the Administrative Fee for the remaining 2 years will be $34.77 for 2030 and $35.85 for 2031.

II. In-Network Discount Guarantees

A. General Provisions:

1. **Network Discount Guarantee** means the Contractor's binding commitment that, for each contract year, the aggregate network discount actually achieved on Eligible Billed Charges for Louisiana in-network providers (excluding pharmacy) will equal or exceed the guaranteed minimum discount percentage stated in the Discount Guarantee stated in this Attachment. The network discount for a period equals ((Eligible Billed Charges − Allowed Amounts) ÷ Eligible Billed Charges) X 100 — and if it falls below the minimum, the Contractor pays OGB the shortfall.
2. The Network Discount is applicable to all In-network Providers, excluding pharmacy.
3. The Network Discount Guarantee will be based on the discount percentage defined as the contractual discount accepted by providers for covered services divided by covered billed charges.
4. The Network Discount will be guaranteed for each year of the Contract.
5. The Network Discount Guarantee applies to In-Network services and charges only.
6. The Contractor shall provide OGB or its designated representative claim-level data sufficient to independently validate this calculation.
7. Excluded from the Network Discount Guarantee (Eligible Billed Charges and Allowed Amount) are the following:
    a) Charges that are not fee-for-service charges (e.g. capitation payments, Value-Based programs)
    b) Charges for services/supplies that are not Covered Services (such as COB, plan exclusions, ineligible claims, voided claims, care management denials, pending or duplicate charges, etc.)
    c) Charges made by providers that are not Participating Providers in the designated network
    d) Charges that involve payment of in-network benefits to out-of-network providers

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

e) Claims of Participating Providers whose reimbursement rates are regulated by a state and not, therefore, negotiable by the Contractor
f) Claims for members for whom OGB is the secondary payer (ex: members over age 65 who have Medicare paying primary)

8. Guarantee presumes that the normal charges made by network providers (i.e., hospital charge masters and billed charges for other providers) remain flat or increase. In the event the normal charges of participating providers decrease, the discount target may be adjusted only by amendment to this Contract and only to the extent the Contractor demonstrates to OGB, with supporting documentation, that the decrease directly and materially reduced the achievable discount.

9. Guarantee presumes there will be no substantial changes outside the Contractor's reasonable control (for example, the termination or consolidation of provider systems not initiated or agreed to by the Contractor) in any Service Area to which this guarantee applies that could materially affect discounts in that Service Area. Any network change initiated by, or within the reasonable control of, the Contractor shall not reduce or excuse this guarantee, and the Contractor shall maintain network adequacy consistent with the Contract and OGB's requirements.

10. If the actual number of employees enrolled on the effective date differs by 15% or more from the projected enrollment, either party may request that the parties revise the guarantee to account for such difference. Any such revision shall be made only by Amendment, shall be actuarially supported with documentation provided to OGB, and shall apply symmetrically.

11. **Allowed Amount** means for each claim, the amount the Contractor is contractually obligated to pay the provider under the applicable reimbursement policy, provider agreement or fee schedule, determined independently of this calculation and measured before member deductible, coinsurance, and copay. Allowed Amount does not mean the plan-paid amount net of member cost-sharing.

B. Network Operation - Minimum Overall Network Discount Guarantee:

1. The Contractor will guarantee a network discount of no less than [redacted]%, which shall be at least the minimum discount committed in the Contractor's Proposal and, for each Contract year after the first, no less than the discount actually achieved in the immediately preceding contract year; the guarantee applies separately to each contract year of the term.

2. The pay-out for a discount shortfall shall equal the full dollar amount of the shortfall (the difference between the guaranteed discount and the discount actually achieved, applied to eligible billed charges), capped at the percentage of the Administrative Fees as set forth in **Attachment I: Statement of Work**, Part V. Performance Standards, Audits & Guarantees.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

C. Network Discount Guarantee Reconciliation, Reporting and Payment:

1. The Contractor will provide a discount report illustrating the overall discount achieved.
2. Guarantee will be reconciled after the close of the policy period by comparing actual discounts achieved to the guaranteed discounts.
3. Report providing minimum overall network discounts is due April 30, July 31, October 31, and January 31 of each calendar year.
4. Payment is due by August 15th following each calendar year. Any amount not paid when due shall accrue interest from the due date until paid at the rate specified in the contract (or, if none, the maximum rate permitted by law). OGB or its designated representative may, on reasonable notice, audit and independently verify the Contractor's discount calculations and the underlying claims data, and the Contractor shall pay any shortfall identified through that audit.

III. Trend Guarantee

Trend Guarantee means the Contractor's binding commitment that the annual rate of increase in the plan's PMPM medical claims cost (the "medical trend"), measured on a defined, consistent basis each contract year, will not exceed the guaranteed maximum trend percentage stated in this Attachment— and if actual trend exceeds it, the Contractor pays OGB the difference up to the dollars at risk.

Annual Trend Guarantee Schedule			
Trend	2027	2028	2029
Below	8.7%	8.7%	8.7%

1. Excludes claims associated with additional coverage added above and beyond previous year coverage. For example, if Obesity Surgery coverage was added in 2027, claims associated with obesity coverage would be removed from settlement of the 2027 guarantee.
2. Excludes the amount in excess of $500,000 for any members with claims greater than $500,000 for both the base and performance period.
3. Includes all paid fee for service claims and value-based payments.
4. Excludes Pharmacy Benefit Manager and Medical Specialty Prescriptions.
5. In the event of a force majeure event, such as a pandemic, OGB and the Contractor will mutually agree on an adjusted guarantee.

Base Period	1/1/2026 – 12/31/2026

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Performance Period	Annualized Trend Calculation
1/1/2027 - 12/31/2027, paid through 6/30/2028	(Performance Period PMPM / Base Period PMPM - 1) x 100
1/1/2028 - 12/31/2028, paid through 6/30/2029	(Performance Period PMPM / Base Period PMPM - 1) ^1/2 x 100
1/1/2029 - 12/31/2029, paid through 6/30/2030	(Performance Period PMPM / Base Period PMPM - 1) ^1/3 x 100

Example Calculation

Year	Base PMPM
2026	$460

Year	Member Months	Actual Medical Claims	Actual PMPM	Annualized Trend	Target Trend	Target PMPM	Target $	Penalty
2027	2,640,000	$ 1,267,200,000	$ 480.00	4.3%	8.70%	$ 500	$ 1,320,052,800	$ -
2028	2,640,000	$ 1,351,680,000	$ 512.00	5.5%	8.70%	$ 544	$ 1,434,897,394	$ -
2029	2,640,000	$ 1,570,800,000	$ 595.00	9.0%	8.70%	$ 591	$ 1,559,733,467	$ 11,066,533

Penalty Calculation:
Annualized Trend = (($595/$460)^(1/3)-1) = 9.0% exceeds 8.7%
Penalty = Actual Medical Spend (with Applicable Exclusions) - Target PMPM*Member Months =$1,570,800,000- 2,640,000*$591 = $11,066,533.
Penalty limited to the applicable percent of the OGB Fees.

IV. Value-Based Programs

A. The Contractor shall not implement any Value-Based Program for OGB that is not implemented for the Contractor's fully-insured book of business.

B. The Contractor will provide the following Value-Based Programs for the term of the Contract:

1. Primary Care Pay for Performance (P4P)
2. Primary Care Gain Share
3. Acute Facility P4P
4. Emergency Department P4P & Shared Savings
5. OBGYN P4P
6. Gastroenterology P4P
7. Non-Acute Facility P4P
8. Oncology P4P
9. Endoscopy P4P
10. Urgent Care P4P

C. Guaranteed ROI – The Contractor guarantees that the return on investment realized from its Value-Based programs will be no less than 1:1 in aggregate with a maximum of $28 Million at risk. This is a firm guarantee and not an estimate; to the extent it is not achieved, the Contractor shall pay OGB the associated dollars at risk in cash. For example, if the Value-Based programs cost OGB $1M, the Contractor guarantees that OGB will realize an ROI of $1M. Should OGB not realize a ROI of $1M in such a situation, the Contractor will pay OGB the difference between the $1M and the ROI realized. The guaranteed ROI is a gross, aggregated measure.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

D. Calculation of ROI – The Contractor's methodology for the calculation of the above ROI, will be based on the following and utilizes the following formula: **Gross ROI = Total Estimated Savings/Total Program Costs.**

1. For 2027, by March 31, 2027, the Contractor shall provide to OGB the methodology (including, but not limited to, attribution methodology) the Contractor shall use to calculate the ROI for each of the following Value-Based programs: **Primary Care P4P, Primary Care Gain Share, Acute Facility P4P, Emergency Department P4P & Gain Share, and OBGYN P4P**. For the other Value-Based programs listed above, Gastroenterology P4P, Non-Acute Facility P4P, Oncology P4P, Endoscopy P4P, and Urgent Care P4P, the Contractor will not calculate an ROI and will assume an ROI of zero because those Value-Based Programs have an anticipated low payout. The Contractor will provide the methodology used to calculate the ROI for any other Value-Based program that exceeds $500,000 in annual spend for OGB in the preceding calendar year. For each subsequent calendar year of the Contract, the Contractor shall provide the methodology by January 15th of each calendar year. The Contractor shall utilize the provided methodology to calculate the ROI for that Measurement Period. The Contractor shall not be change the methodology once provided to OGB unless there is an unanticipated event such as a pandemic. If there is an unanticipated event, both parties agree to work together in good faith for any changes to the methodology needed as a result of the unanticipated event.
2. At the close of the Measurement Period, in accordance with the timelines set forth below, the Contractor will calculate the guaranteed ROI as a gross, aggregated measure.
3. The Contractor will comply with requests for data after the reporting is completed and permit auditing by OGB or a designated third-party so that OGB can evaluate each program's performance.

E. Value-Based Dollars at Risk: The Contractor will put $28M per year at risk for each year for the term of the Contract should it not meet the Value-Based savings provided above. Failure to meet or exceed the ROI will result in payment to OGB via wire transfer or check.

F. Value-Based Reporting and Payment:

1. For 2027, by March 31, 2027, the Contractor will provide the methodology it will use to calculate the ROI for each of the Value-Based programs listed above. By January 15th of each subsequent calendar year, the Contractor will provide the methodology it will use to calculate the ROI for each of the Value-Based programs listed above. A Value-Based Report providing methodology of the calculations of the Value-Based savings and ROI.
2. Reporting of the performance of the Value-Based programs shall include material data fields and include formula components described in the formulas and calculations above, and shall include member-level and program-level detail sufficient for OGB or its actuary to independently reproduce the reported Value-Based savings and ROI, and not merely summary results. The Contractor shall also provide the underlying member-level data and calculation inputs to OGB or its designated representative upon request. Guarantee will be reconciled after the close of the policy period.
3. Report providing overall Value-Based results is due annually on September 1st of the following calendar year.
4. Payment for any shortfall of the ROI is due by September 1st following each calendar year.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

Attachment VII: Subrogation and Workers' Compensation Process and Procedures

I. Subrogation and Workers' Compensation Process Statement

In addition to the applicable terms and conditions of Contract CW10683 effective January 1, 2027, between State of Louisiana, Office of Group Benefits ("OGB"), and the Contractor, the following Process and Procedures (the "Process and Procedures") shall apply:

If the Contractor becomes aware of any action taken by a Plan Participant to attempt to collect any sums against any person or entity responsible for the disease, illness, accident, or injury for which benefits were issued—e.g. subrogation, other third-party recovery, reimbursement claim, or workers' compensation case (hereinafter collectively referred to as "subrogation")—the Contractor shall use its standard processes and procedures as outlined herein to attempt to recover any paid benefits related to the disease, illness, accident, or injury.

Any use or disclosure under this Process and Procedures of protected health information ("PHI"), as defined by the Health Insurance Portability and Accountability Act ('HIPAA") and the regulations issued thereunder, shall be subject to the terms and conditions of the Business Associate Addendum between OGB and the Contractor.

II. Case Initiation

A. System Generated Inquiry

The Contractor's Claims processing system will generate an Inquiry letter for any Claims filed with an accident indicator or identified with an ICD-1O diagnosis code that is often associated with third-party liability when corresponding paid benefits total at least $500.00. The Contractor will provide OGB with a spreadsheet which lists these ICD-10 diagnosis codes.

Several letters will be generated to the Plan Participant, if necessary. If a response is not received from the Plan Participant within 60 days of the initial inquiry letter, a second inquiry letter will be generated. If a response is not received from the Plan Participant within 90 days of the initial inquiry letter, a third inquiry letter will automatically generate. If a response is not received from the Plan Participant within 120 days after the initial inquiry letter, the letter cycle will be closed.

If within 180 days of the initial inquiry letter generation, another Claim is paid by the Contractor that is related to the same disease, illness, accident, or injury which generated the original inquiry letter, Contractor's system will not generate an additional inquiry letter on this claim. If a separate Claim is paid that matches the Contractor criteria after the 180 days has passed, the inquiry letter system will begin again.

B. Other Methods of Establishing a Subrogation Case

Other methods used by the Contractor to establish a subrogation case are as follows:

- Correspondence from a Plan Participant, their representative, another health plan or insurance company, or any other source;
- Notification from OGB;
- Telephone call from a Plan Participant, their representative, another health plan or insurance company, or any other source;

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

- Publications (legal or otherwise) or pretrial investigations;
- Other party liability information from other Contractor Plans;
- Request or receipt of a refund; and/or
- Any other means of notification.

III. Case Pursuit

Once it is established that a Plan Participant's claim(s) is/are subject to subrogation, the Contractor shall perform the following tasks.

A. Case Creation

A subrogation case is opened to capture any information obtained regarding the incident giving rise to the injuries/treatment. The Contractor will generate an itemization of all related Claims and benefits paid or applied toward the Plan Participant's Deductible since the date of the incident.

B. Notification of Subrogation Interest

The Contractor will send written notification regarding OGB's subrogation interest to all involved parties. This notification includes the above-described itemization. Additionally, within 30 days of receiving cases transferred to the Contractor from OGB's prior ASO contractor, the Contractor will send a letter notifying the involved parties of the Contractor's contact information and new subrogation collection role.

C. Case Monitoring

The Contractor will regularly review open cases to protect OGB's subrogation interest. Updated itemizations of related claims and paid benefits will be generated and sent to all interested parties. Any information obtained during the pursuit of a case will be added to the respective subrogation case file.

IV. Authority

The Contractor has authority to reduce, waive, or otherwise compromise any OGB subrogation interest up to 20% of the total benefits paid (hereinafter referred to as the "discretionary reduction"). For all cases, the Contractor will attempt to settle for the full amount of benefits paid. Notwithstanding, the Contractor will make further attempts to reduce, waive, or otherwise compromise OGB's subrogation interest as a contribution to the Plan Participant's litigation expenses as set forth below:

- Up to 20% (discretionary reduction) of the total paid benefits for cases in which the Plan Participant was compensated for his/her damages without filing suit; and,
- 21% to 30% of the total paid benefits for cases in which the Plan Participant was compensated for his/her damages after retaining counsel and filing suit.
- For reductions, waivers, or compromises of more than 30% for a contribution to the Plan Participant's litigation expenses, or for other reasons such as "made whole," "comparative negligence," "causation," or "split liability," the Contractor will transfer case to OGB's Division of Administration counsel for review and recommendation to OGB's CEO and/or COO.

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

The Contractor will identify and refer to OGB's Division of Administration counsel any subrogation case that requires payment from, or negotiation with the Division of Administration, Office of Risk Management or the Louisiana Department of Justice, the Attorney General or an attorney appointed by, or a representative of, the Attorney General.

V. Completion Of Settlement

A. Settlement Documents and Discussions

The Contractor will document any settlement discussions and preserve any settlement documents for each case. The Contractor will attempt to obtain a copy of the Plan Participant's settlement agreement with the tort feasor, if any, on all subrogation cases.

B. Release Documents

Any release requiring signature by the Contractor from the settling parties to effectuate settlement will be reviewed by the Contractor's attorney managing the subrogation collection work.

C. OGB Recoveries

Any recoveries made by the Contractor on behalf of OGB will be credited to claims and will be represented on the OGB claims billing report. The Contractor will also provide OGB with a monthly check for those subrogation recoveries which cannot be credited to a corresponding claim along with a spreadsheet detailing the following information:

- Primary Plan Participant contract number;
- Primary Plan Participant name;
- Plan Participant(s) name;
- OGB file number (if any);
- Date payment received;
- Date of accident;
- Total benefits paid; and
- Amount recovered.

VI. Monthly Reporting

The Following Reports Will be provided to OGB on a monthly basis:

A. Outstanding Inquiry

This report indicates the inquiry letters that have been sent to the Plan Participant with no response and the status of inquiry letter generation (i.e., first letter, second letter, etc.).

B. System Closed Inquiry

This report shows the inquiries that were automatically closed because the three inquiry letters were not returned by the Plan Participant and 120 days has passed since the initial letter. This report will include the benefits paid for each Plan Participant that triggered the inquiry letters.

C. Inquiry Returned - No Subrogation Interest

This report indicates that the Plan Participant returned an inquiry letter noting that his/her treatment was not related to a third party liability event. This report will include the benefits

Docusign Envelope ID: 986E2B41-B190-8CD0-82C9-073B594E03F1

paid for each Plan Participant that triggered the inquiry letter(s). Unless other available facts indicate otherwise, these cases will be closed.

D. No Third-Party Funds Available

This report indicates that while third-party liability was involved, there were no third-party funds, as opposed to inadequate funds, to compensate the Plan Participant for his/her damages. Unless other available facts indicate otherwise, these cases will be closed.

E. Active Cases

This report shows all active cases the Contractor is pursuing. This report will include the following:

- Contract number;
- Primary Plan Participant name;
- Plan Participant(s) name;
- Date of accident;
- Date case was opened;
- Total benefits paid; and,
- Amount recovered.

F. New Cases

This report shows the number of new cases opened for the month being reported.

G. Closed Cases

This report details the number of cases closed for the month being reported, including a separate number for OGB transferred cases closed and a separate number for Contractor new cases closed. This report will include the following:

- Contract number;
- Primary Plan Participant name;
- Plan Participant(s) name;
- Date of accident;
- Date case was closed;
- Total benefits paid; and
- Amount recovered.

VII. Litigation Or Court Intervention

If the Contractor receives notice of legal proceedings in connection with an OGB subrogation interest, or if it deems it prudent for OGB to enforce its subrogation rights by instituting legal proceedings, notice and all documentation and information will be forwarded to OGB's Division of Administration counsel for handling. The Contractor will assist OGB's Division of Administration counsel by promptly providing additional information upon request.

The Contractor will not initiate court proceedings on behalf of OGB. OGB will provide written notice of any election to retain counsel or pursue recovery of any subrogation interest on its own. OGB will be solely responsible for the fees of any counsel retained by or on its behalf.

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

Notice of Award

Solicitation Title: RFP for Administrative Services Only (ASO) for OGB
Solicitation Number: Doc2065415027
Proposal Opening Date and Time: April 28, 2026, 10:00 AM

Awarded Contractor(s): Blue Cross and Blue Shield of Louisiana
Award Amount: $ 4,264,594,614
Notice of Award Date: 09/01/2026

The evaluation and negotiation phase of the above referenced Solicitation is now complete. In accordance with La. R.S. 39:1595(B), this Notice of Award confirms the selection of the Contractor(s) stated above based on the evaluation criteria published in the solicitation documents.

This Notice of Award begins the protest period under La. R.S. 39:1671(F). All protests must be submitted in writing to the Director of State Procurement no later than 14 calendar days from the "Notice of Award Date" stated above. To obtain a stay of award, a protest bond in the amount equal to 25% of the awarded amount must accompany the written protest.

We would like to thank you for your interest and participation in this Solicitation. If you have any questions concerning this Notice of Award, please contact Elise.Hamilton2@la.gov.

Elise Hamilton
State Procurement Analyst
Office of State Procurement

State of Louisiana
Office of Group Benefits

Heath Williams
Chief Executive Officer



Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804
Phone (800) 272-8451
Fax (225) 342-9919

Office of Group Benefits

September 17, 2026 Meeting of the Joint Legislative Committee on the Budget

Peoples Health, Inc.

Fully Insured Medicare Advantage Plan Contract Overview

Peoples Health, Inc.

Fully Insured Medicare Advantage Plan Contract Overview

Contract Purpose	To offer a Medicare Advantage plan including Medicare Part D prescription drug benefits for Medicare eligible retirees.
Eligible Enrollees	Retired employees of the State of Louisiana and other OGB-participating entities who are enrolled in Medicare Parts A and B.
Membership Count as of 09/01/2026	2,033
Beginning Contract Date	01/01/2027
Ending Contract Date	12/31/2029
Renewable Options	Up to 24 Months
Procurement Method	Request for Proposal
Contract Maximum Payable Amount	$25,679,000.00
Administrative Fee Payable to OGB	$15.00 *Per Primary Plan Participant per Month (2026 PPPPPM* fee amount was $10.00)
Number of Plans Offered	One (no change from 2026)
Statewide or Regional Premium Rates	Statewide Premium Rates (see below)

Peoples Health HMO-POS Medicare Advantage Plan	2026 Total Monthly Premiums	2027 Total Monthly Premiums	$ Change	% Change
Statewide				
Enrollee Only	$378.04	$350.00	($28.04)	-7.4%
Enrollee + Spouse	$756.08	$700.00	($56.08)	-7.4%

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Contract Number: CW10795
Fully Insured Medicare Advantage HMO for OGB
Solicitation Number: Doc2052093019

1.0 Contract

Be it known, that effective upon approval by the Office of State Procurement, as evidenced by the Director's, or designee's, signature on this document, the Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, Louisiana 70802, (hereinafter sometimes referred to as the "OGB" or "State") and Peoples Health, Inc., 3838 N. Causeway Blvd., Suite 2500, Metairie, LA 70002 (hereinafter sometimes referred to as "Contractor") do hereby enter into this Contract for a fully-insured Medicare Advantage HMO Plan under the following terms and conditions.

2.0 Term of Contract

This Contract shall begin on January 1, 2027, and shall end on December 31, 2029, unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Contract may be extended for 24 additional months at the same administrative fee, terms, and conditions. Total Contract time may not exceed 60 months.

Prior to the extension of the Contract beyond a 36-month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the Contract Amendment to the Office of State Procurement (OSP) to extend the Contract term beyond the 36-month term.

3.0 Statement of Work

The Contractor hereby agrees to offer a Medicare Advantage Plan for Medicare-eligible OGB retired Plan Participants where it is approved to do so by the Centers for Medicare and Medicaid Services (CMS), in all OGB regions (i.e., statewide), as detailed in the **Statement of Work** Attachment of this Contract.

4.0 Contract

The Contract consists of the following:

Attachment I: Terms and Conditions
Attachment II: Statement of Work
Attachment III: HMO Plan Design
Attachment IV: Business Associate Addendum
Attachment V: Records Retention Schedule Summary
Attachment VI: Imaging System Survey Compliance and Records Destruction

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment VII: Insurance Requirements for Contractors

Attachment VIII: Price Schedule

5.0 Acceptance of Deliverables

The Contract will be considered complete when the entire **Statement of Work** has been completed, and Contractor has delivered and OGB has accepted all deliverables specified in this Contract.

6.0 Payment Terms

The State shall pay the Contractor a maximum Contract amount of $25,679,000.00 in accordance with the **Price Schedule** Attachment of this Contract. The Contractor may invoice the Using Agency monthly at the billing address designated by the State. Payments will be made by the State within approximately 30 days after receipt of a properly executed invoice and approval by the State. Invoices shall include the contract and order number, using department and product purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

The Contractor will invoice OGB on the 1st day of each month for payment of premiums for services provided pursuant to the resulting Contract. The invoice should include, at a minimum, the time period covered, total billed amount detailed by class of coverage, and assessed administrative fee based on total number of Primary Plan Participants. Payments will be made to the Contractor after written acceptance and approval of the invoice by the State.

Payment will be made only upon approval of the Contract Monitor or designee.

6.1. Late Payments

Interest due by the Using Agency for late payments shall be in accordance with La. R.S. 39:1695 at the rates established in La. R.S. 13:4202.

6.2. Prohibition Against Advance Payments

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law or otherwise stated herein.

7.0 Administrative Fees

With respect to Plan Participants who select a Louisiana HMO for their coverage, OGB shall impose no extraordinary restrictions on their plan participation due to the selection of the Louisiana HMO. OGB shall impose on Contractor a monthly administrative fee of not less than $10.00 for each HMO Primary Plan Participant. The administrative fee will be paid directly to OGB for each Primary Plan Participant and shall not be included in the premium charged. Plan Participants selecting the Louisiana HMO option shall receive the same employer contributions provided under La. R.S. 42:851, and the regulations issued thereunder, as participants who

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

choose other health coverage options provided by OGB.

The Administrative Fee is due to OGB by the 15th of each month for the preceding month.

8.0 Taxes

The Contractor agrees that all applicable taxes are included in the **Price Schedule** Attachment of this Contract. State agencies are exempt from all State and local sales and use taxes.

The Contractor acknowledges that: (1) a LDR tax clearance certificate is required for approval of this Contract and (2) the Contractor is currently compliant in filing all applicable tax returns and reports, and in the payment of all taxes, interest, penalties, and fees owed to the State. The State reserves the right to withdraw its consent to this Contract without penalty and to proceed with alternate arrangements should the Contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven business days of such notification.

9.0 Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements

During the term of this Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

If the Contractor proposed a good faith subcontracting plan, the Using Agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit the Contractor to determine whether the Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letters, e-mails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the Using Agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the Contract award or the existing Contract may be terminated.

10.0 Termination

The State of Louisiana has the right to terminate this Contract immediately for any of the following reasons: (a) misrepresentation by the Contractor; (b) Contractor's fraud, collusion, conspiracy or other unlawful means of obtaining any contract with the State of Louisiana; (c) conflict of contract provisions with constitutional or statutory provisions of State or Federal Law; (d) abusive or belligerent conduct by the Contractor towards an employee or agent of the State; (e) Contractor's intentional violation of the Louisiana Procurement Code (La. R.S. 39:1551 et seq.) and its corresponding regulations; or, (f) any listed reason for debarment under La. R.S. 39:1672.

10.1. Termination for Cause

The State of Louisiana may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of this Contract, or failure to fulfill

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

its performance obligations pursuant to this Contract, provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within 30 days after receipt of such notice, the Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in 30 days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and this Contract shall terminate on the date specified in such notice.

The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this Contract, provided that the Contractor shall file a claim with the Chief Procurement Officer under La. R.S. 39:1671 -1673.

10.2. Termination for Convenience

The State of Louisiana may terminate this Contract for convenience at any time (1) by giving 30 days written notice to the Contractor of such termination; or (2) by negotiating with the Contractor an effective date. The State shall pay the Contractor for, if applicable: (a) deliverables in progress; (b) the percentage that has been completed satisfactorily; and, (c) for transaction-based services up to the date of termination, to the extent work has been performed satisfactorily.

10.3. Termination for Non-Appropriation of Funds

The continuation of this Contract is contingent upon the appropriation of funds to fulfill the requirements of this Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of this Contract or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of this Contract, this Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

When funds are not appropriated or otherwise made available to support continuation of performance in the following fiscal year of a multiyear contract for professional or consulting services, the Contract for the remaining term shall be cancelled and the Contractor shall be reimbursed in accordance with the terms of the Contract for the reasonable value of any nonrecurring costs incurred but not amortized in the price of services delivered pursuant to the Contract. The cost of cancellation may be paid from appropriations made specifically for the payment of such cancellation costs or from unobligated funds of the using agency.

With respect to all multiyear contracts for professional services and consulting services pursuant to this Subsection, there shall be no provisions for a penalty to the state for cancellation or early payment of the Contract.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

11.0 Continuing Obligations

Notwithstanding any provisions to the contrary herein, upon the termination of this Contract for any reason, the provisions of this Contract which by their nature require some action or forbearance after such termination, including but not limited to confidentiality, PHI/PII, reporting, indemnity, insurance, records retention, and performance guarantees, shall survive such termination and be binding until any actions, obligations, and/or rights provided therein have been satisfied or released.

12.0 Transition of Data and Services

The Contractor shall comply with the provisions of this Contract, and other requests of OGB/State, to accomplish a timely transition of services without interruption of services to Plan Participants. During any such transition, the Contractor will provide all of the same Records and data in the same format as provided during the term of this Contract, to OGB/State or its designee. The Contractor further agrees that no dispute or objection it may have regarding the propriety of any transition of services by OGB/State will relieve the Contractor of these obligations.

13.0 Contract Modifications

No amendment or modification of the terms of this Contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in this Contract is binding on any of the parties.

Changes to this Contract include any change in a) compensation; b) beginning/ending date of this Contract; c) scope of work; and/or d) Contractor change through the assignment of contract process. Any such changes, once approved, will result in the issuance of an amendment to this Contract.

14.0 Ownership of Work Product

All data, files, documentation, records, worksheets, or any other related materials obtained, prepared, or developed by the Contractor under this Contract are the property of the State. If applicable, all software and customizations developed under this Contract are the property of the State. The Contractor, at its expense, shall deliver this property to the State at the termination or expiration of this Contract, unless otherwise required by this Contract. Delivery of this property shall be in a form specified by the State.

15.0 Record Ownership

All records, reports, documents, or other material related to this Contract, delivered or transmitted to the Contractor by the State or its employees, agents, or authorized vendors, and/or obtained or prepared by the Contractor or its subcontractors/vendors in connection with the performance of the services under this Contract, shall become and remain records of the State and are referred to herein as "Records." The Contractor agrees to retain all Records in

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

accordance with all Louisiana and federal laws and regulations. Further, the Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), Attachment V: **Records Retention Schedule Summary**, until such time as the Records are returned to the State or other disposition is agreed. In the event the applicable Law and the Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable law or as agreed upon by the parties in writing if allowed by applicable law. The Schedules in place as of the effective date of this Contract are contained in, Attachment V: **Records Retention Schedule Summary** Attachment, and may be amended from time to time as deemed necessary by the State. To further ensure compliance with the Schedules and Louisiana retention laws, the Contractor agrees to abide by the processes outlined in, Attachment VI: **Imaging System Survey Compliance and Records Destruction**. The Contractor shall return the Records to the State, at the Contractor's expense, within seven days of request or in the specific instance of termination or expiration of this Contract, within 60 days after the termination or expiration of this Contract, and shall retain no copies of the Records unless required by applicable Law, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor. Additionally, all State data must be sanitized from the Contractor's (and its vendors') system in compliance with the most current revision of NIST SP 800-66.

16.0 Use of State Property

Any property of the State furnished to the Contractor shall, unless otherwise provided herein, or approved by the State and/or Using Agency, be used only for the performance of this Contract.

The Contractor shall be responsible for any loss or damage to property of the State and/or Using Agency which results from willful misconduct or lack of good faith on the part of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices, to ensure that the property will be returned to the State and/or Using Agency in like condition, except for normal wear and tear, to that in which it was furnished to the Contractor. Upon the happening of loss, destruction, or damage to property of the State, the Contractor shall notify the State thereof and shall take all reasonable steps to protect that property from further damage.

The Contractor shall surrender to the State and/or Using Agency all property of the State and/or Using Agency prior to completion, termination, or cancellation of this Contract, unless otherwise specified herein. All references to the Contractor under this section shall include any of its employees, agents, or subcontractors.

17.0 State Contract Monitor

The State shall appoint a Contract Monitor for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor’s responsibility for management during the performance of this Contract, the assigned Contract Monitor shall be

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

the principal point of contact on behalf of the State and will be the principal point of contact for the Contractor concerning the Contractor's performance under this Contract.

18.0 Waiver

Waiver of any breach of any term or condition of this Contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Contract shall be held to be waived, modified or deleted except by the written consent of both parties.

19.0 Warranties

The Contractor warrants that all services shall be performed in good faith, with diligence and care, by experienced and qualified personnel in a professional, workmanlike manner, and according to its current description (including any completion criteria) contained in the scope of work.

No Surreptitious Code Warranty. The Contractor warrants that the Contractor will make all commercially reasonable efforts not to include any Unauthorized Code in the software provided hereunder. "Unauthorized Code" means any virus, Trojan horse, worm or other software routine or component designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data, or to perform any other such actions. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support.

The Contractor further warrants that it has the right to provide and or license its product to the State and that it will operate in accordance with this Contract. In the event of a material failure of the Contractor's product to function and operate, and/or failure by the Contractor to perform its obligations, in accordance with the terms and conditions of this Contract that results in the termination of this Contract for cause by the State, the State will not be obligated to compensate the Contractor of any costs incurred by the Contractor.

Extent of Warranty: These warranties replace all other warranties, express or implied, including the implied warranties of merchantability and fitness for a particular purpose.

20.0 Duty to Defend

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to this Contract, the Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The State may, but is not required to, consult with or assist the Contractor, but this assistance shall not affect the Contractor's obligations, duties, and responsibilities under this section. The Contractor shall obtain the State's written consent before entering into any settlement or dismissal.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

21.0 Liability and Indemnification

21.1. Contractor Liability

The Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors.

21.2. Force Majeure

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. The State shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. The parties shall use reasonable efforts, including but not limited to, use of continuation of operations plans (COOP), business continuity plans, and disaster recovery plans, to eliminate or minimize the effect of such events upon the performance of their respective duties under this Contract.

21.3. Indemnification

The Contractor shall fully indemnify and hold harmless the State, without limitation, for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

21.4. Intellectual Property Indemnification

The Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, the Contractor, while ensuring appropriate migration and implementation, data integrity, and minimal delays of performance, shall at its sole expense and in the following order of precedence: (i) obtain

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under this Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and performance. Until this obligation has been satisfied, the Contractor remains in default.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by the Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

21.5. Limitations of Liability

For all claims against the Contractor not governed by any other provision of this Section, regardless of the basis on which the claim is made, the Contractor's liability for direct damages shall be limited to two times the maximum dollar amount of this Contract.

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

21.6. Other Remedies

If the Contractor fails to perform in accordance with the terms and conditions of this Contract, or if any lien or claim for damages, penalties, costs and the like is asserted by or against the State, then, upon notice to the Contractor, the State may pursue all remedies available to it at law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

22.0 Insurance

The Contractor shall purchase and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

The Contractor shall furnish the State with certificates of insurance effecting coverage(s) required by this Contract in accordance with the **Insurance Requirements for Contractors** Attachment of this Contract. The certificates for each insurance policy are to be signed by a

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the State before work commences. The State reserves the right to require complete certified copies of all required policies, at any time. The Contractor shall maintain the insurance as specified shown in the **Insurance Requirements for Contractors** Attachment of this Contract for the full term of this Contract. Failure to comply shall be grounds for termination of this Contract.

23.0 Performance Bond

The Contractor shall provide a Performance Bond (Surety Bond) in the amount determined by OGB of no more than one-twelfth of the maximum payable amount of this Contract to insure the successful performance under the terms and conditions of this Contract.

The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved bonding companies which is published annually in the Federal Register, or by a Louisiana domiciled insurance company with at least an A-rating in the latest printing of the A.M. Best's Key Rating Guide to write individual bonds up to 10% of policyholder's surplus as shown in the A.M. Best's Key Rating Guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds.

No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U.S. Department of the Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A-rating by A.M. Best up to a limit of 10% of policyholders' surplus as shown by A.M. Best; companies authorized by this Paragraph who are not on the treasury list shall not write a performance bond when the penalty exceeds 15% of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance.

In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least 10 working days prior to the effective date of this Contract. Failure to provide the bond within the time specified may cause this Contract to be canceled. The performance bond shall not serve to limit the Proposer's liabilities for any breaches of the Business Associate Agreement or for any associated damages. Any such liabilities or damages shall remain the responsibility of the Proposer irrespective of any agreement or relationship with a surety or insurance company supplying a performance bond for this Contract.

The Contractor shall maintain the performance bond for the full term of this Contract. Failure to comply shall be grounds for termination of this Contract.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

24.0 Performance Guarantees

The Contractor agrees to provide its operational performance guarantees on a per client on a quarterly basis. OGB shall have the ability to modify the performance guarantees each Contract year; however, 25% of the Contractor's fees will remain at risk, and the Contractor will be subject to per day and per occurrence fees for certain performance guarantees. All guarantees must be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of the calendar year.

A. Performance Guarantees:

The Contractor will be subject to negotiated performance standards subject to a penalty of 25% of the total contracted cost, plus per day and per occurrence fees for certain performance guarantees.

B. Audit:

OGB reserves the right to audit financial guarantees after the end of each Measurement Period. A third party of OGB's choosing may be utilized to perform this audit with no limitation in the scope of the audit.

C. Measurement Periods:

The Measurement Periods are as follows:

Year 1: January 1, 2027 through December 31, 2027
Year 2: January 1, 2028 through December 31, 2028
Year 3: January 1, 2029 through December 31, 2029

In the event that this Contract is extended, the Measurement Periods will be:

Year 4: January 1, 2030 through December 31, 2030
Year 5: January 1, 2031 through December 31, 2031

D. Payment of Audit Findings:

Payments due as a result of audit findings must be remitted to OGB within 30 days after audit results are finalized.

25.0 Licenses and Permits

The Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract, if applicable.

26.0 Severability

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

invalid term, condition or application; to this end the terms and conditions of this Contract are declared severable.

27.0 Subcontractors

The Contractor may, with prior written permission from the State and/or Using Agency, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or Using Agency for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work. The Contractor shall require subcontractors/vendors who are performing any key internal control to undergo independent assurance project/program review, as required in the **Independent Assurances** section of this Contract.

28.0 Substitution of Personnel

If, during the term of this Contract, the Contractor or subcontractor cannot provide the personnel as proposed and requests a substitution, that substitution shall meet or exceed the requirements stated herein. A detailed resume of qualifications and justification is to be submitted to the State for approval prior to any personnel substitution. In the event that any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. It shall be acknowledged by the Contractor that every reasonable attempt shall be made to assign the personnel listed in the Contractor's proposal.

The State shall reserve the right to require removal and replacement of any contract personnel whose performance it considers unacceptable.

29.0 Assignability

The Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within 10 calendar days of the assignment, the Contractor shall provide notice of the assignment to the State and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, the Contractor shall only transfer an interest in this Contract by assignment, novation, or otherwise, with prior written consent of the State. The State's written consent of the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

30.0 Code of Ethics

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify the State if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

31.0 Confidentiality

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the Office of Group Benefits.

32.0 Third Party Requests for Release of Information

Should third parties request the Contractor to submit confidential information to them pursuant to an audit or other request not initiated by the Contractor, public records request, subpoena, summons, search warrant or governmental order, the Contractor will notify the State immediately upon receipt of such request. Notice shall be forwarded via e-mail to the Chief Executive Officer of OGB. The Contractor shall cooperate with the State with respect to defending against any such requested release of information or obtaining any necessary judicial protection against such release if, in the opinion of the State, the information contains confidential information which should be protected against such disclosure. The reasonable legal fees and related expenses incurred by the Contractor or its subcontractor in resisting the release of information under this provision shall constitute reimbursable expenses under this Contract. Legal service fees of law firms engaged pursuant to this Section may not be "marked up" (i.e., invoiced cost-plus) by the Contractor.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

33.0 Contract Controversies

Any claim or controversy arising out of this Contract shall be resolved by the provisions of Louisiana Revised Statute 39:1671-1673, as applicable.

34.0 Right to Audit

The State Legislative auditor, federal auditors and internal auditors of OGB, Division of Administration, or others so designated by the DOA, shall have the option to audit all accounts directly pertaining to this Contract for a period of five years from the date of final payment or as required by applicable State and Federal Law. The Contractor and subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Records shall be made available during normal working hours for this purpose.

The State has the right to hire an independent third-party auditor, if the State deems necessary, to review all accounts, procedures, matters, and records, and the Contractor and/or subcontractor/vendor shall provide access to all files, information system access, and space access upon request of the State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of this Contract, the Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within 30 days of notification of such finding issue a remittance to the State of any payments declared to be improper or beyond the scope of this Contract. In combination therewith, or alternatively, the State may offset the amounts deemed improper or beyond the scope of this Contract against the Contractor's outstanding or subsequent invoices, if any, or may exercise its rights under the performance bond.

35.0 Data/Record Retention

The Contractor and subcontractor shall retain all their books, their records, and their other documents relevant to this Contract and the funds expended hereunder for five years after final payment or, if Federal funds are used, as required by applicable Federal law, whichever is longer.

36.0 Sanitization of State Data/Records in Contractor's Custody

The Contractor shall sanitize all State data and records in compliance with NIST SP 800-88 Rev 1, and any future revisions thereto, unless a specific alternative is approved in writing by the Louisiana DOA OTS Information Security Team. The Contractor shall provide quarterly a Certificate of Sanitization to the Using Agency's contract monitor.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

37.0 Contractor's Certification of No Federal Suspension or Debarment

The Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of this Contract and debarment from future Contracts.

38.0 Contractor's Cooperation

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

39.0 Security

The Contractor's personnel shall comply with all security regulations in effect at the State's premises and externally for materials and property belonging to the State or to the project. Where special security precautions are warranted (e.g., correctional facilities), the State shall provide such procedures to the Contractor, accordingly.

The Contractor shall comply with the Office of Technology Services' Information Security Policy at https://www.doa.la.gov/doa/ots/about-us/infosec/.

The Contractor is responsible for promptly reporting to the State any known breach of physical or information security.

39.1. Cybersecurity Training

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost.

For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

40.0 Independent Assurances

The State of Louisiana/OGB will require the Contractor and/or subcontractors, if performing a key internal control, to provide some form of assurances that internal controls over the process being administered by the Contractor for the user agency is operating properly. The assurances provided by the Contractor may be in the form of SOC I and/or type II reports resulting from independent SSAE 18 engagement of internal controls, quality assurance reports or other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. If an SSAE 18 review is required, the audit firm will conduct tests of the Contractor's activities and render an independent opinion on the operating effectiveness of the controls and procedures.

Other forms of assurances may be required by the Using Agency. The Contractor may be required to provide a quality control plan, such as third party Quality Assurance , Independent Verification and Validation , or other internal project/program reviews or audits.

These audits and/or assurances will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the indicated audit. If a SSAE 18 review or audit is required of the Contractor, the audit firm will submit to the Using Agency and/or Contractor a final report on controls placed in operations for the project and include a detailed description of the audit firm's tests of the operating effectiveness of controls.

The Contractor shall supply the Using Agency with an exact copy of the report within 30 calendar days of completion. When required by the Using Agency, such audits may be performed annually during the term of this Contract. The Contractor shall agree to implement recommendations as suggested by the audits within three months of report issuance at no cost to the Using Agency. The cost of the SSAE 18 engagement is to be borne by the Contractor and it was included in the cost proposed in response to the RFP.

41.0 Commencement of Work

No work shall be performed by the Contractor and the State shall not be bound until such time as this Contract is fully executed between the State and the Contractor and all required approvals are obtained.

42.0 Compliance with Civil Rights Laws

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Federal Rehabilitation Act of 1973 as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

The Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability or age in any matter relating to employment. Any act of discrimination committed by the Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Contract.

43.0 Anti-Kickback Clause

The Contractor hereby agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.

44.0 Clean Air Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) list of Violating Facilities.

45.0 Energy Policy and Conservation Act

The Contractor hereby recognizes the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

46.0 Clean Water Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) List of Violating Facilities.

47.0 Anti-Lobbying and Debarment Act

The Contractor will be expected to comply with Federal statutes required in the Anti-Lobbying Act and the Debarment Act.

48.0 Prohibition of Discriminatory Boycotts of Israel

In accordance with La. R.S. 39:1602.1, for any contracts with a value of $100,000 or more and for any Contractor with five or more employees, the Contractor certifies that it is not engaging in a boycott of Israel and it will, for the duration of its contractual obligations, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any Subcontractor,

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

engages in a boycott of Israel during the term of this Contract.

49.0 Prohibition of Companies That Discriminate Against Firearm and Ammunition Industries

In accordance with La. R.S. 39:1602.2, the following applies to any competitive sealed bids, competitive sealed proposals, or contract(s) with a value of $100,000 or more involving a for-profit company with at least 50 full-time employees:

Unless otherwise exempted by law, by submitting a response to this solicitation or entering into this Contract, the Bidder, Proposer or Contractor certifies the following:

1. The company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association based solely on the entity's or association's status as a firearm entity or firearm trade association;
2. The company will not discriminate against a firearm entity or firearm trade association during the term of the contract based solely on the entity's or association's status as a firearm entity or firearm trade association.

The State reserves the right to reject the response of the Bidder, Proposer or Contractor if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response or if the certification is no longer true.

50.0 Prohibited Use of Funds

The Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

51.0 E-Verify

The Contractor shall comply with the provisions of La. R.S. 23:995 and federal law pertaining to E-Verify in the performance of services under this Contract.

52.0 Headings

Descriptive headings in this Contract are for convenience only and shall not affect the construction of this Contract or meaning of contractual language.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

53.0 Governing Law

This Contract shall be interpreted under Louisiana Law, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code) and La. R.S. 39:196-200 (Information Technology Procurement Code), if applicable; purchasing rules and regulations; executive orders; terms and conditions; and specifications listed in the RFP and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to all activities associated with this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

54.0 Business Associate Addendum

A Business Associate Addendum, ("BAA") shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information ("PHI") and personally-identifiable information ("PII") in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services, as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act of 2009 (collectively, "HIPAA"), and regulations promulgated thereunder, as amended from time to time.

The OGB is a "Covered Entity" under HIPAA. For the purposes of this Contract, the Contractor is deemed to be a "Business Associate" of the OGB as such term is defined by HIPAA and regulations promulgated thereunder, including in the Privacy Standard of the Federal Register (45 CFR part 160 and 164), published on December 28, 2000. The parties have executed the Attachment IV: **Business Associate Addendum** attached hereto and made part of this Contract. The parties understand and agree that if additional agreements are required to be compliant as required under HIPAA and applicable laws, the parties will execute such agreements in a timely manner. The Contractor agrees that its processes, systems, and reporting will be in full compliance with federal and state requirements, including but not limited to HIPAA as it exists upon the effective date of this Contract and as amended in the future, throughout the term of the Contract. Any fines or penalties imposed on any party related to the Contractor's or its subcontractors' non-compliance will be the sole responsibility of the Contractor. The Contractor shall require its subcontractors' and any other vendors' processes, systems, and reporting to be in full compliance with federal and state requirements, including but not limited to HIPAA. Further, the Contractor agrees that its organization, as well as its subcontractors/vendors, will comply with all HIPAA regulations throughout the term of the Contract with respect to any issue related to the OGB Contract, plans, or Plan Participants involving PHI/PII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. The Contractor shall require that all agreements with subcontractors or other vendors providing services for this Contract include the provisions of this Section and any Attachments referenced herein. In addition to the BAAs, the OGB shall be provided copies of such subcontractor/vendor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI and PII, including but not limited to claims processing, customer service, and any other services as

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

provided by applicable Law, shall not be sourced outside of the territorial and jurisdictional limits of the 50 United States of America.

55.0 Notice

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier; (ii) hand delivery if to the State/OGB; or (iii) registered or certified mail return receipt requested, and addressed as follows:

To Contractor:
Suzi Swoop O'Brien, CEO
Peoples Health, Inc.
3838 N. Causeway Blvd., Suite 2500
Metairie, LA 70001
Or via email
suzi.swoop@peopleshealth.com

To OGB:
Mr. Heath Williams, CEO
Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804

Or

Mr. Heath Williams, CEO
Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802
(If delivery by hand)

Or

Ms. Melissa Mayers, COO
Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804

Or

Ms. Melissa Mayers, COO
Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802
(If delivery by hand)

Email: Heath.Williams2@la.gov
If by email, cc to: Melissa.Mayers@la.gov

The U.S. Postal Service does not make deliveries to OGB's physical location.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

At any time, either party may change its address and/or addresses for notification purposes by mailing a notice stating the change and setting forth the new address.

56.0 Complete Contract

This is the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this Contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

57.0 Order of Precedence

The Request for Proposals (RFP) Doc2052093019, dated April 09, 2026, addenda thereto, and the Contractor's Proposal dated May 18, 2026, are attached hereto and incorporated into this Contract as though fully set forth herein. In the event of an inconsistency between this Contract, the RFP and addenda thereto, and/or the Contractor's Proposal, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence first to this Contract, then to the RFP and addenda thereto, and finally, the Contractor's Proposal.

In Witness Whereof, the parties have executed this Contract.

Peoples Health, Inc. Signature:

By: DocuSigned by: Suzi Swoop O'Brien 10F5F020D90B46C...

Name: Suzi Swoop O'Brien

Title: Chief Executive Officer

Date: 9/2/2026

Office of Group Benefits Signature:

By: Signed by: Heath Williams 21C3CF4BDC4F403...

Name: Heath Williams

Title: Chief Executive Officer

Date: 9/4/2026

Office of State Procurement Approval:

By: Signed by: Allison Underwood 2D4280C9DB984B5...

Title: State Procurement Assistant Director

Date: 9/4/2026

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment I: Terms and Conditions

A. **Agency** means any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of the State of Louisiana authorized to participate in this Contract.

B. **ASO** means Administrative Services Only.

C. **Can** denotes a permissible action.

D. **Claim** means any electronic or paper request for payment or reimbursement processed through the Contractor's online claims adjudication system or otherwise transmitted or processed in accordance with the terms of an agreement in connection with OGB's Plan, including Claims in which a Plan Participant pays the full cost and OGB has no cost liability. At OGB's request, this may include any product or service utilized by a plan participant via a system offered by the Contractor for which OGB elects to participate.

E. **CMS** means Centers for Medicare & Medicaid Services.

F. **Contract** means a legal binding agreement, resulting from the RFP, between the State and the awarded Contractor(s).

G. **Contract Monitor** is the OGB Medical and Pharmacy Administrator or designee, who will monitor the services and performance provided by the Contractor and the expenditure of funds.

H. **Contractor** means a Proposer with whom the State executes a Contract resulting from the RFP.

I. **Day** means a calendar day, unless explicitly identified otherwise.

J. **Deliverable** means a good, product, service, solution, result, labor, or other effort being sought through this Contract.

K. **Dependent(s)** means OGB Plan Participant(s) who are not Primary Plan Participants.

L. **DOA** means the Louisiana Division of Administration.

M. **Go-Live** means the date that the services become operational. The Go-Live date for the Contract will be January 1, 2027.

N. **HIPAA** means Health Insurance Portability and Accountability Act of 1996 and its implementing regulations promulgated thereunder by the U.S. Department of Health and Human Services (45 C.F.R. Parts 160-164), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act of 2009.

O. **HITECH** refers to Health Information Technology for Economic and Clinical Health Act of 2009.

P. **HMO** means Health Maintenance Organization.

Q. **InfoSec** means the OTS Information Security Team.

R. **LESA** means Louisiana eProcurement Solutions by Ariba.

S. **MA** means Medicare Advantage.

T. **May** denotes an advisory or permissible action per La. R.S. 39:1556(34).

U. **MOVEit DMZ Secure** is the server which provides a secure and encrypted transfer and storage of confidential information between OGB and its vendors over the internet.

V. **Must** denotes mandatory requirements.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

W. **Negotiation** means the formulation of a contractual relationship through discussions as may be allowed under the Louisiana Procurement Code.

X. **Network Provider** denotes a provider that participates in the Contractor's established network to provide health care services to Plan Participants.

Y. **OGB CEO** means the Office of Group Benefits' Chief Executive Officer.

Z. **OGB** means Office of Group Benefits.

AA. **OGB-Specific Ad-Hoc Report** denotes a unique report requested by OGB that contains data elements that are not included in the standard reports listed herein.

BB. **OSP** means the Louisiana Office of State Procurement.

CC. **OTS** means Office of Technology Services.

DD. **Overseas** means any location that is not within the territorial and jurisdictional limits of the 50 United States of America.

EE. **PCP** means Primary Care Physicians.

FF. **PGP** means Pretty Good Privacy.

GG. **Plan Document** denotes a formal written document for specified health benefits offered under the fully-insured plan(s) offered by the Contractor.

HH. **Plan** means OGB's defined health benefit plan pursuant to the Plan Document.

II. **Plan Participant(s)** denotes retirees and their eligible dependents who qualify for covered benefits under the fully-insured Medicare Advantage Plan as determined by OGB and identified in the eligibility data file prepared, maintained, and delivered to the Contractor by OGB.

JJ. **PPACA** means Patient Protection and Affordable Care Act.

KK. **Primary Plan Participant(s)** denotes the Plan Participant whose relationship with OGB governs the coverage under the Plan.

LL. **Proposal** means the document(s), data, information, and other media submitted by a Proposer in response to the RFP, including information submitted directly through the RFP Website and information submitted after the proposal opening date at the request of the State.

MM. **Proposer** means an entity or individual submitting a proposal in response to the RFP.

NN. **Protected Health Information (PHI)** means individually identifiable health information, held or maintained by a covered entity or its business associates acting for the covered entity that is transmitted or maintained in any form or medium. PHI referred to in the Contract has the same meaning as PHI in HIPAA.

OO. **Provider Network** denotes a group of healthcare professionals and facilities contracted by an insurance company to provide care to its Plan Participants.

PP. **RFP** means the Request for Proposals, including all attachments and exhibits and any information posted by the State to the RFP Website, as amended.

QQ. **SBC** means Summary of Benefits and Coverage

RR. **Shall** denotes mandatory requirements per La. R.S. 39:1556(53).

SS. **Should** denotes a desirable action.

TT. **SOC** means Service Organization Control.

UU. **State** means the State of Louisiana and its departments, agencies (including the Using Agency), boards, and commissions as well as their officers, agents, servants, employees, and volunteers.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

VV. **Using Agency** means the governmental body of the State (including any authorized users) which is procuring any supplies, services, or major repairs, or any professional, personal, consulting, or social services under the RFP pursuant to the Louisiana Procurement Code, La. R.S. 39:1551-1755.

WW. **Will** denotes mandatory requirements.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment II: Statement of Work

I. Overview

The Contractor shall provide fully-insured Medicare Advantage Health Maintenance Organization (HMO) Plan coverage, including prescription drug benefits, for Medicare eligible Office of Group Benefits (OGB) retirees and their eligible dependents.

The Contractor shall be approved by the Center for Medicare and Medicaid Services to offer such coverage, and shall be licensed pursuant to the Health Maintenance Organization Act, La R.S. 22:241, et seq, as a "health maintenance organization, pursuant to La. R.S. 22:242(6), which states: "Health maintenance organization" means any corporation organized as either a business corporation or a nonprofit corporation and domiciled in this state which undertakes to provide or arrange for the provision of basic health care services to enrollees in return for a prepaid charge. The health maintenance organization may also provide or arrange for the provision of other health care services to enrollees on a prepayment or other financial basis. A health maintenance organization is considered to be an insurer for the purposes of R.S. 22:73, 96, 691.1 through 691.27, 731 through 737, 1022 and 1023, 1921 through 1929, and 2001 through 2045. A health maintenance organization shall not be considered an insurer for any other purpose.

In addition, the Contractor may also be a "Louisiana HMO", as specifically defined in La R.S. 42:802.1 (C) which states. "C. As used in this Section, the term "Louisiana HMO" means a health maintenance organization which meets all of the following criteria:

(1) Offers fully insured commercial and/or Medicare Advantage products.
(2) Is domiciled, licensed, and operating within the state.
(3) Maintains its primary corporate office and at least seventy percent of its employees in the state.
(4) Maintains within the state its core business functions which include utilization review services, claim payment processes, customer service call centers, enrollment services, information technology services, and provider relations

A Louisiana HMO may be awarded a contract in accordance with the provisions for competition and actuarial value as set forth in R.S. La. R.S. 42:802.1 A.

A "Louisiana HMO" which meets all the criteria of R.S. 42:802.1 C (1-4) will be awarded if it complies with the provisions of La. R.S. 42:802.1 (A), meaning it submits a competitive offer.

The Contractor must possess the knowledge, capability, and resourcefulness to effectively provide one or more fully-insured Medicare Advantage HMO Plan(s) in accordance with all federal, state, and any other applicable laws, regulations, policies, and OGB requirements.

Premium rates for each twelve-month period must be approved by the Centers for Medicare and Medicaid Services (CMS). Additionally, for each twelve-month period, the Contractor must document, through a written certification from its actuary, that the proposed rates for each twelve-month period is calculated on the basis of sound actuarial principles, reasonable in

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

relation to the benefits provided and the populations anticipated to be covered, and that the rates are neither excessive nor deficient.

The Contractor will submit proposed rates for each subsequent twelve-month period of the Contractor term following the initial period no later than August 31st of the preceding year, beginning on August 31, 2028.

The Contractor's plan of benefits must, at minimum, conform to coverage provisions set forth in Attachment III: **HMO Plan Design**.

II. Goals and Objectives

OGB's goal is to provide quality, cost-effective fully-insured health care services to Medicare-eligible OGB retired Plan Participants and their eligible dependents.

III. Deliverables

The deliverables listed in this section are the minimum required of the Contractor.

A. Reporting

1. **Monthly Reports:** Within 15 business days after the first of each month, the Contractor shall submit reports which demonstrate Plan Participant demographics and utilization, financial experience, and other aspects of the Contractor's performance identified by OGB to include, but not be limited to, the following:
    a. **Financial Experience:** Premium Income and Claims Utilization Experience.
    b. **Average Speed to Answer:** Average lag time to answer by live voice, percentage of Plan Participants who wait over 60 seconds to speak with a live customer service representative.
    c. **Abandon Call Rate:** Percentage of calls where the caller hangs up before speaking to a live voice.
    d. **Inquiry Timeliness**: Percentage of inquiries answered within seven business days.
    e. **Claims Financial Accuracy:** Percentage of claims paid correctly - dollar amount only.
    f. **Claims Accuracy:** Percentage of claims paid correctly the first time.
    g. **Claims Process Time:** Percentage of electronic and non-electronic claims paid within the mandatory 30 days of receipt.
    h. **Eligibility Posting Timeliness**: Percentage of membership files updated within two business days of the receipt of the OGB enrollment file.
    i. **Participation:** number of premiums paid, incurred claims, paid claims, and Plan Participants enrolled.
    j. **ID Card Timeliness**: Percentage of new Plan Participants who have ID cards issued prior to their effective date of coverage.
    k. **PCP Turnover Rate**: Percentage of Primary Care Physicians (PCPs) leaving the network voluntarily or involuntarily during the month.
    l. **Open PCP/Participant Ratio:** Ratio of open PCPs accepting new Plan Participants to actual plan participants.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

2. **Annual Service Organization Control (SOC), Type II:** Submit annual Service Organization Control (SOC), Type II report resulting from SSAE 18 engagement no later than September 30th of each Contract year. As an alternative to a SSAE 18 engagement and resulting SOC 1, Type II and/or SOC 2, Type II report, the Contractor may provide a quality control plan [such as third party Quality Assurance (QA), an Independent Verification and Validation (IV & V)], or any other independent Contractor project or performance review or independent internal audit report if approved by OGB on or before January 15th of 2027, 2028, and 2029 respectively for the initial contract period, and January 15th of 2030 and 2031 for any renewal option period.
3. **Performance Guarantee Quarterly Report:** Submit quarterly report that captures operational performance guarantees on a client specific basis and report OGB's data within 45 calendar days after close of each quarter. All performance guarantees will be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of each calendar year.
4. **Ad- Hoc Reports:** Provide OGB-Specific Ad- Hoc Reports within 30 days of OGB request that will include data related to the Contractor's operating performance and health outcomes of OGB's Plan Participants.
5. **Annual Renewal Report:** Each year, the Contractor shall provide OGB with a renewal report that shows how the indicated rate adjustment for the renewal year was calculated. The renewal report shall include, at a minimum, the base period incurred claims on which the renewal projection is based, the annual trend factors used to project claims costs, the administrative fees included in the renewal calculation, adjustments due to credibility, premiums at current rates, and the indicated rate adjustment. For the initial Contract period, these renewal reports shall be submitted 120 days prior to January 1, 2027, January 1, 2028, and January 1, 2029, respectively, and for any renewal option period the report shall be submitted 120 days prior to January 1, 2030.
6. **Disaster Recovery Plan**: Establish and maintain a Disaster Recovery Plan consistent with industry standards for Medicare Advantage plan data and participant services.

IV. Detailed Requirements

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under the Contract. The Contractor shall be the single point of contact for all subcontractor work. OGB reserves the right to modify or delete the tasks and services listed and, if appropriate, add additional tasks and services prior to and during the term of the Contract, subject to the approval of the OGB CEO, Office of State Procurement, and any other approval required by law.

The Contractor shall perform, at a minimum, the following tasks and services:

Task (1): Implementation

The Contractor shall:

- Assign a dedicated implementation team to manage the implementation process.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

- Facilitate system programming including, but not limited to, data collection from OGB, file transfer set-up between OGB and the Contractor, and data transfer of mapping. If the Contractor requires file mapping and/or subsequent updates, these services will be provided by the Contractor at no additional cost to OGB. Files must be sent electronically to the Office of Technology Services (OTS) MOVEit DMZ Secure File Transfer Protocol (FTP) server utilizing a security file transport protocol; the preference is File Transfer Protocol Secure (FTPS. All files must be encrypted using Public Key Infrastructure (PKI with a prior exchange of Public Key(s), commonly referred to as Pretty Good Privacy (PGP) encryption. The encrypted file(s) must have an extension of PGP. The encryption key must have an expiration of no longer than five years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an American Standard Code for Information Interchange (ASCII) text file prior to encryption.
- Provide certification of Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH) compliance.
- Upon OGB's request, the Contractor will be required to work with other Medicare Advantage HMO Fully Insured contractor, the appointed OGB actuary, employees from the Division of Administration, and OGB for management of the program.
- Conduct project status implementation meetings with the Contract Monitor.
- At no additional cost to OGB, perform comprehensive systems testing and quality assurance audits, with results reported to OGB prior to the "Go-Live" date.
- Ensure successful and timely completion of all tasks necessary to begin performance of the Contract on January 1, 2027, 12:00 a.m. Central Time (CT).

Task (2): General Support Services

The Contractor shall:

- Designate one key person, the Account Executive, and shall designate at least one back-up staff member as the contacts to OGB for all daily operational questions.
- Provide knowledgeable staff to attend statewide annual/special enrollment meetings within the proposed regions for which the Contractor is authorized to provide coverage and any other informational meetings as requested by OGB. There are approximately 36 meetings per year.
- Meet with OGB staff onsite, or via teleconference, on at least a quarterly basis to review and evaluate program administration.
- Maintain eligibility requirements and continued coverage provisions identical to OGB's. OGB may amend these requirements and provisions at its discretion. OGB will determine eligibility of Plan Participants and manage benefit enrollment information using its online system. All enrollment documents, changes, and/or terminations will be processed by OGB, including data entry into the billing and eligibility system, and transferred to the Contractor weekly in the form of an electronic eligibility data file. The

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Contractor must accept and efficiently process the eligibility file, and report any errors or omissions back to OGB within three to five business days.

- Notify the applicable State authority (i.e., state treasurer, etc.) and escheat any unclaimed property upon the expiration of the statutory time period for escheatment.

Task (3): Fully-Insured Medicare Advantage HMO Plan Services

The Contractor shall:

- Provide an HMO Physician and Hospital Provider Network to OGB Plan Participants, including but not limited to:
    1. Inpatient and outpatient hospital services (including hospital based ancillary services),
    2. Ambulatory surgical services (including ambulatory surgical center based ancillary services),
    3. Physician services,
    4. Mental/behavioral health and substance abuse services,
    5. Prescription drug benefits,
    6. Utilization management and medical management, and
    7. Disease management including but not limited to the five chronic diseases of focus to OGB: Asthma, Diabetes, Coronary Artery Disease, Chronic Obstructive Pulmonary Disease and Chronic Heart Failure.
- Provide at least 45 days advance written notification to OGB and its Plan Participants of any change in the Provider Network that will effect a 1% or greater change in the number of Providers in the network or a disruption that would impact 3% or greater of Plan Participants.
- Provide a network of primary, specialty, and ancillary care Providers within 60 miles of a Plan Participant's address.
- Process premium refunds to Low Income Subsidy (LIS) members enrolled in Medicare Advantage Part D plans on behalf of OGB.
- Reconcile Part D claims payments, subsidies, and rebates on an annual basis.
- Provide 21 day disenrollment notices to Plan Participants as required by Centers for Medicare & Medicaid Services (CMS). OGB to review required CMS communications annually. Communications should be clearly marked with OGB specific verbiage, which OGB has the right to change at any time.
- Consult with OGB regarding benefits provided under the Plan. No changes to said plan design shall be made during the term of the resulting Contract without the written consent of OGB.
- Accept enrollment information weekly from OGB in electronic format and enroll Plan Participants, including Consolidated Omnibus Budget Reconciliation Act (COBRA)

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

beneficiaries, to receive benefits in accordance with OGB requirements and plan provisions.

- Staff and maintain a dedicated toll-free customer service unit and phone line to assist Plan Participants with questions on claims, benefits, and networks in compliance with Patient Protection and Affordable Care Act (PPACA) Section 1557 and any other applicable laws. Furnish a toll-free telephone number for incoming customer service calls, including telephone technology for the hearing impaired and multi-lingual support. The customer service unit must be available for extended hours during OGB's annual enrollment period from October 1st-Nov 15th, and any additional special enrollment periods. To ensure compliance with Health Insurance Portability and Accountability Act (HIPAA), all customer service functions should be performed in the United States. To ensure quality of service, calls should be taken in an office setting only. Customer service representatives will accept and make warm transfers to and from OGB and its third-party vendors.
- Design, update, print, and/or mail all Plan Participant communication materials (e.g., provider directories, summary plan documents, Plan Participant education materials, etc.), advertisements and marketing materials. All such materials will be subject to OGB's approval prior to distribution and shall be in compliance with all applicable laws, including but not limited to PPACA Section 1557. The cost of preparation and distribution of any and all Plan Participant communications or promotional materials must be included in the quoted premium.
- Facilitate management of the health care services afforded OGB's Plan Participants under the Plan, including but not limited to authorization services, discharge planning, verification of provided services, utilization management, and quality assurance.
- Report population health risk status and changes to OGB, or a third party, on a regular basis using claims data and/or information from another health risk assessment vendor.
- Maintain website for Plan Participant access to their claims information, benefits, ordering of replacement ID cards, provider directories, self-care information, and other program information necessary to manage their health care needs, in compliance with all applicable laws, including but not limited to PPACA Section 1557.
- Provide 24/7 access to online portal for activities of Plan Participants and the plan sponsor such as claim submission, account monitoring, reporting, communications requested and approved by OGB, in compliance with PPACA Section 1557 and any other applicable laws. This portal must include adequate encryption to guarantee protection of the Plan Participant's privacy and confidential data (e.g., Protected Health Information (PHI), personal data, and banking information, as applicable). All outages in excess of 1- hour must be reported to the OGB Contract Monitor.
- Maintain a service disruption plan or procedure to continue customer service, portal access, and other business operations when existing service is temporarily unavailable

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

because of scheduled or unforeseen events. Service disruption plan must be available upon request.

- Provide medical claims administration to include, but not be limited to, the following, in compliance with all applicable laws: process claims and remit timely payment to Providers; furnish to any claimant notices of payment, explanation of benefits, and/or denials for claims; provide review of Plan Participants' appeals and grievances; maintain medical and carved out pharmacy claims for integrated Medical/Rx out-of-pocket maximum accumulation; adjudicate and process all claims with service dates prior to termination date.
- Prepare and distribute, at a minimum, the following required membership materials to each new Plan Participant within 30 days of receipt of enrollment confirmation from OGB:
    1. A member handbook, which includes information on all covered services, including, but not limited to: benefits, limitations, exclusions, copayments, coinsurances and deductibles, policies and procedures for utilizing clinical and administrative services, conditions under which an individual's membership may be terminated, procedures for registering complaints or filing grievances against the Contractor or any Providers participating in a contractual agreement with the Contractor.
    2. Directions to access an online directory of Providers, which includes all physicians, hospitals and specialty facilities. Hard copies of Provider directories and certificates of coverage must be available upon request.
    3. One identification card to each Plan Participant for individual coverage or two cards for all other classes of coverage. Additional cards for family members or replacement cards shall be provided upon request and at no additional charge to OGB or the Plan Participant.
    4. Summary of Benefits and Coverage (SBC) and Uniform Glossary, as required by the federal PPACA and/or applicable state law and/or rules and regulations promulgated pursuant thereto, and including PPACA Section I557. Provide printed SBC documents to OGB for distribution to eligible but not enrolled employees/retirees.
    5. The following notices and any other notices required by applicable laws:
        - **Women's Health and Cancer Rights Act Notices**. The Contractor will provide a notice to Primary Plan Participant(s) under the Women's Health and Cancer Rights Act of I998.
        - **HIPAA Authorized Delegate Form**. The Contractor will provide a HIPAA Authorized Delegate Form to Primary Plan Participant(s).
        - **HIPAA Privacy Notice**. The Contractor will provide each Primary Plan Participant with the Contractor‘s HIPAA privacy notice, in the event the Primary Plan Participant needs to contact the Contractor's Privacy

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Department. OGB will prepare and the Contractor will provide OGB's HIPAA privacy notice to Primary Plan Participants.

- **Balance Billing Disclosure Notice**. The Contractor will provide a Balance Billing Disclosure Notice to Primary Plan Participants.

- Provide a Wellness Program that includes, at a minimum, the following components:
  1. 24/7 online program for Plan Participants and OGB;
  2. Preventive care tracking;
  3. Biometric data collection - onsite and PCP; and
  4. Health Coaching Capabilities.
- Comply with all Inflation Reduction Act (IRA) requirements and all applicable state and federal Laws.
- Perform a final reconciliation of annual premium payments by February 28th of the following plan year.
- That any retiree data provided by OGB remains the property of the OGB.

V. Location/Hours of Operation

OGB: Hours of Operation: 8:00 a.m. to 5:00 p.m., Monday through Friday, 1201 N. 3rd Street, Suite G-159, Baton Rouge, LA 70802.

Contractor: Hours of Operation: 8:00 a.m. to 5:00 p.m. CT Monday through Friday.

Contractor Call Center: Hours of Operation: The Contractor's Call Center shall, at a minimum, accept calls Monday through Friday, 8:00 a.m. to 5:00 p.m. CT, except on official Louisiana State holidays.

Extended hours may be required during project implementation, Annual Enrollment periods, audits, and upon request for assistance with inquiries from the legislative or executive branches.

Any of the Contractor's offices used in service of the Contract must be in the United States.

VI. Performance Requirements

A. Performance Measurements/Guarantees

The following performance guarantees are the minimum acceptable standards for the resulting Contract. These metrics shall be reported to OGB quarterly and reconciled on an annual basis unless another time period is agreed to by OGB and the Contractor.

The Contractor agrees to provide performance guarantees on a client-specific basis and report OGB's results on a quarterly basis. OGB reserves the right to modify or amend the performance guarantees each Contract year. For each Measurement Period, the amount at risk will be one-sixth of the total maximum payable amount of the Contract. For certain performance guarantees, the Contractor will be subject to per day and per occurrence fees. The Annual Amount at Risk is a percentage of the annual amount of the Contract. Year 1 is

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

considered one year for calculating the Annual Amount at Risk. Each subsequent year is considered one year for this calculation as well.

All performance guarantees must be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of the Measurement Period.

1. **Audit:**
   OGB reserves the right to audit performance guarantee reports on a Measurement Period basis. A third party may be utilized to perform this audit.
2. **Measurement Periods**
   The Measurement Periods are as follows:
   Year 1: January 1, 2027 through December 31, 2027
   Year 2: January 1, 2028 through December 31, 2028
   Year 3: January 1, 2029 through December 31, 2029

Additional measurement periods will be incorporated, as applicable, upon extension of the Contract, subject to any option approval required by law. If performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the measurement period.

Service Level	Fees at Risk Per Calendar Year
Independent Assurance Reporting: Submit annual Service Organization Control (SOC 1), Type II report resulting from SSAE 18 engagement no later than September 30th of each Contract year and/or other independent assurances approved by OGB by January 15th preceding the report deadline.	$1,000 per day
Annual Enrollment Meetings: 100% attendance of state-wide annual and any special enrollment meetings within the proposed regions for which the Contractor is authorized to provide coverage.	$1,000 per annual or special enrollment meeting missed
Average Speed to Answer: 60 seconds or less. The Average Speed to Answer means the average speed for answering of the customer service telephone line by a "live" representative each plan quarter.	6.25% of the Annual Amount at Risk
Abandon Call Rate: Abandon no more than 5% of all incoming calls received. Abandon Call Rate means the number of incoming telephone calls received by the customer service telephone line, which are abandoned by the caller after a selection is made to either 1) the Interactive Voice Response Unit or 2) the Call Representative, divided by the total number	6.25% of the Annual Amount at Risk

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

of incoming calls received by the customer service telephone line during such plan quarter.	
Eligibility Posting Timeliness: 98% of electronically transmitted eligibility updates shall be posted to the Contractor's system within two business days of receipt.	6.25% of the Annual Amount at Risk
Required Membership Materials: Required membership materials shall be distributed by the Contractor to each new Plan Participant within 30 days of receipt of confirmation from OGB as to the validity of the enrollment application.	6.25% of the Annual Amount at Risk

B. Monitoring Plan

OGB will designate an OGB Contract Monitor to the Contract who will serve as the primary point of contact for the Contractor. The Contract Monitor will be responsible for monitoring and evaluating all tasks and services performed by the Contractor. This evaluation will include the review of performance criteria and corresponding monetary penalties for the Contractor's failure to comply with the identified criteria below.

The monitoring plan is as follows:

1. The Contractor will submit various reports to the Contract Monitor as specified in this Scope of Work.
2. The Contract Monitor will ensure all deliverables are submitted timely and perform subsequent review and acceptance.

The Contract Monitor will provide oversight of the Contractor's performance of the terms of the Contract, including the implementation process, to ensure quality, efficiency, and effectiveness in fulfilling the goals and objectives of OGB.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Exhibit A: Regions By Parish



Region 1: Orleans, Saint Bernard, Plaquemines, and Jefferson
Region 2: East Baton Rouge, West Baton Rouge, Livingston, Ascension, Iberville, Pointe Coupee, East Feliciana, and West Feliciana
Region 3: Lafourche, Saint John, Saint Charles, Saint James, Assumption, and Terrebonne
Region 4: Lafayette, Evangeline, Saint Landry, Acadia, Saint Martin, Iberia, Vermilion, and Saint Mary
Region 5: Beauregard, Allen, Calcasieu, Jefferson Davis, and Cameron
Region 6: Vernon, Sabine, Natchitoches, Winn, Grant, Rapides, LaSalle, Catahoula, Concordia, and Avoyelles
Region 7: Caddo, Bossier, Webster, Bienville, Red River, DeSoto, and Claiborne
Region 8: Ouachita, Union, Lincoln, Jackson, Caldwell, Richland, Morehouse, Franklin, West Carroll, Madison, and Tensas
Region 9: Washington, Saint Tammany, Saint Helena, and Tangipahoa

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment III: HMO Plan Design

The table below represents the minimum requirements only. Actual Medicare Advantage plan can offer at or better coverage.

Office visit copay	
Primary Care Physician (PCP)	$5 copay
Specialist (SCP)	$20 copay
Preventive care	
Routine physical exam Well Woman Care Immunizations	100%
Inpatient hospital	
Semi-private room, ancillary services and physician visits	100% after $50 copay per day for first ten days
Pre-admission testing	100%
Outpatient hospital care	100%
Emergency room	100% after $50 copay
Ambulatory surgical care center	100%
Physical therapy, respiratory, occupational or speech	100%
Home health care	100% per date of service
Durable Medical Equipment	80% after Part B deductible is met
Skilled nursing	100% for days 1-20 100% after $25 copay per day (days 21-100) Max of $203 per admission
Ambulance	100% after $145 copay per one-way trip (for both ground and air)
Hospice Care	100%
Urgent Care	100% after $10 copay
Mental Health	
Inpatient/ Intensive Outpatient	$50/day for days 1-10 $0/day for days 11-90 No coverage after 90 days
Outpatient	100% after $15 copay
Alcohol/Substance Abuse	

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Inpatient	100% after $25 copay per day for first five days
Outpatient	100% after $20 copay
Prescription Drug	
Retail (30 days)	
Level One	$5 (low cost generic)
Level Two	$10 (higher cost generic)
Level Three	$50 (low cost brand)
Level Four	$100 (higher cost brand)
Level Five	30% (specialty)
Mail Order (90 days)	
Level One	$0
Level Two	$0
Level Three	$135
Level Four	30 day supply only
Level Five	30 day supply only

Note: It is not mandatory to include a 5-level prescription formulary benefit structure, but such a structure must utilize a cost sharing that is better than the 30% offering for specialty for the final level.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment IV: Business Associate Addendum

State of Louisiana, Office of Group Benefits
HIPAA Business Associate Addendum

This HIPAA Business Associate Addendum (Addendum) is entered into effective the January 1, 2027 (Effective Date), by and between Peoples Health, Inc. (Business Associate) and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the Covered Entity), and adds to the Agreement or Contract effective January 1, 2027, entered into between Covered Entity and Business Associate (Agreement).

WHEREAS, pursuant to the Agreement, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information (PHI) that Business Associate accesses, creates, receives, maintains, or transmits on behalf of Covered Entity; and

WHEREAS, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services (HHS), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act (HITECH) (HIPAA).

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.

2. **Compliance with Applicable Law.** The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.

3. **Uses and Disclosures of PHI.** Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:

   (a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

   (b) Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

entity notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

(c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.

(d) Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.

(e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

4. **Required Safeguards to Protect PHI.** Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI (ePHI) on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. **Reporting to Covered Entity.** As soon as reasonably practicable (but not more than 48 hours), Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for by this Agreement, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any Security Event of which it becomes aware that may constitute a breach of unsecured PHI. Business Associate shall cooperate with Covered Entity's investigation, analysis, notification, and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities. Business Associate shall conduct a breach risk assessment to ascertain the probability that PHI has been compromised within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Business Associate shall provide the breach risk assessment to Covered Entity within 20 calendar days of when Business Associate (or its subcontractor) knew or

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

should have known of the use or disclosure of PHI not provided for by this Agreement. Security Event is defined in the OTS Information Security Policy as an observable event, or collection of events, that may indicate a potential incident and shall be reviewed or investigated and may or may not be required for promotion to an Incident. https://www.doa.la.gov/doa/ots/about-us/infosec/.

6. **Use of Artificial Intelligence (AI).** The terms of this Addendum still apply to PHI when PHI is used in connection with artificial intelligence ("AI") systems or processes. Business Associate will only use PHI in AI systems to perform services for Covered Entity and in accordance with the terms of this Addendum. Unless expressly authorized in writing by Covered Entity:

   a) PHI shall not be used by Business Associate for development, training, or improving AI systems;
   b) PHI shall not be used by Business Associate in public AI systems; and
   c) PHI shall not be used for any purpose by Business Associate in AI systems other than fulfilling contractual services.

   Business Associate shall ensure that PHI is not disclosed to or processed by public or third-party AI systems without Covered Entity's prior approval in writing, and shall implement safeguards to prevent unauthorized access, retention, or inferential disclosure of PHI through AI systems or output. When applicable, PHI shall be deidentified in accordance with 45 C.F.R. § 164.514.

   When seeking written approval from OGB, the Business Associate shall submit a report detailing the AI Governance program it has implemented or desires to implement. The Business Associate shall continue to maintain an AI Governance program that addresses Business Associate's use of PHI with AI, in a manner consistent with NIST SP 800-66r2, and the NIST AI Risk Management Framework. In the event there is a conflict between the two, NIST SP 800-66e2 controls. Additional documentation may be requested prior to approval by OGB.

   Artificial Intelligence (AI) Definitions:

   Artificial Intelligence/AI Systems:

   "Artificial Intelligence" or "AI Systems"

   Means a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations or decisions influencing real or virtual environments. Artificial intelligence systems use machine and human-based inputs to: perceive real and virtual environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action.

   AI Systems include, but are not limited to:

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

1. Generative AI Systems, which create text, images, audio, video, software code, or other content;
2. Natural-Language Processing Systems, including chatbots, virtual assistants, translation tools, document-analysis tools, and text-classification systems;
3. Predictive Analytics Systems, which forecast outcomes, behavior, demand, risk, eligibility, costs, or other future conditions;
4. Decision-Support Systems, which generate recommendations, rankings, scores, evaluations, or proposed courses of action for human consideration;
5. Automated Decision Systems, which make or materially influence decisions with limited or no human intervention;
6. Machine-Learning Systems, which identify patterns or improve performance through training on data;
7. Data Extraction, Summarization, and Document-Processing Systems, which review, organize, summarize, redact, or extract information from records; and
8. AI-Enabled Features Embedded in Other Software or Services, even when AI is not the primary purpose of the underlying product.

Public AI Systems:

Means an AI System that is made generally available for use by the public or a broad, unrestricted class of users, whether free of charge or for a fee operating on shared infrastructure outside the Associates control. A Public AI System includes publicly accessible web-based platforms, applications, models, or services that are not provided exclusively to the Associate under a private agreement.

Third Party AI Systems:

Means an AI System developed, owned, operated, hosted, or maintained by a person or entity other than the Agency and provided to the Associate through a private contract, license, subscription, procurement, or other restricted-use arrangement. A Third-Party AI System is available only to the Agency, Associate, designated users, or other authorized persons under the terms approved by OGB in writing and is not generally available for unrestricted public use.

For clarity, the restrictions in this Section apply solely to Business Associate's use or disclosure of PHI in connection with performing services for Covered Entity under this Addendum.

7. **Notifications and Reporting to HHS***.* Following a breach of unsecured PHI, Business Associate shall send the required notifications to plan participants, news media outlets, and the Secretary as required by HIPAA. Business Associate shall consult with Covered Entity prior to publishing a notification in a prominent media outlet and provide Covered Entity with a copy of the final publication one business day before the date of publication. Business Associate shall provide Covered Entity with copies of notifications sent to plan participants five business days before sending the notification(s). Business Associate shall

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

provide Covered Entity with copies of notifications submitted to the Secretary within three business days of submission.

8. **Mitigation of Harmful Effects**. Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

9. **Agreements with Third Parties**. Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain, or transmit PHI on behalf of Business Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

10. **Access to Information.** Within 10 days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five days forward such request to Covered Entity.

11. **Availability of PHI for Amendment**. Within 10 days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

12. **Documentation of Disclosures**. Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

13. **Accounting of Disclosures**. Within 10 days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 10 of this Addendum, to permit Covered Entity to respond to the

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

14. **Other Obligations**. To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation. Such obligations include but are not limited to Covered Entity's obligations to provide breach notifications.

15. **Availability of Books and Records**. Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for six years following the final payment under the Agreement.

16. **Effect of Termination of Agreement**. Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within 60 days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.

17. **Breach of Contract by Business Associate**. In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

18. **Indemnification**. Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business

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Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section of the Addendum shall survive the termination of the Agreement or this Addendum.

19. **Exclusion from Limitation of Liability**. To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section of the Addendum shall survive the termination of the Agreement and this Addendum.

20. **Injunctive Relief.** Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

21. **Third Party Rights**. The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.

22. **Owner of PHI.** Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.

23. **Changes in the Law**. Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and records retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.

24. **Judicial and Administrative Proceedings.** In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments prior to the Business Associate responding to the request. Covered Entity shall have the right to control Business Associate's response to such request.

25. **Conflicts**. If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

In Witness Whereof, the parties have executed this Addendum effective the day and year first above written.

Peoples Health Inc. Signature:

By: DocuSigned by: Suzi Swoop O'Brien 10F5F020D90B46C...

Name: Suzi Swoop O'Brien

Title: Chief Executive Officer

Date: 9/2/2026

Office of Group Benefits Signature:

By: Signed by: Heath Williams 21C3CF4BDC4F403...

Name: Heath Williams

Title: Chief Executive Officer

Date: 9/4/2026

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment V: Records Retention Schedule Summary

This document summarizes OGB's official Records Retention Policy. OGB will provide the official document upon request. The signed Schedule will be a part of the Contract resulting from this RFP.

Abbreviations, Acronyms, Codes, and Indicators aggregated from and specific to the official Records Retention document:

Permitted Retention Period Abbreviations

ACT: Active Period; the term of the active period will be defined per occurrence throughout this document as it is used.
FY: Fiscal Year; for the State of LA, July 1-June 30.
CY: Calendar Year; January 1-December 31.
AY: Academic year; August 1-July 31.
FFY: Federal Fiscal Year; October 1-September 30.
MO: Month(s).
WK: Week(s).
DY: Day(s).
PERM: Permanent; Life of State.
LOA: Life of Agency.
Asterisk: born-digital or imaged records; brief description of the technology used.

Security Status Codes

P: Public Record
M: May Contain Confidential Information
C: Confidential Information

Archival Processing Codes

A: Transfer to State Archives
R: Retain in Agency Archives
S: Review by State Archives
O: Other (should be specified)

State Records Center Use Indicators

Y: Yes
N: No

Vital Record Identification Codes

V: Vital
I: Important
U: Useful

Agency Abbreviations

LLA: Louisiana Legislative Auditor
OGB: Office of Group Benefits
IAT: Interagency Transfers
OTS: Office of Technology Services
HR: Human Resources
SOF: Special Order Form
PES: Personnel Evaluation System
RFP: Request for Proposal
ITB: Intent to Bid
RFI: Request for Information
PHI: Protected Health Information
TPA: Third Party Administrator
IMMEHRA: Individual Medicare Market Exchange with Health Reimbursement Arrangements
HIPAA: Health Insurance Portability and Accountability Act

Storage Locations

In Office
In Storage

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Executive Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Internal Audit Records/Reports	ACT+2FY	3FY	ACT+5CY	M	S	Y	V	ACT=until the FY in which the audit report is issued*
LLA Audit Records/Reports	ACT+2FY	3FY	ACT+5CY	M	S	Y	V	ACT=until the FY in which the audit report is issued*
Group Benefits Policy and Planning Board Meeting Presentations	ACT+10CY	0	ACT+10FY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Group Benefits Policy and Planning Board Reports	LOA+10CY	0	LOA+10CY	M	R	N	V	none
Group Benefits Policy and Planning Board Meeting Minutes	PERM	0	PERM	M	R	N	V	none
Group Benefits Estimating Conference Meeting Presentations	ACT+10FY	0	ACT+10FY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Group Benefits Estimating Conference Meeting Minutes	PERM	0	PERM	M	R	N	V	none
OGB 5-year Strategic Plan	ACT+5FY	0	ACT+5FY	P	S	N	V	ACT=until the FY in which the strategic plan was drafted*

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Finance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Budget Request Documents/Records	ACT+5FY	0	ACT+5FY	P	S	N	V	ACT=until the end of the FY in which created*
Actuarial Revenue/ Expenditure Line-item Projections	ACT+5FY	0	ACT+5FY	M	S	N	V	ACT=until the end of the FY in which created*
Actuarial Premium Rate Schedules	ACT+5CY	0	ACT+5FY	P	S	N	V	ACT=until the end of the FY in which created*
Official Premium Rate Schedules	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Monthly OTS Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Annual IAT Agreements & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Misc. One-time Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
OGB Fiscal Note Worksheets & Supporting Documents	ACT+5CY	0	ACT+5CY	M	S	N	V	ACT=until the end of the FY in which created*
DOA Analysis Sheets & Supporting Documents	ACT+5CY	0	ACT+5CY	M	S	N	V	ACT=until the end of the FY in which created*
Fuel Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Communications Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Annual Enrollment Member Guides	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Annual Enrollment Member Presentations	ACT+10CY	0	ACT+10CY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Annual Enrollment HR Presentations	ACT+10CY	0	ACT+10CY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Agency/Member memos on OGB Policies/Procedures Changes	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Medicare Part D Creditable Coverage Notices	ACT+6CY	0	ACT+6CY	M	S	N	V	ACT=until the end of the CY in which the notices were created*
Publications	LOA+10CY	0	LOA+10CY	M	R	N	V	none
Designation Forms (OGB Coordinator, OGB Additional Agency Contacts) (GB-74, GB-76)	LOA+10CY	0	LOA+10CY	M	R	N	V	none

General Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Employee Driver Authorization Forms	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the employee separates from the agency*

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Employee Safety Meetings Training Materials & Sign-in Sheets	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or received*
OGB Employee PES Evaluations & Planning Session Documents	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which supervision ends*
OGB Employee Time & Attendance Reports	ACT+2CY	3CY	ACT+5CY	M	S	Y	V	ACT=until the end of the CY in which the documents were created or received*
Vehicle Logs & Supporting Documents	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or received*
SOF & Supporting Documents	ACT+2FY	1FY	ACT+3FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or received*
Daily Documents/Mail Assignment Logs	ACT+2FY	3FY	ACT+5FY	M	S	Y	U	ACT=until the end of the FY in which the logs were created*
Records Management Files	LOA+10CY	0	LOA+10CY	M	R	N	V	Retention Schedules, Disposal Requests, Transmittals, Surveys & Exceptions

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Contracts Management Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Contracts, Contract Amendments & Supporting Documents	ACT+3CY	7CY	ACT+10CY	M	S	Y	V	ACT=until the end of the CY in which the contract expires or terminates*
OGB Contract Solicitations, (RFP, ITB, RFI) & Supporting Documents	ACT+3CY	0	ACT+3CY	M	S	Y	V	ACT=until the end of the CY in which the solicitations deadline ends*

Agency Services Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Member Participation Schedules	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Member Collections Notices & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Member Appeals & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Participating Agency Administrative Error Appeals & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Enrollment Change Forms & Supporting Eligibility Documents (GB-01)	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Designation Forms (Agency Master User, Eligibility/eEnrollment Contact) (GB-75, GB-78)	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Customer Service Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Member Correspondence	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Daily Work Papers: Includes printed copies of imaged documents and non-essential notes with PHI or OGB member contact info, produced by OGB Customer Service section staff	ACT	0	ACT	M	S	N	U	ACT=until the end of the day in which the work papers were created*
OGB Visitor Logs/Sign-in Sheets	ACT+2FY	3FY	ACT+5FY	M	S	Y	U	ACT=until the end of the FY in which the logs were created*

Medical & Pharmacy Benefits Administration – Health Insurance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Self-funded Health Plan Medical TPA Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Self-funded Health Plan Pharmacy TPA Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Fully Insured Health Plan Vendors Invoices & Supporting	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Documents								document was received*
Capitated Primary Care Network Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
IMMEHRA Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Health Plan Vendors Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the report or deliverable was received*
Health Savings Account Enrollment & Payroll Deduction/Election Changes (GB-79 Forms)	LOA+10CY	0	LOA+10CY	C	R	N	V	none
TPA Health and Pharmacy Claims (including supplemental Claims)	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Medical & Pharmacy Benefits Administration – Life Insurance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Fully Insured Basic and Supplemental Life Insurance Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	U	ACT=until the end of the CY in which the document was received*
Fully Insured Basic and Supplemental Life Insurance Vendor Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	U	ACT=until the end of the CY in which the document was received*
Fully Insured Basic and Supplemental Life Insurance Member Beneficiary Designation/Change Forms	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Medical & Pharmacy Benefits Administration – Flexible Benefits & Cobra Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
FSA & COBRA TPA Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the CY in which the document was received*
FSA & COBRA TPA Vendor Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the CY in which the document was received*
Flexible Spending Arrangement Enrollment/Stop	LOA+10CY	0	LOA+10CY	M	R	N	V	none

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Form (GB -2)								

Invoicing Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Reconciled Invoices with Payment Record	PERM	0	PERM	M	R	N	V	

Compliance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Section 111 Reporting Documents and Reports mandated by the Centers for Medicare and Medicaid Services (CMS)	PERM	0	PERM	M	R	N	V	includes research, communication with CMS, internal communication, reports, working files
Administrative Procedures Act Documents and Reports	PERM	0	PERM	P	R	N	V	none
Mandated Legislative Reports and Regulations	ACT+5 CY	0	ACT+5 CY	P	S	N	V	ACT=until the end of the CY report Is submitted (regulations that become OGB policy and procedure may become permanent records)
OGB HIPAA Compliance Records	ACT+6 CY	0	ACT+6 CY	M	S	N	V	ACT=until the end of the CY in which the records were created or received*

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Discontinued Programs Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Filing Deadline Mail Records	ACT+ 3CY	0	ACT+3 CY	M	S	N	I	ACT=until the end of the CY in which the document was created or received*
Live and Event Claims Records	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Field and Audit Reports	ACT+ 5CY	0	ACT+5 CY	M	S	N	I	ACT=until the end of the CY in which the report was issued*
Health Claims (including Supplemental Claims)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Explanation of Benefits (EOBs)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Medical Records	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Pre-determinations	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Case Management	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Medical Necessities	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Paid in Vouchers	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Flexible Benefit Master File	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Hospital Audits, Statistical Reports and Work Papers	ACT+ 5CY	0	ACT+5 CY	M	S	N	I	ACT=until the end of the CY in which the report was issued*
Fraud and Abuse Case Files and Logs	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Health Claim Audits and Work Papers (including over $500 plan	ACT+ 5CY	0	ACT+5 CY	C	S	N	I	ACT=until the end of the CY in which Audit is completed*

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Member check Audits)								
Special Reports (Outlier, Check cycle)	ACT+ 10CY	0	ACT+1 0CY	M	S	N	I	ACT=until the end of the CY in which report is run*
Reviews (Medical, and Chiropractic)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Preferred Provider Option/Exclusive Provider Option Contracts	LOA+ 5CY	0	LOA+5 CY	M	R	N	V	none
Logic Approvals	ACT+ 3CY	7CY	ACT+1 0CY	M	S	N	V	ACT=until the end of the CY in which plan expires*
Adjusted Batch Listings	ACT+ 7CY	0	ACT+7 CY	M	S	N	I	ACT=until the end of the CY in which plan expires*
Fully Insured Basic & Supplemental Life Insurance: all claims documents received, requested, & sent	ACT+ 70CY	0	ACT+7 0CY	M	S	N	V	Employer Statements, Beneficiary Statements, EOBs, Beneficiary Info, Enrollment Info, Notes, Calls, & Payments. ACT=until the end of the FY in which the employee separates from the agency

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment VI: Imaging System Survey Compliance and Records Destruction

In connection with OGB's electronic records retention requirements and within 30 days of the Contract's effective date, the Contractor shall complete a State Archives Imaging System Survey ("System Survey") and forward it to OGB.Records@la.gov[1], or as otherwise directed by OGB. According to LAC 4:XVII.1305(A), the System Survey must contain the following information:

1. A list of all OGB records series[2] maintained/managed by the Contractor's system;
2. The hardware and software used including model number, version number and total storage capacity;
3. The type and density of media used by the Contractor's system;
4. The type and resolution of images being produced (TIFF class 3 or 4 and dpi);
5. Contractor's quality control procedures for image production and maintenance;
6. Contractor's system's backup procedures, including the location of back-up (on or off-site) and number of existing images; and
7. Contractor's migration plan for purging images from the system that have met their retention period.

OGB shall review the System Survey to make an initial determination of conformity with LAC 4:XVII.1305(A). Once OGB determines that the Contractor's System Survey contains the requisite information, OGB will forward the System Survey to the Secretary of State. As a continuing requirement, any system changes necessitating a revised System Survey response must be submitted to the Secretary of State within 90 days of the change. To ensure compliance with this rule, the Contractor shall notify the Records Officer of these changes within 60 days so that he or she may forward the appropriate information to the Secretary of State.

[1] If OGB makes a different designation, OGB will notify the Contractor of the change and provide updated contact information.

[2] A records series is a group of related or similar records that may be filed together as a unit, used in a similar manner, and typically evaluated as a unit for determining retention periods. LAC 4:XVII.301(A). The records series listed in the Contractor's imaging survey should correspond to the records series listed on the OGB official Attachment V: **Record Retention Schedule**.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment VII: Insurance Requirements for Contractors

The Contractor shall purchase and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. Minimum Scope and Limits of Insurance

1. **Workers Compensation**
   Workers' Compensation insurance shall be in compliance with the Workers' Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of $1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable Longshore and Harbor Workers' Compensation Act Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers' compensation coverage only.

2. **Commercial General Liability**
   Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of $1,000,000 and a minimum general annual aggregate of $2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Automobile Liability**
   Automobile Liability Insurance shall have a minimum combined single limit per accident of $1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. **Professional Liability (Errors and Omissions)**
   Professional Liability (Errors & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of $3,000,000 per claim. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of this Contract. The policy shall provide an extended reporting period of not less than 24 months, with full reinstatement of limits, from the expiration date of the policy.

5. **Cyber Liability**
   Cyber liability insurance, including first-party costs, due to an electronic breach that

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

compromises the State's confidential data shall have a minimum limit per occurrence of $25,000,000 or self-insurance limit of $25,000,000 per claim for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Data breaches containing PHI are governed by the BAA. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of this Contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages

    a. The Agency, its officers, agents, employees, and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
    b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under this Contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.
2. Workers' Compensation and Employers Liability Coverage

    To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees, and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

    a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, the Contractor is required to notify Agency of policy cancellations or reductions in limits.

    b. The acceptance of the completed work, payment, failure of the Agency to require

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.

c. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. Acceptability of Insurers

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.
2. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

E. Verification of Coverage

1. The Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any Contract renewal or insurance policy renewal thereafter.
2. The Certificate Holder shall be listed as follows:

   State of Louisiana
   Office of State Procurement
   1201 N 3rd St, Claiborne Building, Suite 2-160
   Baton Rouge, LA 70802

3. In addition to the Certificates, the Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this Contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under this Contract.

F. Subcontractors

The Contractor shall include all subcontractors as insureds under its policies or shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

reserves the right to request copies of subcontractor's Certificates at any time.

G. Workers' Compensation Indemnity

In the event the Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that the Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of the Contractor, its owners, agents and employees. The parties further agree that the Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. The Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this Contract.

Docusign Envelope ID: A2ED475A-0236-828D-82ED-BD7193BF614B

Attachment VIII: Price Schedule

Administrative Fee to OGB Per Primary Plan Participant Per Month:	$15.00

Proposed Plan Offering for **January 01, 2027 – December 31, 2027**

Region	Plan Offering Description	Fixed Monthly Premium per Plan Participant per Month
Region 1	Statewide All Parishes HMO-POS	$350.00
Region 2	Statewide All Parishes HMO-POS	$350.00
Region 3	Statewide All Parishes HMO-POS	$350.00
Region 4	Statewide All Parishes HMO-POS	$350.00
Region 5	Statewide All Parishes HMO-POS	$350.00
Region 6	Statewide All Parishes HMO-POS	$350.00
Region 7	Statewide All Parishes HMO-POS	$350.00
Region 8	Statewide All Parishes HMO-POS	$350.00
Region 9	Statewide All Parishes HMO-POS	$350.00

***** The Contractor will submit proposed rates for each subsequent 12 month period of the Contract no later than August 31st of the preceding year, beginning on August 31, 2027.

Note: Premium rates proposed for each 12 month period must be approved by the Centers for Medicare and Medicaid Services (CMS). Additionally, for each 12 month period, the Contractor must document, through a written certification from its actuary, that the proposed rates for each 12 month period are calculated on the basis of sound actuarial principles, reasonable in relation to the benefits provided and the population anticipated to be covered, and are neither excessive nor deficient.

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

Notice of Award

Solicitation Title: Fully Insured Medicare Advantage HMO for OGB
Solicitation Number: Doc2052093019
Proposal Opening Date and Time: 05/19/2026, 10:00AM CT

Awarded Contractor(s):

- Peoples Health, Inc., Maximum Contract Amount: $25,679,000.00
- Humana Benefit Plan of Louisiana, Inc., Maximum Contract Amount: $5,557,000.00
- Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana, Maximum Contract Amount: $27,114,000.00

Total Award Amount: $58,350,000.00
Notice of Award Date: 09/10/2026

The evaluation and negotiation phase of the above referenced Solicitation is now complete. In accordance with La. R.S. 39:1595(B), this Notice of Award confirms the selection of the Contractor(s) stated above based on the evaluation criteria published in the solicitation documents.

This Notice of Award begins the protest period under La. R.S. 39:1671(F). All protests must be submitted in writing to the Director of State Procurement no later than 14 calendar days from the "Notice of Award Date" stated above. To obtain a stay of award, a protest bond in the amount equal to 25% of the awarded amount must accompany the written protest.

Should the awarded contracts be presented for approval by the Joint Legislative Committee on the Budget (JLCB), and the approval is not obtained, the State reserves the right to rescind the awarded contract without liability.

We would like to thank you for your interest and participation in this Solicitation. If you have any questions concerning this Notice of Award, please contact Liam Thomas at liam.thomas@la.gov.

Liam Thomas
State Procurement Analyst
Office of State Procurement

State of Louisiana
Office of Group Benefits

Heath Williams
Chief Executive Officer



Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804
Phone (800) 272-8451
Fax (225) 342-9919

Office of Group Benefits

September 17, 2026 Meeting of the Joint Legislative Committee on the Budget

Humana Benefit Plan of Louisiana, Inc.

Fully Insured Medicare Advantage Plan Contract Overview

Humana Benefit Plan of Louisiana, Inc.

Fully Insured Medicare Advantage Plan Contract Overview

Contract Purpose	To offer a Medicare Advantage plan including Medicare Part D prescription drug benefits for Medicare eligible retirees.
Eligible Enrollees	Retired employees of the State of Louisiana and other OGB-participating entities who are enrolled in Medicare Parts A and B.
Membership Count as of 09/01/2026	637
Beginning Contract Date	01/01/2027
Ending Contract Date	12/31/2029
Renewable Options	Up to 24 Months
Procurement Method	Request for Proposal
Contract Maximum Payable Amount	$5,557,000.00
Administrative Fee Payable to OGB	$12.50 *Per Primary Plan Participant per Month* (no change from 2026)
Number of Plans Offered	One (no change from 2026)
Statewide or Regional Premium Rates	Regional Premium Rates (see rates on page 3)

Humana Benefit Plan of Louisiana, Inc.

Fully Insured Medicare Advantage Plan Contract Overview

Humana HMO Medicare Advantage Plan	2026 Total Monthly Premiums	2027 Total Monthly Premiums	$ Change	% Change
Region 1				
Enrollee Only	$94.53	$111.92	$17.39	18.4%
Enrollee + Spouse	$189.06	$223.84	$34.78	18.4%
Region 2				
Enrollee Only	$240.59	$257.98	$17.39	7.2%
Enrollee + Spouse	$481.18	$515.96	$34.78	7.2%
Region 3				
Enrollee Only	$205.04	$222.43	$17.39	8.5%
Enrollee + Spouse	$410.08	$444.86	$34.78	8.5%
Region 4				
Enrollee Only	$205.79	$223.18	$17.39	8.5%
Enrollee + Spouse	$411.58	$446.36	$34.78	8.5%
Region 5				
Enrollee Only	$202.22	$219.61	$17.39	8.6%
Enrollee + Spouse	$404.44	$439.22	$34.78	8.6%
Region 6				
Enrollee Only	$253.32	$270.71	$17.39	6.9%
Enrollee + Spouse	$506.64	$541.42	$34.78	6.9%
Region 7				
Enrollee Only	$263.49	$280.88	$17.39	6.6%
Enrollee + Spouse	$526.98	$561.76	$34.78	6.6%
Region 8				
Enrollee Only	$263.31	$280.70	$17.39	6.6%
Enrollee + Spouse	$526.62	$561.40	$34.78	6.6%
Region 9				
Enrollee Only	$238.76	$256.15	$17.39	7.3%
Enrollee + Spouse	$477.52	$512.30	$34.78	7.3%

Region 1: Orleans, Saint Bernard, Plaquemines and Jefferson Parishes
Region 2: East Baton Rouge, West Baton Rouge, Livingston, Ascension, Iberville, Pointe Coupee, East Feliciana and West Feliciana Parishes
Region 3: Lafourche, Saint John, Saint Charles, Saint James, Assumption and Terrebonne Parishes
Region 4: Lafayette, Evangeline, Saint Landry, Acadia, Saint Martin, Iberia, Vermilion and Saint Mary Parishes
Region 5: Beauregard, Allen, Calcasieu, Jefferson Davis and Cameron Parishes
Region 6: Vernon, Sabine, Natchitoches, Winn, Grant, Rapides, LaSalle, Catahoula, Concordia and Avoyelles Parishes
Region 7: Caddo, Bossier, Webster, Claiborne, Bienville, Red River and DeSoto Parishes
Region 8: Ouachita, Union, Lincoln, Jackson, Caldwell, Richland, Morehouse, Franklin, West Carroll, East Carroll, Madison and Tensas Parishes
Region 9: Washington, Saint Tammany, Saint Helena and Tangipahoa Parishes

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Contract Number: CW10793
Fully Insured Medicare Advantage HMO for OGB
Solicitation Number: Doc2052093019

1.0 Contract

Be it known, that effective upon approval by the Office of State Procurement, as evidenced by the Director's, or designee's, signature on this document, the Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, Louisiana 70802, (hereinafter sometimes referred to as the "OGB" or "State") and Humana Benefit Plan of Louisiana, Inc. 101 East Main Street, Louisville, Kentucky 40202 (hereinafter sometimes referred to as "Contractor") do hereby enter into this Contract for a fully-insured Medicare Advantage HMO Plan under the following terms and conditions.

2.0 Term of Contract

This Contract shall begin on January 1, 2027, and shall end on December 31, 2029 unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Contract may be extended for 24 additional months at the same administrative fee, terms, and conditions. Total Contract time may not exceed 60 months.

Prior to the extension of the Contract beyond a 36-month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the Contract Amendment to the Office of State Procurement (OSP) to extend the Contract term beyond the 36-month term.

3.0 Statement of Work

The Contractor hereby agrees to offer a Medicare Advantage Plan for Medicare-eligible OGB retired Plan Participants where it is approved to do so by the Centers for Medicare and Medicaid Services (CMS), in all OGB regions (i.e., statewide), as detailed in the **Statement of Work** Attachment of this Contract.

4.0 Contract

The Contract consists of the following:

Attachment I: Terms and Conditions
Attachment II: Statement of Work
Attachment III: HMO Plan Design
Attachment IV: Business Associate Addendum
Attachment V: Records Retention Schedule Summary
Attachment VI: Insurance Requirements for Contractors
Attachment VII: Price Schedule

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Attachment VIII: Humana's Plan Design

5.0 Acceptance of Deliverables

The Contract will be considered complete when the entire **Statement of Work** has been completed, and Contractor has delivered and OGB has accepted all deliverables specified in the Contract.

6.0 Payment Terms

The State shall pay the Contractor a maximum Contract amount of $5,557,000.00 in accordance with the **Price Schedule** Attachment of this Contract. The Contractor may invoice the Using Agency monthly at the billing address designated by the State. Payments will be made by the State within approximately 30 days after receipt of a properly executed invoice, and approval by the State. Invoices shall include the contract and order number, using department and product purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

The Contractor will invoice OGB on the 1st day of each month for payment of premiums for services provided pursuant to the resulting Contract. The invoice should include, at a minimum, the time period covered, total billed amount detailed by class of coverage, and assessed administrative fee based on total number of Primary Plan Participants. Payments will be made to the Contractor after written acceptance and approval of the invoice by the State.

Payment will be made only upon approval of the Contract Monitor or designee.

6.1. Late Payments

Interest due by the Using Agency for late payments shall be in accordance with La. R.S. 39:1695 at the rates established in La. R.S. 13:4202.

6.2. Prohibition Against Advance Payments

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law or otherwise stated herein.

7.0 Administrative Fees

With respect to Plan Participants who select a Louisiana HMO for their coverage, OGB shall impose no extraordinary restrictions on their plan participation due to the selection of the Louisiana HMO. OGB shall impose on Contractor a monthly administrative fee of not less than $10.00 for each HMO Primary Plan Participant. The administrative fee will be paid directly to OGB for each Primary Plan Participant and shall not be included in the premium charged. Plan Participants selecting the Louisiana HMO option shall receive the same employer contributions provided under La. R.S. 42:851, and the regulations issued thereunder, as participants who choose other health coverage options provided by OGB.

The Administrative Fee is due to OGB by the 15th of each month for the preceding month.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

8.0 Taxes

The Contractor agrees that all applicable taxes are included in the **Price Schedule** Attachment of this Contract. State agencies are exempt from all State and local sales and use taxes.

The Contractor acknowledges that: (1) a LDR tax clearance certificate is required for approval of this Contract and (2) the Contractor is currently compliant in filing all applicable tax returns and reports, and in the payment of all taxes, interest, penalties, and fees owed to the State. The State reserves the right to withdraw its consent to this Contract without penalty and to proceed with alternate arrangements should the Contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven business days of such notification.

9.0 Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements

During the term of this Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

If the Contractor proposed a good faith subcontracting plan, the Using Agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit the Contractor to determine whether the Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letter, e-mails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the Using Agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the Contract award or the existing Contract may be terminated.

10.0 Termination

The State of Louisiana has the right to terminate this Contract upon 30 days' prior written notice for any of the following reasons: (a) misrepresentation by the Contractor; (b) Contractor's fraud, collusion, conspiracy or other unlawful means of obtaining any contract with the State of Louisiana; (c) conflict of contract provisions with constitutional or statutory provisions of State or Federal Law; (d) abusive or belligerent conduct by the Contractor towards an employee or agent of the State; (e) Contractor's intentional violation of the Louisiana Procurement Code (La. R.S. 39:1551 et seq.) and its corresponding regulations; or, (f) any listed reason for debarment under La. R.S. 39:1672.

10.1. Termination for Cause

The State of Louisiana may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of this Contract, or failure to fulfill its performance obligations pursuant to this Contract, provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within 30 days after receipt of such notice, the Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in 30 days, begun in good faith to correct

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and this Contract shall terminate on the date specified in such notice.

The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this Contract, provided that the Contractor shall file a claim with the Chief Procurement Officer under La. R.S. 39:1671 -1673.

10.2. Termination for Convenience

The State of Louisiana may terminate this Contract for convenience at any time (1) by giving 30 days written notice to the Contractor of such termination; or (2) by negotiating with the Contractor an effective date. The State shall pay the Contractor for, if applicable: (a) deliverables in progress; (b) the percentage that has been completed satisfactorily; and, (c) for transaction-based services up to the date of termination, to the extent work has been performed satisfactorily.

10.3. Termination for Non-Appropriation of Funds

The continuation of this Contract is contingent upon the appropriation of funds to fulfill the requirements of this Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of this Contract or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of this Contract, this Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

When funds are not appropriated or otherwise made available to support continuation of performance in the following fiscal year of a multiyear contract for professional or consulting services, the Contract for the remaining term shall be cancelled and the Contractor shall be reimbursed in accordance with the terms of the Contract for the reasonable value of any nonrecurring costs incurred but not amortized in the price of services delivered pursuant to the Contract. The cost of cancellation may be paid from appropriations made specifically for the payment of such cancellation costs or from unobligated funds of the using agency.

With respect to all multiyear contracts for professional services and consulting services pursuant to this Subsection, there shall be no provisions for a penalty to the state for cancellation or early payment of the Contract.

11.0 Continuing Obligations

Notwithstanding any provisions to the contrary herein, upon the termination of this Contract for any reason, the provisions of this Contract which by their nature require some action or forbearance after such termination, including but not limited to confidentiality, PHI/PII,

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

reporting, indemnity, insurance, records retention, and performance guarantees, shall survive such termination and be binding until any actions, obligations, and/or rights provided therein have been satisfied or released.

12.0 Transition of Data and Services

The Contractor shall comply with the provisions of this Contract, and other requests of OGB/State, to accomplish a timely transition of services without interruption of services to Plan Participants. During any such transition, the Contractor will provide all of the same Records and data in the same format as provided during the term of this Contract, to OGB/State or its designee. The Contractor further agrees that no dispute or objection it may have regarding the propriety of any transition of services by OGB/State will relieve the Contractor of these obligations.

13.0 Contract Modifications

No amendment or modification of the terms of this Contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in this Contract is binding on any of the parties.

Changes to this Contract include any change in a) compensation; b) beginning/ending date of this Contract; c) scope of work; and/or d) Contractor change through the assignment of contract process. Any such changes, once approved, will result in the issuance of an amendment to this Contract.

14.0 Ownership of Work Product

All data, files, documentation, records, worksheets, or any other related materials obtained, prepared, or developed by the Contractor solely for the use under this Contract are the property of the State. If applicable, all software and customizations developed under this Contract are the property of the State. The Contractor, at its expense, shall deliver this property to the State at the termination or expiration of this Contract, unless otherwise required by this Contract. Delivery of this property shall be in a form specified by the State.

15.0 Record Ownership

All records, reports, documents, or other material related to this Contract, delivered or transmitted to the Contractor by the State or its employees, agents, or authorized vendors, and/or obtained or prepared by the Contractor or its subcontractors/vendors, solely for the performance of the services under this Contract, shall become and remain records of the State and are referred to herein as "Records." The Contractor agrees to retain all Records in accordance with all Louisiana and federal laws and regulations. Further, the Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), Attachment V: **Records Retention Schedule Summary**, until such time as the Records are returned to the State or other disposition is agreed. In the event the applicable Law and the Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable law or as agreed upon by the

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

parties in writing if allowed by applicable law. The Schedules in place as of the effective date of this Contract are contained in, Attachment V: **Records Retention Schedule Summary**, and may be amended from time to time as deemed necessary by the State. The Contractor shall return the Records to the State, at the Contractor's expense, within seven days of request and shall retain no copies of the Records unless required by applicable Law, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor. Additionally, all State data must be sanitized from the Contractor's (and its vendors') system in compliance with the most current revision of NIST SP 800-66.

16.0 Use of State Property

Any property of the State furnished to the Contractor shall, unless otherwise provided herein, or approved by the State and/or Using Agency, be used only for the performance of this Contract.

The Contractor shall be responsible for any loss or damage to property of the State and/or Using Agency which results from willful misconduct or lack of good faith on the part of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices, to ensure that the property will be returned to the State and/or Using Agency in like condition, except for normal wear and tear, to that in which it was furnished to the Contractor. Upon the happening of loss, or destruction of, or damage to property of the State, the Contractor shall notify the State thereof and shall take all reasonable steps to protect that property from further damage.

The Contractor shall surrender to the State and/or Using Agency all property of the State and/or Using Agency prior to completion, termination, or cancellation of this Contract, unless otherwise specified herein. All references to the Contractor under this section shall include any of its employees, agents, or subcontractors.

17.0 State Contract Monitor

The State shall appoint a Contract Monitor for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor’s responsibility for management during the performance of this Contract, the assigned Contract Monitor shall be the principal point of contact on behalf of the State and will be the principal point of contact for the Contractor concerning the Contractor’s performance under this Contract.

18.0 Waiver

Waiver of any breach of any term or condition of this Contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Contract shall be held to be waived, modified or deleted except by the written consent of both parties.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

19.0 Warranties

The Contractor warrants that all services shall be performed in good faith, with diligence and care, by experienced and qualified personnel in a professional, workmanlike manner, and according to its current description (including any completion criteria) contained in the scope of work.

No Surreptitious Code Warranty. The Contractor warrants that the Contractor will make all commercially reasonable efforts not to include any Unauthorized Code in the software provided hereunder. "Unauthorized Code" means any virus, Trojan horse, worm or other software routine or component designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data, or to perform any other such actions. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support.

The Contractor further warrants that it has the right to provide and or license its product to the State and that it will operate in accordance with this Contract. In the event of a material failure of the Contractor's product to function and operate, and/or failure by the Contractor to perform its obligations, in accordance with the terms and conditions of this Contract that results in the termination of this Contract for cause by the State, the State will not be obligated to compensate the Contractor of any costs incurred by the Contractor.

Extent of Warranty: These warranties replace all other warranties, express or implied, including the implied warranties of merchantability and fitness for a particular purpose.

20.0 Duty to Defend

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to this Contract, the Contractor shall handle, at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. In the event of such claim, demand, suit, or cause of action, the Contractor shall provide the State with regular updates, including additional information to the State upon request.

21.0 Liability and Indemnification

21.1. Contractor Liability

The Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

21.2. Force Majeure

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. The State shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. The parties shall use reasonable efforts, including but not limited to, use of continuation of operations plans (COOP), business continuity plans, and disaster recovery plans, to eliminate or minimize the effect of such events upon the performance of their respective duties under this Contract.

21.3. Indemnification

The Contractor shall fully indemnify and hold harmless the State, without limitation, for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

21.4. Intellectual Property Indemnification

The Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, the Contractor, while ensuring appropriate migration and implementation, data integrity, and minimal delays of performance, shall at its sole expense and in the following order of precedence: (i) obtain for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under this Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and performance. Until this obligation has been satisfied, the Contractor remains in default.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by the Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

21.5. Limitations of Liability

For all claims against the Contractor not governed by any other provision of this Section, regardless of the basis on which the claim is made, the Contractor's liability for direct damages shall be limited to two times the maximum dollar amount of this Contract.

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

21.6. Other Remedies

If the Contractor fails to perform in accordance with the terms and conditions of this Contract, or if any lien or claim for damages, penalties, costs and the like is asserted by or against the State, then, upon notice to the Contractor, the State may pursue all remedies available to it at law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

22.0 Insurance

The Contractor shall purchase and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

The Contractor shall furnish the State with certificates of insurance effecting coverage(s) required by this Contract in accordance with the **Insurance Requirements for Contractors** Attachment of this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the State before work commences. The State reserves the right to require complete certified copies of all required policies, at any time. The Contractor shall maintain the insurance as specified shown in the **Insurance Requirements for Contractors** Attachment of this Contract for the full term of this Contract. Failure to comply shall be grounds for termination of this Contract.

23.0 Performance Bond

The Contractor shall provide a Performance Bond (Surety Bond) in the amount determined by OGB of no more than one-twelfth of the maximum payable amount of this Contract to insure the successful performance under the terms and conditions of this Contract.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved bonding companies which is published annually in the Federal Register, or by a Louisiana domiciled insurance company with at least an A-rating in the latest printing of the A.M. Best's Key Rating Guide to write individual bonds up to 10% of policyholder's surplus as shown in the A.M. Best's Key Rating Guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds.

No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U.S. Department of the Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A-rating by A.M. Best up to a limit of 10% of policyholders' surplus as shown by A.M. Best; companies authorized by this Paragraph who are not on the treasury list shall not write a performance bond when the penalty exceeds 15% of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance.

In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least 10 working days prior to the effective date of this Contract. Failure to provide the bond within the time specified may cause this Contract to be cancelled. The performance bond shall not serve to limit the Proposer's liabilities for any breaches of the Business Associate Agreement or for any associated damages. Any such liabilities or damages shall remain the responsibility of the Proposer irrespective of any agreement or relationship with a surety or insurance company supplying a performance bond for this Contract.

The Contractor shall maintain the performance bond for the full term of this Contract. Failure to comply shall be grounds for termination of this Contract.

24.0 Performance Guarantees

The Contractor agrees to provide its operational performance guarantees on a client-specific basis on a quarterly basis. OGB shall have the ability to modify the performance guarantees each Contract year; however, 25% of the Contractor's fees will remain at risk, and the Contractor will be subject to per day and per occurrence fees for certain performance guarantees. All guarantees must be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of the calendar year. Performance Guarantees shall not be binding until this Contract has been fully executed.

A. Performance Guarantees:

The Contractor will be subject to negotiated performance standards subject to a penalty of 25% of the total contracted cost, plus per day and per occurrence fees for certain performance guarantees.

The maximum amount at risk annually will be capped at $10 PMPM.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

B. Audit:

OGB reserves the right to audit financial guarantees after the end of each Measurement Period. A third party of OGB's choosing may be utilized to perform this audit with no limitation in the scope of the audit.

C. Measurement Periods:

The Measurement Periods are as follows:

Year 1: January 1, 2027 through December 31, 2027
Year 2: January 1, 2028 through December 31, 2028
Year 3: January 1, 2029 through December 31, 2029

In the event that the Contract is extended, the Measurement Periods(s) will be:

Year 4: January 1, 2030 through December 31, 2030
Year 5: January 1, 2031 through December 31, 2031

D. Payment of Audit Findings:

Payments due as a result of audit findings must be remitted to OGB within 30 days after audit results are finalized and confirmation of payment details are received from OGB.

25.0 Licenses and Permits

The Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract, if applicable.

26.0 Severability

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this Contract are declared severable.

27.0 Subcontractors

The Contractor may, with prior written permission from the State and/or Using Agency, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or Using Agency for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work. The Contractor shall require subcontractors/vendors who are performing any key internal control to undergo independent assurance project/program review, as required in the **Independent Assurances** section of this Contract.

28.0 Substitution of Personnel

If, during the term of this Contract, the Contractor or subcontractor cannot provide the personnel

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

as proposed and requests a substitution, that substitution shall meet or exceed the requirements stated herein. A detailed resume of qualifications and justification is to be submitted to the State for approval prior to any personnel substitution. In the event that any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. It shall be acknowledged by the Contractor that every reasonable attempt shall be made to assign the personnel listed in the Contractor's proposal.

The State shall reserve the right to require removal and replacement of any contract personnel whose performance it considers unacceptable.

29.0 Assignability

The Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within 10 calendar days of the assignment, the Contractor shall provide notice of the assignment to the State and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, the Contractor shall only transfer an interest in this Contract by assignment, novation, or otherwise, with prior written consent of the State. The State's written consent of the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

30.0 Code of Ethics

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify the State if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

31.0 Confidentiality

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the Office of Group Benefits.

32.0 Third Party Requests for Release of Information

Should third parties request the Contractor to submit confidential information to them pursuant to an audit or other request not initiated by the Contractor, public records request, subpoena, summons, search warrant or governmental order, the Contractor will notify the State immediately upon receipt of such request. Notice shall be forwarded via e-mail to the Chief Executive Officer of OGB. The Contractor shall cooperate with the State with respect to defending against any such requested release of information or obtaining any necessary judicial protection against such release if, in the opinion of the State, the information contains confidential information which should be protected against such disclosure. The reasonable legal fees and related expenses incurred by the Contractor or its subcontractor in resisting the release of information under this provision shall constitute reimbursable expenses under this Contract. Legal service fees of law firms engaged pursuant to this Section may not be "marked up" (i.e., invoiced cost-plus) by the Contractor.

33.0 Contract Controversies

Any claim or controversy arising out of this Contract shall be resolved by the provisions of Louisiana Revised Statute 39:1671-1673, as applicable.

34.0 Right to Audit

The State Legislative auditor, federal auditors and internal auditors of OGB, Division of Administration, or others so designated by the DOA, shall have the option to audit all accounts directly pertaining to this Contract for a period of five years from the date of final payment or as required by applicable State and Federal Law. The Contractor and subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Records shall be made available during normal working hours for this purpose.

The State has the right to hire an independent third-party auditor, if the State deems necessary, to review all accounts, procedures, matters, and records, and the Contractor and/or subcontractor/vendor shall provide access to all files, information system access, and space access upon request of the State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of this Contract, the Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within 30 days of notification of such finding issue a remittance to the State of any payments declared to be improper or beyond the scope of this Contract. In

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

combination therewith, or alternatively, the State may offset the amounts deemed improper or beyond the scope of this Contract against the Contractor's outstanding or subsequent invoices, if any, or may exercise its rights under the performance bond.

35.0 Data/Record Retention

The Contractor and subcontractor shall retain all their books, their records, and their other documents relevant to this Contract and the funds expended hereunder for five years after final payment or, if Federal funds are used, as required by applicable Federal law, whichever is longer.

36.0 Sanitization of State Data/Records in Contractor's Custody

The Contractor shall sanitize all State data and records in compliance with NIST SP 800-88 Rev 1, and any future revisions thereto, unless a specific alternative is approved in writing by the Louisiana DOA OTS Information Security Team. The Contractor shall provide quarterly a Certificate of Sanitization to the Using Agency's contract monitor.

37.0 Contractor's Certification of No Federal Suspension or Debarment

The Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of this Contract and debarment from future Contracts.

38.0 Contractor's Cooperation

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

39.0 Security

The Contractor's personnel shall comply with all security regulations in effect at the State's premises and externally for materials and property belonging to the State or to the project. Where special security precautions are warranted (e.g., correctional facilities), the State shall provide such procedures to the Contractor, accordingly.

The Contractor shall comply with the Office of Technology Services' Information Security Policy at https://www.doa.la.gov/doa/ots/about-us/infosec/.

The Contractor is responsible for promptly reporting to the State any known breach of physical or information security.

39.1. Cybersecurity Training

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost.

For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

40.0 Independent Assurances

The State of Louisiana/OGB will require the Contractor and/or subcontractors, if performing a key internal control, to provide some form of assurances that internal controls over the process being administered by the Contractor for the user agency is operating properly. The assurances provided by the Contractor shall be in the form of SOC II reports resulting from independent SSAE 18 engagement of internal controls, quality assurance reports or other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. If an SSAE 18 review is required, the audit firm will conduct tests of the Contractor's activities and render an independent opinion on the operating effectiveness of the controls and procedures.

The Contractor may be required to provide a quality control plan, such as third party Quality Assurance, Independent Verification and Validation, or other internal project/program reviews or audits.

These audits and/or assurances will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the indicated audit. If a SSAE 18 review or audit is required of the Contractor, the audit firm will submit to the Using Agency and/or Contractor a final report on controls placed in operations for the project and include a detailed description of the audit firm's tests of the operating effectiveness of controls.

The Contractor shall supply the Using Agency with an exact copy of the report within 30 calendar days of completion. When required by the Using Agency, such audits may be performed annually during the term of this Contract. The Contractor shall review recommendations and apply appropriate remediations to be initiated within three months of report issuance at no cost to OGB. The cost of the SSAE 18 engagement is to be borne by the Contractor and it was included in the cost proposed in response to the RFP.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

41.0 Commencement of Work

No work shall be performed by the Contractor and the State shall not be bound until such time as this Contract is fully executed between the State and the Contractor and all required approvals are obtained.

42.0 Compliance with Civil Rights Laws

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Federal Rehabilitation Act of 1973 as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

The Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability or age in any matter relating to employment. Any act of discrimination committed by the Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Contract.

43.0 Anti-Kickback Clause

The Contractor hereby agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.

44.0 Clean Air Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) list of Violating Facilities.

45.0 Energy Policy and Conservation Act

The Contractor hereby recognizes the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

46.0 Clean Water Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) List of Violating Facilities.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

47.0 Anti-Lobbying and Debarment Act

The Contractor will be expected to comply with Federal statutes required in the Anti-Lobbying Act and the Debarment Act.

48.0 Prohibition of Discriminatory Boycotts of Israel

In accordance with La. R.S. 39:1602.1, for any contracts with a value of $100,000 or more and for any Contractor with five or more employees, the Contractor certifies that it is not engaging in a boycott of Israel and it will, for the duration of its contractual obligations, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of this Contract.

49.0 Prohibition of Companies That Discriminate Against Firearm and Ammunition Industries

In accordance with La. R.S. 39:1602.2, the following applies to any competitive sealed bids, competitive sealed proposals, or contract(s) with a value of $100,000 or more involving a for-profit company with at least 50 full-time employees:

Unless otherwise exempted by law, by submitting a response to this solicitation or entering into this Contract, the Bidder, Proposer or Contractor certifies the following:

1. The company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association based solely on the entity's or association's status as a firearm entity or firearm trade association;
2. The company will not discriminate against a firearm entity or firearm trade association during the term of the contract based solely on the entity's or association's status as a firearm entity or firearm trade association.

The State reserves the right to reject the response of the Bidder, Proposer or Contractor if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response or if the certification is no longer true.

50.0 Prohibited Use of Funds

The Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

51.0 E-Verify

The Contractor shall comply with the provisions of La. R.S. 23:995 and federal law pertaining to

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

E-Verify in the performance of services under this Contract.

52.0 Headings

Descriptive headings in this Contract are for convenience only and shall not affect the construction of this Contract or meaning of contractual language.

53.0 Governing Law

This Contract shall be interpreted under Louisiana Law, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code) and La. R.S. 39:196-200 (Information Technology Procurement Code), if applicable; purchasing rules and regulations; executive orders; terms and conditions; and specifications listed in the RFP and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to all activities associated with this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

54.0 Business Associate Addendum

A Business Associate Addendum, ("BAA") shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information ("PHI") and personally-identifiable information ("PII") in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services, as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act of 2009 (collectively, "HIPAA"), and regulations promulgated thereunder, as amended from time to time.

The OGB is a "Covered Entity" under HIPAA. For the purposes of this Contract, the Contractor is deemed to be a "Business Associate" of the OGB as such term is defined by HIPAA and regulations promulgated thereunder, including in the Privacy Standard of the Federal Register, published on December 28, 2000. The parties agree that, with respect to the provision of group health plan services to Covered Entity, Humana acts in its capacity as a covered entity under HIPAA. This BAA shall apply solely to those functions and activities where Humana is acting as a Business Associates to Covered Entity, pursuant to HIPAA requirements. The parties have executed the Attachment IV: **Business Associate Addendum** attached hereto and made part of this Contract. The parties understand and agree that if additional agreements are required to be compliant as required under HIPAA and applicable laws, the parties will execute such agreements in a timely manner. The Contractor agrees that its processes, systems, and reporting will be in full compliance with federal and state requirements, including but not limited to HIPAA as it exists upon the effective date of this Contract and as amended in the future, throughout the term of the Contract. Any fines or penalties imposed on any party related to the Contractor's or its subcontractors' non-compliance will be the sole responsibility of the Contractor. The Contractor shall require its subcontractors' and any other vendors' processes, systems, and reporting to be in full compliance with federal and state requirements, including but not limited to HIPAA. Further, the Contractor agrees that its organization, as well as its subcontractors/vendors, will comply with all HIPAA regulations throughout the term of the

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Contract with respect to any issue related to the OGB Contract, plans, or Plan Participants involving PHI/PII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. The Contractor shall require that all agreements with subcontractors or other vendors providing services for this Contract include the provisions of this Section and any Attachments referenced herein. In addition to the BAAs, the OGB shall be provided copies of such subcontractor/vendor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI and PII, including but not limited to claims processing, customer service, and any other services as provided by applicable Law, shall not be sourced outside of the territorial and jurisdictional limits of the 50 United States of America.

55.0 Notice

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier; (ii) hand delivery if to the State/OGB; or (iii) registered or certified mail return receipt requested, and addressed as follows:

To Contractor:
Attn: Jody Hagewood
Humana Benefit Plan of Louisiana, Inc.
101 East Main Street,
Louisville, Kentucky 40202
Or via email
jhagewood@humana.com

To OGB:
Mr. Heath Williams, CEO
Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804

Or

Mr. Heath Williams, CEO
Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802
(If delivery by hand)

Or

Ms. Melissa Mayers, COO
Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804

Or

Ms. Melissa Mayers, COO
Office of Group Benefits
1201 N. 3rd Street, Suite G-159

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Baton Rouge, LA 70802
(If delivery by hand)

Email: Heath.Williams2@la.gov

If by email, cc to: Melissa.Mayers@la.gov

The U.S. Postal Service does not make deliveries to OGB's physical location.

At any time, either party may change its address and/or addresses for notification purposes by mailing a notice stating the change and setting forth the new address.

56.0 Complete Contract

This is the complete Contract, inclusive of all Attachments, between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this Contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

57.0 Order of Precedence

The Request for Proposals (RFP) Doc2052093019, dated April 09, 2026, addenda thereto, and the Contractor's Proposal dated May 18,2026, are incorporated into this Contract as though fully set forth herein. In the event of an inconsistency between this Contract, the RFP and addenda thereto, and/or the Contractor's Proposal, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence first to this Contract, then to the RFP and addenda thereto, and finally, the Contractor's Proposal.

In Witness Whereof, the parties have executed this Contract.

Humana Benefit Plan of Louisiana, Inc.
Signature:

By: Signed by: Jill Tobin FC8C923C5A7E4A0...

Name: Jill Tobin

Title: Senior Vice President, Group Medicare

Date: 9/10/2026

Office of Group Benefits Signature:

By: Signed by: Heath Williams 21C3CF4BDC4F403...

Name: Heath Williams

Title: Chief Executive Officer

Date: 9/10/2026

Office of State Procurement Approval:

By: Signed by: Allison Underwood 2D4280C9DB984B5...

Title: State Procurement Assistant Director

Date: 9/10/2026

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Attachment I: Terms and Conditions

A. **Agency** means any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of the State of Louisiana authorized to participate in this Contract.

B. **ASO** means Administrative Services Only.

C. **Can** denotes a permissible action.

D. **Claim** means any electronic or paper request for payment or reimbursement processed through the Contractor's online claims adjudication system or otherwise transmitted or processed in accordance with the terms of an agreement in connection with OGB's Plan, including Claims in which a Plan Participant pays the full cost and OGB has no cost liability. At OGB's request, this may include any product or service utilized by a plan participant via a system offered by the Contractor for which OGB elects to participate.

E. **CMS** means Centers for Medicare & Medicaid Services.

F. **Contract** means a legal binding agreement, resulting from the RFP, between the State and the awarded Contractor(s).

G. **Contract Monitor** is the OGB Medical and Pharmacy Administrator or designee, who will monitor the services and performance provided by the Contractor and the expenditure of funds.

H. **Contractor** means a Proposer with whom the State executes a Contract resulting from the RFP.

I. **Day** means a calendar day, unless explicitly identified otherwise.

J. **Deliverable** means a good, product, service, solution, result, labor, or other effort being sought through this Contract.

K. **Dependent(s)** means OGB Plan Participant(s) who are not Primary Plan Participants.

L. **DOA** means the Louisiana Division of Administration.

M. **Go-Live** means the date that the services become operational. The Go-Live date for the Contract will be January 1, 2027.

N. **HIPAA** means Health Insurance Portability and Accountability Act of 1996 and its implementing regulations promulgated thereunder by the U.S. Department of Health and Human Services (45 C.F.R. Parts 160-164), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act of 2009.

O. **HITECH** refers to Health Information Technology for Economic and Clinical Health Act of 2009.

P. **HMO** means Health Maintenance Organization.

Q. **InfoSec** means the OTS Information Security Team.

R. **LESA** means Louisiana eProcurement Solutions by Ariba.

S. **MA** means Medicare Advantage.

T. **May** denotes an advisory or permissible action per La. R.S. 39:1556(34).

U. **MOVEit DMZ Secure** is the server which provides a secure and encrypted transfer and storage of confidential information between OGB and its vendors over the internet.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

V. **Must** denotes mandatory requirements.
W. **Negotiation** means the formulation of a contractual relationship through discussions as may be allowed under the Louisiana Procurement Code.
X. **Network Provider** denotes a provider that participates in the Contractor's established network to provide health care services to Plan Participants.
Y. **OGB CEO** means the Office of Group Benefits' Chief Executive Officer.
Z. **OGB** means Office of Group Benefits.
AA. **OGB-Specific Ad-Hoc Report** denotes a unique report requested by OGB that contains data elements that are not included in the standard reports listed herein.
BB. **OSP** means the Louisiana Office of State Procurement.
CC. **OTS** means Office of Technology Services.
DD. **Overseas** means any location that is not within the territorial and jurisdictional limits of the 50 United States of America.
EE. **PCP** means Primary Care Physicians.
FF. **PGP** means Pretty Good Privacy.
GG. **Plan Document** denotes a formal written document for specified health benefits offered under the fully-insured plan(s) offered by the Contractor.
HH. **Plan** means OGB's defined health benefit plan pursuant to the Plan Document.
II. **Plan Participant(s)** denotes retirees and their eligible dependents who qualify for covered benefits under the fully-insured Medicare Advantage Plan as determined by OGB and identified in the eligibility data file prepared, maintained, and delivered to the Contractor by OGB.
JJ. **PPACA** means Patient Protection and Affordable Care Act.
KK. **Primary Plan Participant(s)** denotes the Plan Participant whose relationship with OGB governs the coverage under the Plan.
LL. **Proposal** means the document(s), data, information, and other media submitted by a Proposer in response to the RFP, including information submitted directly through the RFP Website and information submitted after the proposal opening date at the request of the State.
MM. **Proposer** means an entity or individual submitting a proposal in response to the RFP.
NN. **Protected Health Information (PHI)** means individually identifiable health information, held or maintained by a covered entity or its business associates acting for the covered entity that is transmitted or maintained in any form or medium. PHI referred to in the Contract has the same meaning as PHI in HIPAA.
OO. **Provider Network** denotes a group of healthcare professionals and facilities contracted by an insurance company to provide care to its Plan Participants.
PP. **RFP** means the Request for Proposals, including all attachments and exhibits and any information posted by the State to the RFP Website, as amended.
QQ. **SBC** means Summary of Benefits and Coverage
RR. **Shall** denotes mandatory requirements per La. R.S. 39:1556(53).
SS. **Should** denotes a desirable action.
TT. **SOC** means Service Organization Control.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

UU. **State** means the State of Louisiana and its departments, agencies (including the Using Agency), boards, and commissions as well as their officers, agents, servants, employees, and volunteers.

VV. **Using Agency** means the governmental body of the State (including any authorized users) which is procuring any supplies, services, or major repairs, or any professional, personal, consulting, or social services under the RFP pursuant to the Louisiana Procurement Code, La. R.S. 39:1551-1755.

WW. **Will** denotes mandatory requirements.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Attachment II: Statement of Work

I. Overview

The Contractor shall provide fully-insured Medicare Advantage Health Maintenance Organization (HMO) Plan coverage, including prescription drug benefits, for Medicare eligible Office of Group Benefits (OGB) retirees and their eligible dependents.

The Contractor shall be approved by the Center for Medicare and Medicaid Services to offer such coverage, and shall be licensed pursuant to the Health Maintenance Organization Act, La R.S. 22:241, et seq, as a "health maintenance organization, pursuant to La. R.S. 22:242(6), which states: "Health maintenance organization" means any corporation organized as either a business corporation or a nonprofit corporation and domiciled in this state which undertakes to provide or arrange for the provision of basic health care services to enrollees in return for a prepaid charge. The health maintenance organization may also provide or arrange for the provision of other health care services to enrollees on a prepayment or other financial basis. A health maintenance organization is considered to be an insurer for the purposes of R.S. 22:73, 96, 691.1 through 691.27, 731 through 737, 1022 and 1023, 1921 through 1929, and 2001 through 2045. A health maintenance organization shall not be considered an insurer for any other purpose.

In addition, the Contractor may also be a "Louisiana HMO", as specifically defined in La R.S. 42:802.1 (C) which states. "C. As used in this Section, the term "Louisiana HMO" means a health maintenance organization which meets all of the following criteria:

(1) Offers fully insured commercial and/or Medicare Advantage products.
(2) Is domiciled, licensed, and operating within the state.
(3) Maintains its primary corporate office and at least seventy percent of its employees in the state.
(4) Maintains within the state its core business functions which include utilization review services, claim payment processes, customer service call centers, enrollment services, information technology services, and provider relations

A Louisiana HMO may be awarded a contract in accordance with the provisions for competition and actuarial value as set forth in R.S. La. R.S. 42:802.1 A.

A "Louisiana HMO" which meets all the criteria of R.S. 42:802.1 C (1-4) will be awarded if it complies with the provisions of La. R.S. 42:802.1 (A), meaning it submits a competitive offer.

The Contractor must possess the knowledge, capability, and resourcefulness to effectively provide one or more fully-insured Medicare Advantage HMO Plan(s) in accordance with all federal, state, and any other applicable laws, regulations, policies, and OGB requirements.

For each twelve-month period, the Contractor must document, through a written certification from its actuary, that the proposed rates for each twelve-month period is calculated on the basis of sound actuarial principles, reasonable in relation to the benefits provided and the populations anticipated to be covered, and that the rates are neither excessive nor deficient.

The Contractor will submit proposed rates for each subsequent twelve-month period of the

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Contractor term following the initial period no later than August 31st of the preceding year, beginning on August 31, 2028.

The Contractor's plan of benefits must, at minimum, conform to coverage provisions set forth in Attachment III: **HMO Plan Design**.

II. Goals and Objectives

OGB's goal is to provide quality, cost-effective fully-insured health care services to Medicare-eligible OGB retired Plan Participants and their eligible dependents.

III. Deliverables

The deliverables listed in this section are the minimum required of the Contractor.

A. Reporting

1. **Quarterly Reports:** Within 45 calendar days after the first close of each quarter, the Contractor shall submit reports which demonstrate Plan Participant demographics and utilization, financial experience, and other aspects of the Contractor's performance identified by OGB to include, but not be limited to, the following:
    a. **Financial Experience:** Spend and Utilization Experience. Annually, Contractor will provide OGB with the PlanCompass report.
    b. **Average Speed to Answer:** Average lag time to answer by live voice, percentage of Plan Participants who wait over 60 seconds to speak with a live customer service representative.
    c. **Abandon Call Rate:** Percentage of calls where the caller hangs up before speaking to a live voice.
    d. **Inquiry Timeliness**: Percentage of inquiries answered within seven business days.
    e. **Claims Financial Accuracy:** Percentage of claims paid correctly - dollar amount only.
    f. **Claims Accuracy:** Percentage of claims paid correctly the first time.
    g. **Claims Process Time:** Percentage of electronic and non-electronic claims paid within the mandatory 30 days of receipt.
    h. **Eligibility Posting Timeliness**: Percentage of membership files updated within two business days of the receipt of the OGB enrollment file.
    i. **Participation:** number of Plan Participants enrolled.
    j. **ID Card Timeliness**: Percentage of new Plan Participants who have ID cards issued prior to their effective date of coverage.
    k. **Network Adequacy:** Written confirmation that Contractor's plan meets CMS' network adequacy requirements, by parish (county, as defined by CMS).
2. **Annual Service Organization Control (SOC), Type II:** Submit annual Service Organization Control (SOC), Type II report resulting from SSAE 18 engagement no later than September 30th of each Contract year. As an alternative to a SSAE 18 engagement and resulting SOC 1, Type II and/or SOC 2, Type II report, the Contractor may provide a quality control plan [such as third party Quality Assurance (QA), an Independent Verification and Validation (IV & V)], or any other independent Contractor project or performance review or independent internal audit report if approved by OGB

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

on or before January 15th of 2027, 2028, and 2029 respectively for the initial contract period, and January 15th of 2030 and 2031 for any renewal option period.

3. **Performance Guarantee Quarterly Report:** Submit quarterly report that captures operational performance guarantees on a client specific basis and report OGB's data within 45 calendar days after close of each quarter. All performance guarantees will be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of each calendar year.
4. **Ad-Hoc Reports:** Provide OGB-Specific Ad-Hoc Reports within 30 days of OGB request that will include data related to the Contractor's operating performance and health outcomes of OGB's Plan Participants.
5. **Annual Renewal Report:** Each year, the Contractor shall provide OGB with a renewal report that shows the indicated rate adjustment for the renewal year. The renewal report shall include, at a minimum, premiums at current rates, and the indicated rate adjustment. For the initial Contract period, these renewal reports shall be submitted 120 days prior to January 1, 2027, January 1, 2028, and January 1, 2029, respectively, and for any renewal option period the report shall be submitted 120 days prior to January 1, 2030.
6. **Disaster Recovery Plan**: Establish and maintain a Disaster Recovery Plan consistent with industry standards for Medicare Advantage plan data and participant services.

IV. Detailed Requirements

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under the Contract. The Contractor shall be the single point of contact for all subcontractor work. OGB reserves the right to modify or delete the tasks and services listed and, if appropriate, add additional tasks and services prior to and during the term of the Contract, subject to the approval of the OGB CEO, Office of State Procurement, and any other approval required by law.

The Contractor shall perform, at a minimum, the following tasks and services:

Task (1): Implementation

The Contractor shall:

- Assign a dedicated implementation team to manage the implementation process.
- Facilitate system programming including, but not limited to, data collection from OGB, file transfer set-up between OGB and the Contractor, and data transfer of mapping. If the Contractor requires file mapping and/or subsequent updates, these services will be provided by the Contractor at no additional cost to OGB. Files must be sent electronically to the Office of Technology Services (OTS) MOVEit DMZ Secure File Transfer Protocol (FTP) server utilizing a security file transport protocol; the preference is File Transfer Protocol Secure (FTPS. All files must be encrypted using Public Key Infrastructure (PKI with a prior exchange of Public Key(s), commonly referred to as Pretty Good Privacy (PGP) encryption. The encrypted file(s) must have

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

an extension of PGP. The encryption key must have an expiration of no longer than five years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an American Standard Code for Information Interchange (ASCII) text file prior to encryption.

- Provide certification of Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH) compliance.
- Upon OGB's request, the Contractor will be required to work with other Medicare Advantage HMO Fully Insured contractor, the appointed OGB actuary, employees from the Division of Administration, and OGB for management of the program.
- Conduct project status implementation meetings with the Contract Monitor.
- At no additional cost to OGB, perform comprehensive systems testing and quality assurance audits, with results reported to OGB prior to the "Go-Live" date.
- Ensure successful and timely completion of all tasks necessary to begin performance of the Contract on January 1, 2027, 12:00 a.m. Central Time (CT).

Task (2): General Support Services

The Contractor shall:

- Designate one key person, the Account Executive, and shall designate at least one back-up staff member as the contacts to OGB for all daily operational questions.
- Provide knowledgeable staff to attend statewide annual/special enrollment meetings within the proposed regions for which the Contractor is authorized to provide coverage and any other informational meetings as requested by OGB. There are approximately 36 meetings per year.
- Meet with OGB staff onsite, or via teleconference, on at least a quarterly basis to review and evaluate program administration.
- Maintain eligibility requirements and continued coverage provisions identical to OGB's. OGB may amend these requirements and provisions at its discretion. OGB will determine eligibility of Plan Participants and manage benefit enrollment information using its online system. All enrollment documents, changes, and/or terminations will be processed by OGB, including data entry into the billing and eligibility system, and transferred to the Contractor daily in the form of an electronic eligibility data file. The Contractor must accept and efficiently process the eligibility file, and report any errors or omissions back to OGB through a weekly errors/omissions file.
- Notify the applicable State authority (i.e., state treasurer, etc.) and escheat any unclaimed property upon the expiration of the statutory time period for escheatment.

Task (3): Fully-Insured Medicare Advantage HMO Plan Services

The Contractor shall:

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

- Provide an HMO Physician and Hospital Provider Network to OGB Plan Participants, including but not limited to:
    1. Inpatient and outpatient hospital services (including hospital based ancillary services),
    2. Ambulatory surgical services (including ambulatory surgical center based ancillary services),
    3. Physician services,
    4. Mental/behavioral health and substance abuse services,
    5. Prescription drug benefits,
    6. Utilization management and medical management, and
    7. Disease management including but not limited to the five chronic diseases of focus to OGB: Asthma, Diabetes, Coronary Artery Disease, Chronic Obstructive Pulmonary Disease and Chronic Heart Failure.
- Provide at least 45 days advance written notification to OGB and its Plan Participants of any change in the Provider Network that will effect a 1% or greater change in the number of Providers in the network or a disruption that would impact 3% or greater of Plan Participants.
- Provide a network of primary, specialty, and ancillary care Providers within 60 miles of a Plan Participant's address.
- Process premium refunds to Low Income Subsidy (LIS) members enrolled in Medicare Advantage Part D plans on behalf of OGB.
- Reconcile Part D claims payments, subsidies, and rebates on an annual basis.
- Provide 21 day disenrollment notices to Plan Participants as required by Centers for Medicare & Medicaid Services (CMS). OGB to review required CMS communications annually. Communications should be clearly marked with OGB specific verbiage, which OGB has the right to change at any time.
- Consult with OGB regarding benefits provided under the Plan. No changes to said plan design shall be made during the term of the resulting Contract without the written consent of OGB.
- Accept enrollment information weekly from OGB in electronic format and enroll Plan Participants, to receive benefits in accordance with OGB requirements and plan provisions.
- Staff and maintain a dedicated toll-free customer service unit and phone line to assist Plan Participants with questions on claims, benefits, and networks in compliance with Patient Protection and Affordable Care Act (PPACA) Section 1557 and any other applicable laws. Furnish a toll-free telephone number for incoming customer service calls, including telephone technology for the hearing impaired and multi-lingual support. The customer service unit must be available from 7:00 a.m. to 8:00 p.m. during OGB's annual enrollment period from October 1st through November 15th and any additional special enrollment periods. To ensure compliance with Health Insurance Portability and Accountability Act (HIPAA), all customer service functions should be performed in the United States. To ensure quality of service, calls should be taken in an

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

office setting only. Customer service representatives will accept and make warm transfers to and from OGB and its third-party vendors.

- Design, update, print, and/or mail all Plan Participant communication materials (e.g., provider directories, summary plan documents, Plan Participant education materials, etc.), advertisements and marketing materials. The Contractor will share materials with OGB prior to distribution; timing to meet CMS requirements will take precedence. The cost of preparation and distribution of any and all Plan Participant communications or promotional materials must be included in the quoted premium.
- Facilitate management of the health care services afforded OGB's Plan Participants under the Plan, including but not limited to authorization services, discharge planning, verification of provided services, utilization management, and quality assurance.
- Report population health risk status and changes to OGB, or a third party, on a regular basis using claims data and/or information from another health risk assessment vendor.
- Maintain website for Plan Participant access to their claims information, benefits, ordering of replacement ID cards, provider directories, self-care information, and other program information necessary to manage their health care needs, in compliance with all applicable laws, including but not limited to PPACA Section 1557.
- Provide 24/7 access to online portal for activities of Plan Participants and the plan sponsor such as claim submission, account monitoring, reporting, communications requested and approved by OGB, in compliance with PPACA Section 1557 and any other applicable laws. This portal must include adequate encryption to guarantee protection of the Plan Participant's privacy and confidential data (e.g., Protected Health Information (PHI), personal data, and banking information, as applicable). All outages in excess of 1- hour must be reported to the OGB Contract Monitor.
- Maintain a service disruption plan or procedure to continue customer service, portal access, and other business operations when existing service is temporarily unavailable because of scheduled or unforeseen events. Service disruption plan must be available upon request.
- Provide medical claims administration to include, but not be limited to, the following, in compliance with all applicable laws: process claims and remit timely payment to Providers; furnish to any claimant notices of payment, explanation of benefits, and/or denials for claims; provide review of Plan Participants' appeals and grievances; maintain medical and carved out pharmacy claims for integrated Medical/Rx out-of-pocket maximum accumulation; adjudicate and process all claims with service dates prior to termination date.
- Prepare and distribute, at a minimum, the following required membership materials to each new Plan Participant within 30 days of receipt of enrollment confirmation from OGB:
    1. A member handbook, which includes information on all covered services, including, but not limited to: benefits, limitations, exclusions, copayments, coinsurances and deductibles, policies and procedures for utilizing clinical and administrative services, conditions under which an individual's membership may

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

be terminated, procedures for registering complaints or filing grievances against the Contractor or any Providers participating in a contractual agreement with the Contractor.

2. Directions to access an online directory of Providers, which includes all physicians, hospitals and specialty facilities. Hard copies of Provider directories and certificates of coverage must be available upon request.
3. One identification card to each Plan Participant for individual coverage or two cards for all other classes of coverage. Additional cards for family members or replacement cards shall be provided upon request and at no additional charge to OGB or the Plan Participant.
4. Summary of Benefits and Coverage (SBC) and Uniform Glossary, as required by the federal PPACA and/or applicable state law and/or rules and regulations promulgated pursuant thereto, and including PPACA Section I557. Provide printed SBC documents to OGB for distribution to eligible but not enrolled employees/retirees.
5. The following notices and any other notices required by applicable laws:
    - Women's Health and Cancer Rights Act Notices. The Contractor will provide a notice to Primary Plan Participant(s) under the Women's Health and Cancer Rights Act of I998.
    - HIPAA Authorized Delegate Form. The Contractor will provide a HIPAA Authorized Delegate Form to Primary Plan Participant(s).
    - HIPAA Privacy Notice. The Contractor will provide each Primary Plan Participant with the Contractor‘s HIPAA privacy notice, in the event the Primary Plan Participant needs to contact the Contractor's Privacy Department. OGB will prepare and the Contractor will provide OGB's HIPAA privacy notice to Primary Plan Participants.
    - Balance Billing Disclosure Notice. The Contractor will provide a Balance Billing Disclosure Notice to Primary Plan Participants.

- Provide a Wellness Program that includes, at a minimum, the following components:
    1. 24/7 online program for Plan Participants;
    2. Preventive care tracking, for rewardable activities; and
    3. Health Coaching Capabilities.
- Comply with all Inflation Reduction Act (IRA) requirements and all applicable state and federal Laws.
- Perform a final reconciliation of annual premium payments by February 28th of the following plan year.
- That any retiree data provided by OGB remains the property of the OGB.

V. Location/Hours of Operation

OGB: Hours of Operation: 8:00 a.m. to 5:00 p.m., Monday through Friday, 1201 N. 3rd Street, Suite G-159, Baton Rouge, LA 70802.

Contractor: Hours of Operation: 8:00 a.m. to 5:00 p.m. CT Monday through Friday.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Contractor Call Center: Hours of Operation: The Contractor's Call Center shall, at a minimum, accept calls Monday through Friday, 8:00 a.m. to 5:00 p.m. CT, except on official Louisiana State holidays.

Extended hours may be required during project implementation, Annual Enrollment periods, audits, and upon request for assistance with inquiries from the legislative or executive branches. Extended hours for these will be noticed in advance and coordinated through the Contractor's Account Executive.

Any of the Contractor's offices used in service of the Contract must be in the United States.

VI. Performance Requirements

A. Performance Measurements/Guarantees

The following performance guarantees are the minimum acceptable standards for the resulting Contract. These metrics shall be reported to OGB quarterly and reconciled on an annual basis unless another time period is agreed to by OGB and the Contractor.

The Contractor agrees to provide performance guarantees on a client-specific basis and report OGB's results on a quarterly basis. OGB reserves the right to modify or amend the performance guarantees each Contract year. For each Measurement Period, the amount at risk will be one-sixth of the total maximum payable amount of the Contract. For certain performance guarantees, the Contractor will be subject to per day and per occurrence fees. The Annual Amount at Risk is a percentage of the annual amount of the Contract. Year 1 is considered one year for calculating the Annual Amount at Risk. Each subsequent year is considered one year for this calculation as well. The maximum amount at risk annually will be capped at $10 PMPM.

All performance guarantees must be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of the Measurement Period.

1. **Audit:**
   OGB reserves the right to audit performance guarantee reports on a Measurement Period basis. A third party may be utilized to perform this audit.

2. **Measurement Periods**
   The Measurement Periods are as follows:

   Year 1: January 1, 2027 through December 31, 2027
   Year 2: January 1, 2028 through December 31, 2028
   Year 3: January 1, 2029 through December 31, 2029

Additional measurement periods will be incorporated, as applicable, upon extension of the Contract, subject to any option approval required by law. If performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the measurement period.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Service Level	Fees at Risk Per Calendar Year
Independent Assurance Reporting: Submit annual Service Organization Control (SOC 1), Type II report resulting from SSAE 18 engagement no later than September 30th of each Contract year and/or other independent assurances approved by OGB by January 15th preceding the report deadline.	$1,000 per day
Annual Enrollment Meetings: 100% attendance of state-wide annual and any special enrollment meetings within the proposed regions for which the Contractor is authorized to provide coverage.	$1,000 per annual or special enrollment meeting missed
Average Speed to Answer: 60 seconds or less. The Average Speed to Answer means the average speed for answering of the customer service telephone line by a "live" representative each plan quarter.	6.25% of the Annual Amount at Risk
Abandon Call Rate: Abandon no more than 5% of all incoming calls received. Abandon Call Rate means the number of incoming telephone calls received by the customer service telephone line, which are abandoned by the caller after a selection is made to either 1) the Interactive Voice Response Unit or 2) the Call Representative, divided by the total number of incoming calls received by the customer service telephone line during such plan quarter.	6.25% of the Annual Amount at Risk
Eligibility Posting Timeliness: 98% of electronically transmitted eligibility updates shall be posted to the Contractor's system within two business days of receipt.	6.25% of the Annual Amount at Risk
Required Membership Materials: Required membership materials shall be distributed by the Contractor to each new Plan Participant within 30 days of receipt of confirmation from OGB as to the validity of the enrollment application.	6.25% of the Annual Amount at Risk

B. Monitoring Plan

OGB will designate an OGB Contract Monitor to the Contract who will serve as the primary point of contact for the Contractor. The Contract Monitor will be responsible for monitoring and evaluating all tasks and services performed by the Contractor. This evaluation will include the review of performance criteria and corresponding monetary penalties for the Contractor's failure to comply with the identified criteria below.

The monitoring plan is as follows:

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

1. The Contractor will submit various reports to the Contract Monitor as specified in this Scope of Work.
2. The Contract Monitor will ensure all deliverables are submitted timely and perform subsequent review and acceptance.

The Contract Monitor will provide oversight of the Contractor's performance of the terms of the Contract, including the implementation process, to ensure quality, efficiency, and effectiveness in fulfilling the goals and objectives of OGB.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Exhibit A: REGIONS BY PARISH



Region 1: Orleans, Saint Bernard, Plaquemines, and Jefferson
Region 2: East Baton Rouge, West Baton Rouge, Livingston, Ascension, Iberville, Pointe Coupee, East Feliciana, and West Feliciana
Region 3: Lafourche, Saint John, Saint Charles, Saint James, Assumption, and Terrebonne
Region 4: Lafayette, Evangeline, Saint Landry, Acadia, Saint Martin, Iberia, Vermilion, and Saint Mary
Region 5: Beauregard, Allen, Calcasieu, Jefferson Davis, and Cameron
Region 6: Vernon, Sabine, Natchitoches, Winn, Grant, Rapides, LaSalle, Catahoula, Concordia, and Avoyelles
Region 7: Caddo, Bossier, Webster, Bienville, Red River, DeSoto, and Claiborne
Region 8: Ouachita, Union, Lincoln, Jackson, Caldwell, Richland, Morehouse, Franklin, West Carroll, Madison, and Tensas
Region 9: Washington, Saint Tammany, Saint Helena, and Tangipahoa

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Attachment III: HMO PLAN DESIGN

The table below represents the minimum requirements only. Actual Medicare Advantage plan can offer at or better coverage.

Contractor's Medicare Advantage plan can be found in Attachment VIII: **Humana's Plan Design**.

Office visit copay	
Primary Care Physician (PCP)	$5 copay
Specialist (SCP)	$20 copay
Preventive care	
Routine physical exam Well Woman Care Immunizations	100%
Inpatient hospital	
Semi-private room, ancillary services and physician visits	100% after $50 copay per day for first ten days
Pre-admission testing	100%
Outpatient hospital care	100%
Emergency room	100% after $50 copay
Ambulatory surgical care center	100%
Physical therapy, respiratory, occupational or speech	100%
Home health care	100% per date of service
Durable Medical Equipment	80% after Part B deductible is met
Skilled nursing	100% for days 1-20 100% after $25 copay per day (days 21-100) Max of $203 per admission
Ambulance	100% after $145 copay per one-way trip (for both ground and air)
Hospice Care	100%
Urgent Care	100% after $10 copay
Mental Health	
Inpatient/ Intensive Outpatient	$50/day for days 1-10 $0/day for days 11-90 No coverage after 90 days
Outpatient	100% after $15 copay
Alcohol/Substance Abuse	

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Inpatient	100% after $25 copay per day for first five days
Outpatient	100% after $20 copay
Prescription Drug	
Retail (30 days)	
Level One	$5 (low cost generic)
Level Two	$10 (higher cost generic)
Level Three	$50 (low cost brand)
Level Four	$100 (higher cost brand)
Level Five	30% (specialty)
Mail Order (90 days)	
Level One	$0
Level Two	$0
Level Three	$135
Level Four	30 day supply only
Level Five	30 day supply only

Note: It is not mandatory to include a 5-level prescription formulary benefit structure, but such a structure must utilize a cost sharing that is better than the 30% offering for specialty for the final level.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Attachment IV: Business Associate Addendum

State of Louisiana, Office of Group Benefits
HIPAA Business Associate Addendum

This HIPAA Business Associate Addendum (Addendum) is entered into effective January 1, 2027 (Effective Date), by and between **Humana Benefit Plan of Louisiana, Inc**. (Business Associate) and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the Covered Entity), and adds to the Agreement or Contract effective January 1, 2027, entered into between Covered Entity and Business Associate (Agreement).

Whereas, pursuant to the Agreement, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information (PHI) that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity; and

Whereas, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services (HHS), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act (HITECH) (HIPAA).

The parties agree that, with respect to the provision of group health plan services to Covered Entity, Humana acts in its capacity as a covered entity. This Business Associate Addendum (BAA) shall apply solely to those functions and activities where Humana is acting as a Business Associates to Covered Entity, pursuant to HIPAA requirements. Humana agrees that, as a fully-insured group health plan, it is a covered entity as defined by HIPAA and complies with HIPAA.

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.
2. **Compliance with Applicable Law.** The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.
3. **Uses and Disclosures of PHI.** Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:
   (a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
   (b) Business Associate may disclose PHI for the proper management and administration, or

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

(c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.

(d) Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.

(e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

4. **Required Safeguards to Protect PHI.** Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI (ePHI) on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. **Reporting to Covered Entity.** As soon as reasonably practicable (but not more than 48 hours), Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for by this Agreement, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any Security Event of which it becomes aware that may constitute a breach of unsecured PHI. Business Associate shall cooperate with Covered Entity's investigation, analysis, notification, and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities. Business Associate

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

shall conduct a breach risk assessment to ascertain the probability that PHI has been compromised within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Business Associate shall provide the breach risk assessment to Covered Entity within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Security Event is defined in the OTS Information Security Policy as an observable event, or collection of events, that may indicate a potential incident and shall be reviewed or investigated and may or may not be required for promotion to an Incident. Information Security- Louisiana Division of Administration (la.gov).

6. **Scope of Addendum; Covered Entity Status.** The parties acknowledge that, with respect to the provision of group health plan services to Covered Entity, Humana operates as a covered entity, as that term is defined under HIPAA, in its capacity as a fully insured group health plan. This Addendum applies solely to those functions and activities in which Humana acts as a Business Associate to Covered Entity pursuant to HIPAA.
7. **Use of Artificial Intelligence (AI).** The obligations of Business Associate under this Addendum apply with equal force to any use of PHI in connection with artificial intelligence systems or processes in connection with artificial intelligence ("AI" Systems). Business Associate shall only use PHI in AI Systems only as necessary for the performance of services for Covered Entity and in accordance with the terms of this Addendum. Unless expressly authorized in writing by Covered Entity, Business Associate shall not:
   (a) Use PHI to train, develop, or improve any AI Systems.
   (b) input, disclose, or otherwise make PHI available to any publicly accessible AI System; or
   (c) use PHI in any AI System for any purpose unrelated to the fulfillment of Business Associate's contractual services to Covered Entity.

   Safeguards for AI Systems. Business Associate shall implement and maintain reasonable administrative, technical, and physical safeguards to prevent (i) unauthorized access to or retention of PHI by or through any AI System and (ii) any inferential disclosure of PHI through AI System outputs. Business Associate shall not disclose PHI to, or permit PHI to be processed by any publicly accessible AI System without Covered Entity's prior written approval of Covered Entity.

   When seeking written approval from OGB, the Business Associate shall submit a report detailing the AI Governance program it has implemented or desires to implement. The Business Associate shall continue to maintain an AI Governance program that addresses Business Associate's use of PHI with AI, in a manner consistent with NIST SP 800-66r2, and the NIST AI Risk Management Framework. In the event there is a conflict between the two, NIST SP 800-66e2 controls. Additional documentation may be requested prior to approval by OGB.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Artificial Intelligence (AI) Definitions:

Artificial Intelligence/AI Systems:

"Artificial Intelligence" or "AI Systems"

Means a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations or decisions influencing real or virtual environments. Artificial intelligence systems use machine and human-based inputs to: perceive real and virtual environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action.

AI Systems include, but are not limited to:

1. Generative AI Systems, which create text, images, audio, video, software code, or other content;
2. Natural-Language Processing Systems, including chatbots, virtual assistants, translation tools, document-analysis tools, and text-classification systems;
3. Predictive Analytics Systems, which forecast outcomes, behavior, demand, risk, eligibility, costs, or other future conditions;
4. Decision-Support Systems, which generate recommendations, rankings, scores, evaluations, or proposed courses of action for human consideration;
5. Automated Decision Systems, which make or materially influence decisions with limited or no human intervention;
6. Machine-Learning Systems, which identify patterns or improve performance through training on data;
7. Data Extraction, Summarization, and Document-Processing Systems, which review, organize, summarize, redact, or extract information from records; and
8. AI-Enabled Features Embedded in Other Software or Services, even when AI is not the primary purpose of the underlying product.

Public AI Systems:

Means an AI System that is made generally available for use by the public or a broad, unrestricted class of users, whether free of charge or for a fee operating on shared infrastructure outside the Associates control. A Public AI System includes publicly accessible web-based platforms, applications, models, or services that are not provided exclusively to the Associate under a private agreement.

Third Party AI Systems:

Means an AI System developed, owned, operated, hosted, or maintained by a person or entity other than the Agency and provided to the Associate through a private contract, license, subscription, procurement, or other restricted-use arrangement. A Third-Party AI System is available only to the Agency, Associate, designated users, or other authorized persons under the terms approved by OGB in writing and is not generally available for unrestricted public use.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

For clarity, the restrictions in this Section apply solely to Business Associate's use or disclosure of PHI in connection with performing services for Covered Entity under this Addendum.

8. **Notifications and Reporting to HHS**. Following a breach of unsecured PHI, Business Associate shall send the required notifications to plan participants, news media outlets, and the Secretary as required by HIPAA. Business Associate shall consult with Covered Entity prior to publishing a notification in a prominent media outlet and provide Covered Entity with a copy of the final publication one business day before date of publication. Business Associate shall provide Covered Entity with copies of notifications sent to plan participants five business days before sending the notification(s). Business Associate shall provide Covered Entity with copies of notifications submitted to the Secretary within three business days of submission.

9. **Mitigation of Harmful Effects.** Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

10. **Agreements with Third Parties.** Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

11. **Access to Information.** Within 10 days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five days forward such request to Covered Entity.

12. **Availability of PHI for Amendment.** Within 10 days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

13. **Documentation of Disclosures.** Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

14. **Accounting of Disclosures.** Within 10 days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 10 of this Addendum, to permit Covered Entity to respond to the request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

15. **Other Obligations.** To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation. Such obligations include but are not limited to Covered Entity's obligations to provide breach notifications.

16. **Availability of Books and Records.** Business Associate hereby agrees to make its internal practices, books, and records (relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity) available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for six years following the final payment under the Agreement.

17. **Effect of Termination of Agreement.** Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within 60 days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.

18. **Breach of Contract by Business Associate.** In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

19. **Indemnification.** Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section of the Addendum shall survive the termination of the Agreement or this Addendum.

20. **Exclusion from Limitation of Liability.** To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section of the Addendum shall survive the termination of the Agreement and this Addendum.

21. **Injunctive Relief.** Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

22. **Third Party Rights.** The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.

23. **Owner of PHI.** Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.

24. **Changes in the Law.** Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and **records** retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.

25. **Judicial and Administrative Proceedings.** In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI, other than a standard medical records request/medical records subpoena, Business

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments prior to the Business Associate responding to the request. Covered Entity shall have the right to control Business Associate's response to such request.

26. Conflicts. If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

In Witness Whereof, the parties have executed this Addendum effective the day and year first above written.

Humana Benefit Plan of Louisiana, Inc. Signature:	Office of Group Benefits Signature:
By: Signed by: Jill Tobin FC8C923C5A7E4A0...	By: Signed by: Heath Williams 21C3CF4BDC4F403...
Name: Jill Tobin	Name: Heath Williams
Title: Senior Vice President, Group Medicare	Title: Chief Executive Officer
Date: 9/10/2026	Date: 9/10/2026

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Attachment V: Records Retention Schedule Summary

This document summarizes OGB's official Records Retention Policy. OGB will provide the official document upon request. The signed Schedule will be a part of the Contract resulting from this RFP. The Contractor will comply to the extent they have such records listed here. Abbreviations, Acronyms, Codes, and Indicators aggregated from and specific to the official Records Retention document:

Permitted Retention Period Abbreviations

ACT: Active Period; the term of the active period will be defined per occurrence throughout this document as it is used.
FY: Fiscal Year; for the State of LA, July 1-June 30.
CY: Calendar Year; January 1-December 31.
AY: Academic year; August 1-July 31.
FFY: Federal Fiscal Year; October 1-September 30.
MO: Month(s).
WK: Week(s).
DY: Day(s).
PERM: Permanent; Life of State.
LOA: Life of Agency.
Asterisk: born-digital or imaged records; brief description of the technology used.

Security Status Codes

P: Public Record
M: May Contain Confidential Information
C: Confidential Information

Archival Processing Codes

A: Transfer to State Archives
R: Retain in Agency Archives
S: Review by State Archives
O: Other (should be specified)

State Records Center Use Indicators

Y: Yes
N: No

Vital Record Identification Codes

V: Vital
I: Important
U: Useful

Agency Abbreviations

LLA: Louisiana Legislative Auditor
OGB: Office of Group Benefits
IAT: Interagency Transfers
OTS: Office of Technology Services
HR: Human Resources
SOF: Special Order Form
PES: Personnel Evaluation System
RFP: Request for Proposal
ITB: Intent to Bid
RFI: Request for Information
PHI: Protected Health Information
TPA: Third Party Administrator
IMMEHRA: Individual Medicare Market Exchange with Health Reimbursement Arrangements
HIPAA: Health Insurance Portability and Accountability Act

Storage Locations

In Office
In Storage

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Executive Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Internal Audit Records/Reports	ACT+2FY	3FY	ACT+5CY	M	S	Y	V	ACT=until the FY in which the audit report is issued*
LLA Audit Records/Reports	ACT+2FY	3FY	ACT+5CY	M	S	Y	V	ACT=until the FY in which the audit report is issued*
Group Benefits Policy and Planning Board Meeting Presentations	ACT+10CY	0	ACT+10FY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Group Benefits Policy and Planning Board Reports	LOA+10CY	0	LOA+10CY	M	R	N	V	none
Group Benefits Policy and Planning Board Meeting Minutes	PERM	0	PERM	M	R	N	V	none
Group Benefits Estimating Conference Meeting Presentations	ACT+10FY	0	ACT+10FY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Group Benefits Estimating Conference Meeting Minutes	PERM	0	PERM	M	R	N	V	none
OGB 5-year Strategic Plan	ACT+5FY	0	ACT+5FY	P	S	N	V	ACT=until the FY in which the strategic plan was drafted*

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Finance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Budget Request Documents/Records	ACT+5FY	0	ACT+5FY	P	S	N	V	ACT=until the end of the FY in which created*
Actuarial Revenue/ Expenditure Line-item Projections	ACT+5FY	0	ACT+5FY	M	S	N	V	ACT=until the end of the FY in which created*
Actuarial Premium Rate Schedules	ACT+5CY	0	ACT+5FY	P	S	N	V	ACT=until the end of the FY in which created*
Official Premium Rate Schedules	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Monthly OTS Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Annual IAT Agreements & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Misc. One-time Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
OGB Fiscal Note Worksheets & Supporting Documents	ACT+5CY	0	ACT+5CY	M	S	N	V	ACT=until the end of the FY in which created*
DOA Analysis Sheets & Supporting Documents	ACT+5CY	0	ACT+5CY	M	S	N	V	ACT=until the end of the FY in which created*
Fuel Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*

Communications Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Annual Enrollment Member Guides	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Annual Enrollment Member Presentations	ACT+10CY	0	ACT+10CY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Annual Enrollment HR Presentations	ACT+10CY	0	ACT+10CY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Agency/Member memos on OGB Policies/Procedures Changes	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Medicare Part D Creditable Coverage Notices	ACT+6CY	0	ACT+6CY	M	S	N	V	ACT=until the end of the CY in which the notices were created*
Publications	LOA+10CY	0	LOA+10CY	M	R	N	V	none
Designation Forms (OGB Coordinator, OGB Additional Agency Contacts) (GB-74, GB-76)	LOA+10CY	0	LOA+10CY	M	R	N	V	none

General Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Employee Driver Authorization Forms	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the employee separates from the agency*
OGB Employee Safety Meetings Training Materials &	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Sign-in Sheets								received*
OGB Employee PES Evaluations & Planning Session Documents	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which supervision ends*
OGB Employee Time & Attendance Reports	ACT+2CY	3CY	ACT+5CY	M	S	Y	V	ACT=until the end of the CY in which the documents were created or received*
Vehicle Logs & Supporting Documents	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or received*
SOF & Supporting Documents	ACT+2FY	1FY	ACT+3FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or received*
Daily Documents/Mail Assignment Logs	ACT+2FY	3FY	ACT+5FY	M	S	Y	U	ACT=until the end of the FY in which the logs were created*
Records Management Files	LOA+10CY	0	LOA+10CY	M	R	N	V	Retention Schedules, Disposal Requests, Transmittals, Surveys & Exceptions

Contracts Management Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Contracts, Contract Amendments & Supporting Documents	ACT+3CY	7CY	ACT+10CY	M	S	Y	V	ACT=until the end of the CY in which the contract expires or terminates*
OGB Contract Solicitations, (RFP, ITB, RFI) & Supporting Documents	ACT+3CY	0	ACT+3CY	M	S	Y	V	ACT=until the end of the CY in which the solicitations deadline ends*

Agency Services Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Member Participation Schedules	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Member Collections Notices & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Member Appeals & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Participating Agency Administrative Error Appeals & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Enrollment Change Forms & Supporting Eligibility Documents (GB-01)	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Designation Forms (Agency Master User, Eligibility/eEnrollment Contact) (GB-75, GB-78)	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Customer Service Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Member Correspondence	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Daily Work Papers: Includes printed copies of imaged documents and non-essential notes with PHI or OGB member contact info, produced by OGB Customer Service section staff	ACT	0	ACT	M	S	N	U	ACT=until the end of the day in which the work papers were created*
OGB Visitor Logs/Sign-in Sheets	ACT+2FY	3FY	ACT+5FY	M	S	Y	U	ACT=until the end of the FY in which the logs were created*

Medical & Pharmacy Benefits Administration – Health Insurance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Self-funded Health Plan Medical TPA Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Self-funded Health Plan Pharmacy TPA Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Fully Insured Health Plan Vendors Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Capitated Primary Care Network Vendor	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Invoices & Supporting Documents								in which the document was received*
IMMEHRA Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Health Plan Vendors Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the report or deliverable was received*
Health Savings Account Enrollment & Payroll Deduction/Election Changes (GB-79 Forms)	LOA+10CY	0	LOA+10CY	C	R	N	V	none
TPA Health and Pharmacy Claims (including supplemental Claims)	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Medical & Pharmacy Benefits Administration – Life Insurance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Fully Insured Basic and Supplemental Life Insurance Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	U	ACT=until the end of the CY in which the document was received*
Fully Insured Basic and Supplemental Life Insurance Vendor Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	U	ACT=until the end of the CY in which the

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
								document was received*
Fully Insured Basic and Supplemental Life Insurance Member Beneficiary Designation/Change Forms	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Medical & Pharmacy Benefits Administration – Flexible Benefits & Cobra Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
FSA & COBRA TPA Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the CY in which the document was received*
FSA & COBRA TPA Vendor Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the CY in which the document was received*
Flexible Spending Arrangement Enrollment/Stop Form (GB -2)	LOA+10CY	0	LOA+10CY	M	R	N	V	none

Invoicing Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Reconciled Invoices with Payment Record	PERM	0	PERM	M	R	N	V	

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Compliance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Section 111 Reporting Documents and Reports mandated by the Centers for Medicare and Medicaid Services (CMS)	PERM	0	PERM	M	R	N	V	includes research, communication with CMS, internal communication, reports, working files
Administrative Procedures Act Documents and Reports	PERM	0	PERM	P	R	N	V	none
Mandated Legislative Reports and Regulations	ACT+5 CY	0	ACT+5 CY	P	S	N	V	ACT=until the end of the CY report Is submitted (regulations that become OGB policy and procedure may become permanent records)
OGB HIPAA Compliance Records	ACT+6 CY	0	ACT+6 CY	M	S	N	V	ACT=until the end of the CY in which the records were created or received*

Discontinued Programs Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Filing Deadline Mail Records	ACT+ 3CY	0	ACT+3 CY	M	S	N	I	ACT=until the end of the CY in which the document was created or received*
Live and Event Claims Records	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Field and Audit Reports	ACT+ 5CY	0	ACT+5 CY	M	S	N	I	ACT=until the end of the CY in which the report was issued*
Health Claims (including Supplemental Claims)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Explanation of Benefits (EOBs)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Medical Records	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Pre-determinations	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Case Management	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Medical Necessities	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Paid in Vouchers	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Flexible Benefit Master File	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Hospital Audits, Statistical Reports and Work Papers	ACT+ 5CY	0	ACT+5 CY	M	S	N	I	ACT=until the end of the CY in which the report was issued*
Fraud and Abuse Case Files and Logs	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Health Claim Audits and Work Papers (including over $500 plan Member check Audits)	ACT+ 5CY	0	ACT+5 CY	C	S	N	I	ACT=until the end of the CY in which Audit is completed*
Special Reports (Outlier, Check cycle)	ACT+ 10CY	0	ACT+1 0CY	M	S	N	I	ACT=until the end of the CY in which report is run*
Reviews (Medical, and Chiropractic)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Preferred Provider Option/Exclusive Provider Option Contracts	LOA+ 5CY	0	LOA+5 CY	M	R	N	V	none
Logic Approvals	ACT+ 3CY	7CY	ACT+1 0CY	M	S	N	V	ACT=until the end of the CY in which plan expires*
Adjusted Batch Listings	ACT+ 7CY	0	ACT+7 CY	M	S	N	I	ACT=until the end of the CY in which plan expires*
Fully Insured Basic & Supplemental Life Insurance: all	ACT+ 70CY	0	ACT+7 0CY	M	S	N	V	Employer Statements, Beneficiary Statements, EOBs, Beneficiary Info,

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
claims documents received, requested, & sent								Enrollment Info, Notes, Calls, & Payments. ACT=until the end of the FY in which the employee separates from the agency

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Attachment VI: Insurance Requirements for Contractors

The Contractor shall purchase and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. Minimum Scope and Limits of Insurance

1. **Workers Compensation**

   Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of $1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. **Commercial General Liability**

   Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of $1,000,000 and a minimum general annual aggregate of $2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Automobile Liability**

   Automobile Liability Insurance shall have a minimum combined single limit per accident of $1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. **Professional Liability (Errors and Omissions)**
   Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of $3,000,000 per claim. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of this Contract. The policy shall provide an extended reporting period of not less than 24 months, with full reinstatement of limits, from the expiration date of the policy.

5. **Cyber Liability**
   Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of $25,000,000 or self-insurance limit of $25,000,000 per claim for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Data breaches containing PHI are governed by the BAA. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of this Contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages

    a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured in regard to General Liability Coverage only as regards negligence by the Contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.

    b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under this Contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

    To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

    a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, the Contractor is required to notify Agency of policy cancellations or reductions in limits.

    b. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.

    c. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.

    d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. Acceptability of Insurers

All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher or as approved by the Agency.**

E. Verification of Coverage

1. The Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any Contract renewal or insurance policy renewal thereafter.

2. The Certificate Holder shall be listed as follows:

   State of Louisiana
   Office of State Procurement
   1201 N 3rd St, Claiborne Building, Suite 2-160
   Baton Rouge, LA 70802

3. In addition to the Certificates, the Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.

4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this Contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under this Contract.

F. Subcontractors

The Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

G. Workers Compensation Indemnity

In the event the Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that the Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of the Contractor, its owners, agents and employees. The parties further agree that the Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. The Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this Contract.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

Attachment VII: Price Schedule

Administrative Fee to OGB Per Primary Plan Participant Per Month:	$12.50

Proposed Plan Offering for **January 01, 2027 – December 31, 2027**

Region	Plan Offering Description	Fixed Monthly Premium per Plan Participant per Month
Region 1	Current Humana HMO	$111.92
Region 2	Current Humana HMO	$257.98
Region 3	Current Humana HMO	$222.43
Region 4	Current Humana HMO	$223.18
Region 5	Current Humana HMO	$219.61
Region 6	Current Humana HMO	$270.71
Region 7	Current Humana HMO	$280.88
Region 8	Current Humana HMO	$280.70
Region 9	Current Humana HMO	$256.15

***** The Contractor will submit proposed rates for each subsequent 12 month period of the Contract no later than August 31st of the preceding year, beginning on August 31, 2027.

Note: For each 12 month period, the Contractor must document, through a written certification from its actuary, that the proposed rates for each 12 month period are calculated on the basis of sound actuarial principles, reasonable in relation to the benefits provided and the population anticipated to be covered, and are neither excessive nor deficient.

Additional Price Schedule Terms

The benefits presented on the previous page are a high-level summary. Please consult Attachment VIII: **Humana's Plan Design** for a more detailed outline of the agreed upon benefits. Final benefits may differ due to annual changes in CMS benefit requirements.

For members with End Stage Renal Disease (ESRD), the Humana Group Medicare Advantage Plan is only offered to eligible members who are diagnosed and enrolled in a manner that is consistent with applicable Medicare secondary laws, and the rules and regulations set forth by CMS.

The rates provided do not reflect any potential premium adjustments provided by Center for Medicare and Medicaid Services (CMS) or federal regulations based on a Medicare beneficiary's income.

Humana shall have the right to unilaterally adjust the proposed premium rates set forth in this rate sheet if:

i. a change in or clarification to Law affects Medicare Part C or D program costs or revenue;
ii. a natural disaster, pandemic, act of God or other cause beyond the reasonable control of Humana affects Medicare Part C or D programs costs or revenue;
iii. highly utilized specialty or high-cost drugs are introduced, or additional indications are added to such a drug resulting in an increase in the pharmacy allowed per member per month; or
iv. Humana determines that data provided and relied upon by Humana in development of the premium rates was inaccurate, incomplete, biased, misleading, or otherwise contributed to Humana underestimating actual plan expenses or revenue incurred by Group.

Docusign Envelope ID: 7102DA65-8A3D-8ADF-8309-419A602EC1D6

In the event Humana chooses to exercise the rights above, notification will be provided to the State no later than June 1st, prior to the applicable effective date of the plan year. Final pricing impacts will be negotiated as part of the annual renewal negotiation process and executed as part of the annual plan amendment.

For purposes of this Attachment, "Law" shall mean, "any federal, state, or local law, statute, regulation, ordinance, code, rule, order, or other similar requirement enacted, adopted, or enforced by a government authority, including, without limitation, Medicare laws and CMS regulations and requirements, including CMS manuals, CMS payment methodology, and other directives.

Humana will hold the agreed upon rates, assuming all of the information provided is accurate, and could be subject to change should any of the following differ:

- All members are retired and enrolled in Medicare Part A and Part B.
- A minimum average employer contribution level of 50% of the premium for the plan.
- All enrolled members' primary residence is within a quoted Humana Medicare Advantage HMO network service area.

Part D, administered by Humana Pharmacy Solutions, will utilize Humana's Group Plus formulary and include utilization management programs such as: quantity limits, prior authorization, and step therapy. Humana continually updates its drug list and quantity limits, and ensures these updates are in accordance with CMS regulations.

Benefits, deductibles, maximum out of pocket accumulators, and any applicable pharmacy accumulators will be reset on January 1 each year.

Humana's Medicare Advantage plan can be offered alongside another carrier(s) plan. However, there should be no additional secondary plan wrapping around, coordinating with, or offered in conjunction with this plan for all current and future Medicare eligible retirees. Humana will hold the agreed upon rates assuming there are no material changes in the final plan selection, employer contribution or number of competing plans offered to the group.

Humana assumes all information provided is accurate with the understanding if there is a material change from the provided information, including the offering environment, Humana has a right to revise or rescind the quote.

State of Louisiana
Office of Group Benefits

Heath Williams
Chief Executive Officer



Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804
Phone (800) 272-8451
Fax (225) 342-9919

Office of Group Benefits

September 17, 2026 Meeting of the Joint Legislative Committee on the Budget

HMO Louisiana, Inc., a Subsidiary of Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana

Fully Insured Medicare Advantage Plan Contract Overview

HMO Louisiana, Inc., a Subsidiary of Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana

Fully Insured Medicare Advantage Plan Contract Overview

Contract Purpose	To offer a Medicare Advantage plan including Medicare Part D prescription drug benefits for Medicare eligible retirees.
Eligible Enrollees	Retired employees of the State of Louisiana and other OGB-participating entities who are enrolled in Medicare Parts A and B.
Membership Count as of 09/01/2026	2,394
Beginning Contract Date	01/01/2027
Ending Contract Date	12/31/2029
Renewable Options	Up to 24 Months
Procurement Method	Request for Proposal
Contract Maximum Payable Amount	$27,114,000.00
Administrative Fee Payable to OGB	$10.00 *Per Primary Plan Participant per Month* (no change from 2026)
Number of Plans Offered	One (no change from 2026)
Statewide or Regional Premium Rates	Regional Premium Rates (see rates on page 3)

HMO Louisiana, Inc., a Subsidiary of Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana

Fully Insured Medicare Advantage Plan Contract Overview

HMO Louisiana Blue Advantage HMO Medicare Advantage Plan	2026 Total Monthly Premiums	2027 Total Monthly Premiums	$ Change	% Change
Region 1				
Enrollee Only	$259.00	$298.00	$39.00	15.1%
Enrollee + Spouse	$518.00	$596.00	$78.00	15.1%
Region 2				
Enrollee Only	$246.00	$283.00	$37.00	15.0%
Enrollee + Spouse	$492.00	$566.00	$74.00	15.0%
Region 3				
Enrollee Only	$268.00	$281.00	$13.00	4.9%
Enrollee + Spouse	$536.00	$562.00	$26.00	4.9%
Region 4				
Enrollee Only	$218.00	$229.00	$11.00	5.0%
Enrollee + Spouse	$436.00	$458.00	$22.00	5.0%
Region 5				
Enrollee Only	$334.00	$367.00	$33.00	9.9%
Enrollee + Spouse	$668.00	$734.00	$66.00	9.9%
Regions 6, 7, & 8				
Enrollee Only	$295.00	$310.00	$15.00	5.1%
Enrollee + Spouse	$590.00	$620.00	$30.00	5.1%
Region 9				
Enrollee Only	$322.00	$370.00	$48.00	14.9%
Enrollee + Spouse	$644.00	$740.00	$96.00	14.9%

Region 1: Orleans, Saint Bernard, Plaquemines and Jefferson Parishes
Region 2: East Baton Rouge, West Baton Rouge, Livingston, Ascension, Iberville, Pointe Coupee, East Feliciana and West Feliciana Parishes
Region 3: Lafourche, Saint John, Saint Charles, Saint James, Assumption and Terrebonne Parishes
Region 4: Lafayette, Evangeline, Saint Landry, Acadia, Saint Martin, Iberia, Vermilion and Saint Mary Parishes
Region 5: Beauregard, Allen, Calcasieu, Jefferson Davis and Cameron Parishes
Region 6: Vernon, Sabine, Natchitoches, Winn, Grant, Rapides, LaSalle, Catahoula, Concordia and Avoyelles Parishes
Region 7: Caddo, Bossier, Webster, Claiborne, Bienville, Red River and DeSoto Parishes
Region 8: Ouachita, Union, Lincoln, Jackson, Caldwell, Richland, Morehouse, Franklin, West Carroll, East Carroll, Madison and Tensas Parishes
Region 9: Washington, Saint Tammany, Saint Helena and Tangipahoa Parishes

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Contract Number: CW10791
Fully Insured Medicare Advantage HMO for OGB
Solicitation Number: Doc2052093019

1.0 Contract

Be it known, that effective upon approval by the Office of State Procurement, as evidenced by the Director's, or designee's, signature on this document, the Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, Louisiana 70802, (hereinafter sometimes referred to as the "OGB" or "State") and Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana, on behalf of itself and its subsidiary, HMO Louisiana, Inc., located at 5525 Reitz Avenue, Baton Rouge, LA 70809 (sometimes, collectively, hereinafter referred to as "Contractor," "Louisiana Blue" or "LA Blue") do hereby enter into this Contract for a fully-insured Medicare Advantage HMO Plan under the following terms and conditions.

2.0 Term of Contract

This Contract shall begin on January 1, 2027, and shall end on December 31, 2029 unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Contract may be extended for 24 additional months at the same administrative fee, terms, and conditions. Total Contract time may not exceed 60 months.

Prior to the extension of the Contract beyond a 36-month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the Contract Amendment to the Office of State Procurement (OSP) to extend the Contract term beyond the 36-month term.

3.0 Statement of Work

The Contractor hereby agrees to offer a Medicare Advantage Plan for Medicare-eligible OGB retired Plan Participants where it is approved to do so by the Centers for Medicare and Medicaid Services (CMS), in all OGB regions (i.e., statewide), as detailed in the **Statement of Work** Attachment of this Contract.

4.0 Contract

The Contract consists of the following:

Attachment I: Definitions and Acronyms
Attachment II: Statement of Work
Attachment III: HMO Plan Design
Attachment IV: Business Associate Addendum
Attachment V: Records Retention Schedule Summary
Attachment VI: Imaging System Survey Compliance and Records Destruction
Attachment VII: Insurance Requirements for Contractors
Attachment VIII: Price Schedule

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

5.0 Acceptance of Deliverables

The Contract will be considered complete when the entire **Statement of Work** has been completed, and Contractor has delivered and OGB has accepted all deliverables specified in the Contract.

6.0 Payment Terms

The State shall pay the Contractor a maximum Contract amount of $27,114,000.00 in accordance with the **Price Schedule** Attachment of this Contract. The Contractor may invoice the Using Agency monthly at the billing address designated by the State. Payments will be made by the State within approximately 30 days after receipt of a properly executed invoice, and approval by the State. Invoices shall include the contract and order number, using department and product purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

The Contractor will invoice OGB on the 1st day of each month for payment of premiums for services provided pursuant to the resulting Contract. The invoice should include, at a minimum, the time period covered, total billed amount detailed by class of coverage, and assessed administrative fee based on total number of Primary Plan Participants. Payments will be made to the Contractor after written acceptance and approval of the invoice by the State.

Payment will be made only upon approval of the Contract Monitor or designee.

6.1. Late Payments

Interest due by the Using Agency for late payments shall be in accordance with La. R.S. 39:1695 at the rates established in La. R.S. 13:4202.

6.2. Prohibition Against Advance Payments

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law or otherwise stated herein.

7.0 Administrative Fees

With respect to Plan Participants who select a Louisiana HMO for their coverage, OGB shall impose no extraordinary restrictions on their plan participation due to the selection of the Louisiana HMO. OGB shall impose on Contractor a monthly administrative fee of not less than $10.00 for each HMO Primary Plan Participant. The administrative fee will be paid directly to OGB for each Primary Plan Participant and shall not be included in the premium charged. Plan Participants selecting the Louisiana HMO option shall receive the same employer contributions provided under La. R.S. 42:851, and the regulations issued thereunder, as participants who choose other health coverage options provided by OGB.

The Administrative Fee is due to OGB by the 15th of each month for the preceding month.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

8.0 Taxes

The Contractor agrees that all applicable taxes are included in the **Price Schedule** Attachment of this Contract. State agencies are exempt from all State and local sales and use taxes.

The Contractor acknowledges that: (1) a LDR tax clearance certificate is required for approval of this Contract and (2) the Contractor is currently compliant in filing all applicable tax returns and reports, and in the payment of all taxes, interest, penalties, and fees owed to the State. The State reserves the right to withdraw its consent to this Contract without penalty and to proceed with alternate arrangements should the Contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven business days of such notification.

9.0 Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements

During the term of this Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

If the Contractor proposed a good faith subcontracting plan, the Using Agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit the Contractor to determine whether the Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letter, e-mails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the Using Agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the Contract award or the existing Contract may be terminated.

10.0 Termination

The State of Louisiana has the right to terminate this Contract immediately for any of the following reasons: (a) misrepresentation by the Contractor; (b) Contractor's fraud, collusion, conspiracy or other unlawful means of obtaining any contract with the State of Louisiana; (c) conflict of contract provisions with constitutional or statutory provisions of State or Federal Law; (d) abusive or belligerent conduct by the Contractor towards an employee or agent of the State; (e) Contractor's intentional violation of the Louisiana Procurement Code (La. R.S. 39:1551 et seq.) and its corresponding regulations; or, (f) any listed reason for debarment under La. R.S. 39:1672.

10.1. Termination for Cause

The State of Louisiana may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of this Contract, or failure to fulfill its performance obligations pursuant to this Contract, provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within 30 days after receipt of such notice, the Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in 30 days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then the State may, at its

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

option, place the Contractor in default and this Contract shall terminate on the date specified in such notice.

The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this Contract, provided that the Contractor shall file a claim with the Chief Procurement Officer under La. R.S. 39:1671 -1673.

10.2. Termination for Convenience

The State of Louisiana may terminate this Contract for convenience at any time (1) by giving 30 days written notice to the Contractor of such termination; or (2) by negotiating with the Contractor an effective date. The State shall pay the Contractor for, if applicable: (a) deliverables in progress; (b) the percentage that has been completed satisfactorily; and, (c) for transaction-based services up to the date of termination, to the extent work has been performed to OGB's satisfaction.

10.3. Termination for Non-Appropriation of Funds

The continuation of this Contract is contingent upon the appropriation of funds to fulfill the requirements of this Contract by the legislature. If the legislature fails to appropriate sufficient monies to provide for the continuation of this Contract or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of this Contract, this Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

When funds are not appropriated or otherwise made available to support continuation of performance in the following fiscal year of a multiyear contract for professional or consulting services, the Contract for the remaining term shall be cancelled and the Contractor shall be reimbursed in accordance with the terms of the Contract for the reasonable value of any nonrecurring costs incurred but not amortized in the price of services delivered pursuant to the Contract. The cost of cancellation may be paid from appropriations made specifically for the payment of such cancellation costs or from unobligated funds of the using agency.

With respect to all multiyear contracts for professional services and consulting services pursuant to this Subsection, there shall be no provisions for a penalty to the state for cancellation or early payment of the Contract.

11.0 Continuing Obligations

Notwithstanding any provisions to the contrary herein, upon the termination of this Contract for any reason, the provisions of this Contract which by their nature require some action or forbearance after such termination, including but not limited to confidentiality, PHI/PII, reporting, indemnity, insurance, records retention, and performance guarantees, shall survive

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

such termination and be binding until any actions, obligations, and/or rights provided therein have been satisfied or released.

12.0 Transition of Data and Services

The Contractor shall comply with the provisions of this Contract, and other requests of OGB/State, to accomplish a timely transition of services without interruption of services to Plan Participants. During any such transition, the Contractor will provide all of the same Records and data in the same format as provided during the term of this Contract, to OGB/State or its designee. The Contractor further agrees that no dispute or objection it may have regarding the propriety of any transition of services by OGB/State will relieve the Contractor of these obligations.

13.0 Contract Modifications

No amendment or modification of the terms of this Contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in this Contract is binding on any of the parties.

Changes to this Contract include any change in a) compensation; b) beginning/ending date of this Contract; c) scope of work; and/or d) Contractor change through the assignment of contract process. Any such changes, once approved, will result in the issuance of an amendment to this Contract.

14.0 Ownership of Work Product

All data, files, documentation, records, worksheets, or any other related materials obtained, prepared, or developed by the Contractor under this Contract are the property of the State. If applicable, all software and customizations developed under this Contract are the property of the State. The Contractor, at its expense, shall deliver this property to the State at the termination or expiration of this Contract, unless otherwise required by this Contract. Delivery of this property shall be in a form specified by the State.

15.0 Record Ownership

All records, reports, documents, or other material related to this Contract, delivered or transmitted to the Contractor by the State or its employees, agents, or authorized vendors, and/or obtained or prepared by the Contractor or its subcontractors/vendors in connection with the performance of the services under this Contract, shall become and remain records of the State and are referred to herein as "Records." The Contractor agrees to retain all Records in accordance with all Louisiana and federal laws and regulations. Further, the Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), Attachment V: **Records Retention Schedule Summary**, until such time as the Records are returned to the State or other disposition is agreed. In the event the applicable Law and the Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable law or as agreed upon by the parties in writing if allowed by applicable law. The Schedules in place as of the effective date of this Contract are contained in, Attachment V: **Records Retention Schedule Summary**, and may

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

be amended from time to time as deemed necessary by the State. To further ensure compliance with the Schedules and Louisiana retention laws, the Contractor agrees to abide by the processes outlined in, Attachment VI: **Imaging System Survey Compliance and Records Destruction**. The Contractor shall return the Records to the State, at the Contractor's expense, within seven days of request or in the specific instance of termination or expiration of this Contract, within 60 days after the termination or expiration of this Contract, and shall retain no copies of the Records unless required by applicable Law, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor. Additionally, all State data must be sanitized from the Contractor's (and its vendors') system in compliance with the most current revision of NIST SP 800-66.

16.0 Use of State Property

Any corporeal property of the State furnished to the Contractor shall, unless otherwise provided herein, or approved by the State and/or Using Agency, be used only for the performance of this Contract.

The Contractor shall be responsible for any loss or damage to property of the State and/or Using Agency which results from willful misconduct or lack of good faith on the part of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices, to ensure that the property will be returned to the State and/or Using Agency in like condition, except for normal wear and tear, to that in which it was furnished to the Contractor. Upon the happening of loss, or destruction of, or damage to property of the State, the Contractor shall notify the State thereof and shall take all reasonable steps to protect that property from further damage.

The Contractor shall surrender to the State and/or Using Agency all property of the State and/or Using Agency prior to completion, termination, or cancellation of this Contract, unless otherwise specified herein. All references to the Contractor under this section shall include any of its employees, agents, or subcontractors.

17.0 State Contract Monitor

The State shall appoint a Contract Monitor for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor’s responsibility for management during the performance of this Contract, the assigned Contract Monitor shall be the principal point of contact on behalf of the State and will be the principal point of contact for the Contractor concerning the Contractor’s performance under this Contract.

18.0 Waiver

Waiver of any breach of any term or condition of this Contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Contract shall be held to be waived, modified or deleted except by the written consent of both parties.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

19.0 Warranties

The Contractor warrants that all services shall be performed in good faith, with diligence and care, by experienced and qualified personnel in a professional, workmanlike manner, and according to its current description (including any completion criteria) contained in the scope of work.

No Surreptitious Code Warranty. The Contractor warrants that the Contractor will make all commercially reasonable efforts not to include any Unauthorized Code in the software provided hereunder. "Unauthorized Code" means any virus, Trojan horse, worm or other software routine or component designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data, or to perform any other such actions. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support.

The Contractor further warrants that it has the right to provide and/-or license its product to the State and that it will operate in accordance with this Contract. In the event of a material failure of the Contractor's product to function and operate, and/or failure by the Contractor to perform its obligations, in accordance with the terms and conditions of this Contract that results in the termination of this Contract for cause by the State, the State will not be obligated to compensate the Contractor of any costs incurred by the Contractor.

Extent of Warranty: These warranties replace all other warranties, express or implied, including the implied warranties of merchantability and fitness for a particular purpose.

20.0 Duty to Defend

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to this Contract, the Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action if the claim, demand, suit or cause of action is due to the act or failure to act of the Contractor with respect to the duties and obligations undertaken in this contract. The State shall consult with or assist the Contractor, as required for the Contractor to investigate, handle, respond to, provide defense for and defend the claim, demand, suit or cause of action. This assistance shall not affect the Contractor's obligations, duties, and responsibilities under this section. The Contractor shall obtain the State's written consent before entering into any settlement or dismissal.

21.0 Liability and Indemnification

21.1. Contractor Liability

The Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

The Contractor shall not be liable to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description which may occur or in any way arise out of any action or omission of the State, its agents, employees, partners, or subcontractors.

21.2. Force Majeure

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. The State shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. The parties shall use reasonable efforts, including but not limited to, use of continuation of operations plans (COOP), business continuity plans, and disaster recovery plans, to eliminate or minimize the effect of such events upon the performance of their respective duties under this Contract.

21.3. Indemnification

The Contractor shall indemnify and hold harmless the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, the portion of which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

21.4. Intellectual Property Indemnification

The Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, the Contractor, while ensuring appropriate migration and implementation, data integrity, and minimal delays of performance, shall at its sole expense and in the following order of precedence: (i) obtain for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; (iii)

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under this Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and performance. Until this obligation has been satisfied, the Contractor remains in default.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by the Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

21.5. Limitations of Liability

For all claims against the Contractor not governed by any other provision of this Section, regardless of the basis on which the claim is made, the Contractor's liability for direct damages shall be limited to two times the maximum dollar amount of this Contract.

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

21.6. Other Remedies

If the Contractor fails to perform in accordance with the terms and conditions of this Contract, or if any lien or claim for damages, penalties, costs and the like is asserted by or against the State, then, upon notice to the Contractor, the State may pursue all remedies available to it at law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

22.0 Insurance

The Contractor shall purchase and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

The Contractor shall furnish the State with certificates of insurance effecting coverage(s) required by this Contract in accordance with the **Insurance Requirements for Contractors** Attachment of this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the State before work commences. The State reserves the right to require complete certified copies of all required policies, at any time. The Contractor shall maintain the insurance as specified shown in the **Insurance Requirements for Contractors**

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Attachment of this Contract for the full term of this Contract. Failure to comply shall be grounds for termination of this Contract.

23.0 Performance Bond

The Contractor shall provide a Performance Bond (Surety Bond) in the amount determined by OGB of no more than one-twelfth of the maximum payable amount of this Contract to insure the successful performance under the terms and conditions of this Contract.

The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved bonding companies which is published annually in the Federal Register, or by a Louisiana domiciled insurance company with at least an A-rating in the latest printing of the A.M. Best's Key Rating Guide to write individual bonds up to 10% of policyholder's surplus as shown in the A.M. Best's Key Rating Guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds.

No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U.S. Department of the Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A-rating by A.M. Best up to a limit of 10% of policyholders' surplus as shown by A.M. Best; companies authorized by this Paragraph who are not on the treasury list shall not write a performance bond when the penalty exceeds 15% of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance.

In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least 10 working days prior to the effective date of this Contract. Failure to provide the bond within the time specified may cause this Contract to be cancelled. The performance bond shall not serve to limit the Proposer's liabilities for any breaches of the Business Associate Agreement or for any associated damages. Any such liabilities or damages shall remain the responsibility of the Proposer irrespective of any agreement or relationship with a surety or insurance company supplying a performance bond for this Contract.

The Contractor shall maintain the performance bond for the full term of this Contract. Failure to comply shall be grounds for termination of this Contract.

24.0 Performance Guarantees

The Contractor agrees to provide its operational performance guarantees on a client-specific basis on a quarterly basis. OGB shall have the ability to modify the performance guarantees each Contract year; however, 25% of the Contractor's fees will remain at risk, and the Contractor will be subject to per day and per occurrence fees for certain performance guarantees. All guarantees must be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of the calendar year.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

A. Performance Guarantees:

The Contractor will be subject to negotiated performance standards subject to a penalty of 25% of the total contracted cost, plus per day and per occurrence fees for certain performance guarantees.

B. Audit:

OGB reserves the right to audit financial guarantees after the end of each Measurement Period. A third party of OGB's choosing may be utilized to perform this audit with no limitation in the scope of the audit.

C. Measurement Periods:

The Measurement Periods are as follows:

Year 1: January 1, 2027 through December 31, 2027
Year 2: January 1, 2028 through December 31, 2028
Year 3: January 1, 2029 through December 31, 2029

In the event that the Contract is extended, the Measurement Period(s) will be:

Year 4: January 1, 2030 through December 31, 2030
Year 5: January 1, 2031 through December 31, 2031

D. Payment of Audit Findings:

Payments due as a result of audit findings must be remitted to OGB within 30 days after audit results are finalized.

25.0 Licenses and Permits

The Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract, if applicable.

26.0 Severability

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this Contract are declared severable.

27.0 Subcontractors

The Contractor may, with prior written permission from the State and/or Using Agency, enter into subcontracts with third parties for the performance of any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State and/or Using Agency for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work. The Contractor shall require subcontractors/vendors who are performing

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

any key internal control to undergo independent assurance project/program review, as required in the **Independent Assurances** section of this Contract.

28.0 Substitution of Personnel

If, during the term of this Contract, the Contractor or subcontractor cannot provide the personnel as proposed and requests a substitution, that substitution shall meet or exceed the requirements stated herein. A detailed resume of qualifications and justification is to be submitted to the State for approval prior to any personnel substitution. In the event that any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to project outside this Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in completing tasks. It shall be acknowledged by the Contractor that every reasonable attempt shall be made to assign the personnel listed in the Contractor's proposal.

The State shall reserve the right to require removal and replacement of any contract personnel whose performance it considers unacceptable.

29.0 Assignability

The Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within 10 calendar days of the assignment, the Contractor shall provide notice of the assignment to the State and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, the Contractor shall only transfer an interest in this Contract by assignment, novation, or otherwise, with prior written consent of the State. The State's written consent of the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

30.0 Code of Ethics

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify the State if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

31.0 Confidentiality

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. The identification of all such confidential data and information as

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the Office of Group Benefits.

32.0 Third Party Requests for Release of Information

Should third parties request the Contractor to submit confidential information to them pursuant to an audit or other request not initiated by the Contractor, public records request, subpoena, summons, search warrant or governmental order, the Contractor will notify the State immediately upon receipt of such request. Notice shall be forwarded via e-mail to the Chief Executive Officer of OGB. The Contractor shall cooperate with the State with respect to defending against any such requested release of information or obtaining any necessary judicial protection against such release if, in the opinion of the State, the information contains confidential information which should be protected against such disclosure. The reasonable legal fees and related expenses incurred by the Contractor or its subcontractor in resisting the release of information under this provision shall constitute reimbursable expenses under this Contract. Legal service fees of law firms engaged pursuant to this Section may not be "marked up" (i.e., invoiced cost-plus) by the Contractor.

33.0 Contract Controversies

Any claim or controversy arising out of this Contract shall be resolved by the provisions of Louisiana Revised Statute 39:1671-1673, as applicable.

34.0 Right to Audit

The State Legislative auditor, federal auditors and internal auditors of OGB, Division of Administration, or others so designated by the DOA, shall have the option to audit all accounts directly pertaining to this Contract for a period of five years from the date of final payment or as required by applicable State and Federal Law. The Contractor and subcontractor shall maintain such books and records for this five-year period and cooperate fully with the authorized auditing agency. Records shall be made available during normal working hours for this purpose.

The State has the right to hire an independent third-party auditor, if the State deems necessary, to review all accounts, procedures, matters, and records, and the Contractor and/or subcontractor/vendor shall provide access to all files, information system access, and space

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

access upon request of the State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of this Contract, the Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within 30 days of notification of such finding issue a remittance to the State of any payments declared to be improper or beyond the scope of this Contract. In combination therewith, or alternatively, the State may offset the amounts deemed improper or beyond the scope of this Contract against the Contractor's outstanding or subsequent invoices, if any, or may exercise its rights under the performance bond.

35.0 Data/Record Retention

The Contractor and subcontractor shall retain all their books, their records, and their other documents relevant to this Contract and the funds expended hereunder for five years after final payment or, if Federal funds are used, as required by applicable Federal law, whichever is longer.

36.0 Sanitization of State Data/Records in Contractor's Custody

The Contractor shall sanitize all State data and records in compliance with NIST SP 800-88 Rev 1, and any future revisions thereto, unless a specific alternative is approved in writing by the Louisiana DOA OTS Information Security Team. The Contractor shall provide quarterly a Certificate of Sanitization to the Using Agency's contract monitor.

37.0 Contractor's Certification of No Federal Suspension or Debarment

The Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of this Contract and debarment from future Contracts.

38.0 Contractor's Cooperation

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

39.0 Security

The Contractor's personnel shall comply with all security regulations in effect at the State's premises and externally for materials and property belonging to the State or to the project. Where special security precautions are warranted (e.g., correctional facilities), the State shall provide such procedures to the Contractor, accordingly.

The Contractor shall comply with the Office of Technology Services' Information Security Policy at https://www.doa.la.gov/doa/ots/about-us/infosec/.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

The Contractor is responsible for promptly reporting to the State any known breach of physical or information security.

39.1. Cybersecurity Training

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost.

For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

40.0 Independent Assurances

The State of Louisiana/OGB will require the Contractor and/or subcontractors, if performing a key internal control, to provide some form of assurances that internal controls over the process being administered by the Contractor for the user agency is operating properly. The assurances provided by the Contractor may be in the form of SOC I, Type II and/or SOC II, type II reports resulting from independent SSAE 18 engagement of internal controls, quality assurance reports or other financial and performance audits from outside companies to assure both the financial viability of the (outsourced) program and the operational viability, including the policies and procedures placed into operation. If an SSAE 18 review is required, the audit firm will conduct tests of the Contractor's activities and render an independent opinion on the operating effectiveness of the controls and procedures.

As an alternative to a SSAE 18 engagement and resulting SOC I Type II and/or SOC II Type II report, if approved by the State of Louisiana/OGB on or before January 15 preceding the report deadline, the Contractor may provide a quality control plan, such as third party Quality Assurance , Independent Verification and Validation , or other internal project/program reviews or audit reports.

These audits and/or assurances will require the Contractor to provide any assistance, records access, information system access, staff access, and space access to the party selected to perform the indicated audit. If a SSAE 18 review or audit is required of the Contractor, the audit firm will submit to the Using Agency and/or Contractor a final report on controls placed in operations for the project and include a detailed description of the audit firm's tests of the operating effectiveness of controls.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

The Contractor shall supply the Using Agency with an exact copy of the report within 30 calendar days of completion. When required by the Using Agency, such audits may be performed annually during the term of this Contract. The Contractor shall agree to implement recommendations as suggested by the audits within three months of report issuance at no cost to the Using Agency. The cost of the SSAE 18 engagement is to be borne by the Contractor and it was included in the cost proposed in response to the RFP.

41.0 Commencement of Work

No work shall be performed by the Contractor and the State shall not be bound until such time as this Contract is fully executed between the State and the Contractor and all required approvals are obtained.

42.0 Compliance with Civil Rights Laws

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Federal Rehabilitation Act of 1973 as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

The Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability or age in any matter relating to employment. Any act of discrimination committed by the Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Contract.

43.0 Anti-Kickback Clause

The Contractor hereby agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.

44.0 Clean Air Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) list of Violating Facilities.

45.0 Energy Policy and Conservation Act

The Contractor hereby recognizes the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

46.0 Clean Water Act

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) List of Violating Facilities.

47.0 Anti-Lobbying and Debarment Act

The Contractor will be expected to comply with Federal statutes required in the Anti-Lobbying Act and the Debarment Act.

48.0 Prohibition of Discriminatory Boycotts of Israel

In accordance with La. R.S. 39:1602.1, for any contracts with a value of $100,000 or more and for any Contractor with five or more employees, the Contractor certifies that it is not engaging in a boycott of Israel and it will, for the duration of its contractual obligations, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of this Contract.

49.0 Prohibition of Companies That Discriminate Against Firearm and Ammunition Industries

In accordance with La. R.S. 39:1602.2, the following applies to any competitive sealed bids, competitive sealed proposals, or contract(s) with a value of $100,000 or more involving a for-profit company with at least 50 full-time employees:

Unless otherwise exempted by law, by submitting a response to this solicitation or entering into this Contract, the Bidder, Proposer or Contractor certifies the following:

1. The company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association based solely on the entity's or association's status as a firearm entity or firearm trade association;
2. The company will not discriminate against a firearm entity or firearm trade association during the term of the contract based solely on the entity's or association's status as a firearm entity or firearm trade association.

The State reserves the right to reject the response of the Bidder, Proposer or Contractor if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response or if the certification is no longer true.

50.0 Prohibited Use of Funds

The Contractor agrees not to use contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a

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proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

51.0 E-Verify

The Contractor shall comply with the provisions of La. R.S. 23:995 and federal law pertaining to E-Verify in the performance of services under this Contract.

52.0 Headings

Descriptive headings in this Contract are for convenience only and shall not affect the construction of this Contract or meaning of contractual language.

53.0 Governing Law

This Contract shall be interpreted under Louisiana Law, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code) and La. R.S. 39:196-200 (Information Technology Procurement Code), if applicable; purchasing rules and regulations; executive orders; terms and conditions; and specifications listed in the RFP and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to all activities associated with this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

54.0 Business Associate Addendum

A Business Associate Addendum, ("BAA") shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information ("PHI") and personally-identifiable information ("PII") in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services, as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act of 2009 (collectively, "HIPAA"), and regulations promulgated thereunder, as amended from time to time.

The OGB is a "Covered Entity" under HIPAA. For the purposes of this Contract, the Contractor is deemed to be a "Business Associate" of the OGB as such term is defined by HIPAA and regulations promulgated thereunder, including in the Privacy Standard of the Federal Register, published on December 28, 2000. The parties have executed the Attachment IV: **Business Associate Addendum** attached hereto and made part of this Contract. The parties understand and agree that if additional agreements are required to be compliant as required under HIPAA and applicable laws, the parties will execute such agreements in a timely manner. The Contractor agrees that its processes, systems, and reporting will be in full compliance with federal and state requirements, including but not limited to HIPAA as it exists upon the effective date of this Contract and as amended in the future, throughout the term of the Contract. Any fines or penalties imposed on any party related to the Contractor's or its subcontractors' non-compliance will be the sole responsibility of the Contractor. The Contractor shall require its subcontractors' and any other vendors' processes, systems, and reporting to be in full compliance with federal and state requirements, including but not limited to HIPAA. Further, the Contractor agrees that its organization, as well as its subcontractors/vendors, will comply

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

with all HIPAA regulations throughout the term of the Contract with respect to any issue related to the OGB Contract, plans, or Plan Participants involving PHI/PII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. The Contractor shall require that all agreements with subcontractors or other vendors providing services for this Contract include the provisions of this Section and any Attachments referenced herein. In addition to the BAAs, the OGB shall be provided copies of such subcontractor/vendor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI and PII, including but not limited to claims processing, customer service, and any other services as provided by applicable Law, shall not be sourced outside of the territorial and jurisdictional limits of the 50 United States of America.

55.0 Notice

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier; (ii) hand delivery if to the State/OGB; or (iii) registered or certified mail return receipt requested, and addressed as follows:

To Contractor:

Brian Keller, EVP, Chief Growth Officer
Blue Cross and Blue Shield of Louisiana
5525 Reitz Ave.
Baton Rouge, LA 70809
Or via email
brian.keller@lablue.com

To OGB:

Mr. Heath Williams, CEO
Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804

Or

Mr. Heath Williams, CEO
Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802
(If delivery by hand)

Or

Ms. Melissa Mayers, COO
Office of Group Benefits
Post Office Box 44036

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Baton Rouge, LA 70804

Or

Ms. Melissa Mayers, COO
Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802
(If delivery by hand)

Email: Heath.Williams2@la.gov
If by email, cc to: Melissa.Mayers@la.gov

The U.S. Postal Service does not make deliveries to OGB's physical location.

At any time, either party may change its address and/or addresses for notification purposes by mailing a notice stating the change and setting forth the new address.

56.0 Complete Contract

This is the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this Contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

57.0 Order of Precedence

The Request for Proposals (RFP) Doc2052093019, dated April 09, 2026, addenda thereto, and the Contractor's Proposal dated May 19, 2026, are incorporated into this Contract as though fully set forth herein. In the event of an inconsistency between this Contract, the RFP and addenda thereto, and/or the Contractor's Proposal, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence first to this Contract, then to the RFP and addenda thereto, and finally, the Contractor's Proposal.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

In Witness Whereof, the parties have executed this Contract.

Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana, on behalf of itself and its subsidiary, HMO Louisiana, Inc. Signature:

By: Signed by: Brian P. Keller 52FBD39787234B7...

Name: Brian Keller

Title: EVP & Chief Growth Officer

Date: 9/8/2026

Office of Group Benefits Signature:

By: Signed by: Heath Williams 21C3CF4BDC4F403...

Name: Heath Williams

Title: Chief Executive Officer

Date: 9/8/2026

Office of State Procurement Approval:

By: Signed by: Allison Underwood 2D4280C9DB984B5...

Title: State Procurement Assistant Director

Date: 9/9/2026

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Attachment I: Terms and Conditions

A. **Agency** means any department, commission, council, board, office, bureau, committee, institution, agency, government, corporation, or other establishment of the executive branch of the State of Louisiana authorized to participate in this Contract.

B. **ASO** means Administrative Services Only.

C. **Can** denotes a permissible action.

D. **Claim** means any electronic or paper request for payment or reimbursement processed through the Contractor's online claims adjudication system or otherwise transmitted or processed in accordance with the terms of an agreement in connection with OGB's Plan, including Claims in which a Plan Participant pays the full cost and OGB has no cost liability. At OGB's request, this may include any product or service utilized by a plan participant via a system offered by the Contractor for which OGB elects to participate.

E. **CMS** means Centers for Medicare & Medicaid Services.

F. **Contract** means a legal binding agreement, resulting from the RFP, between the State and the awarded Contractor(s).

G. **Contract Monitor** is the OGB Medical and Pharmacy Administrator or designee, who will monitor the services and performance provided by the Contractor and the expenditure of funds.

H. **Contractor** means a Proposer with whom the State executes a Contract resulting from the RFP.

I. **Day** means a calendar day, unless explicitly identified otherwise.

J. **Deliverable** means a good, product, service, solution, result, labor, or other effort being sought through this Contract.

K. **Dependent(s)** means OGB Plan Participant(s) who are not Primary Plan Participants.

L. **DOA** means the Louisiana Division of Administration.

M. **Go-Live** means the date that the services become operational. The Go-Live date for the Contract will be January 1, 2027.

N. **HIPAA** means Health Insurance Portability and Accountability Act of 1996 and its implementing regulations promulgated thereunder by the U.S. Department of Health and Human Services (45 C.F.R. Parts 160-164), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act of 2009.

O. **HITECH** refers to Health Information Technology for Economic and Clinical Health Act of 2009.

P. **HMO** means Health Maintenance Organization.

Q. **InfoSec** means the OTS Information Security Team.

R. **LESA** means Louisiana eProcurement Solutions by Ariba.

S. **MA** means Medicare Advantage.

T. **May** denotes an advisory or permissible action per La. R.S. 39:1556(34).

U. **MOVEit DMZ Secure** is the server which provides a secure and encrypted transfer and storage of confidential information between OGB and its vendors over the internet.

V. **Must** denotes mandatory requirements.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

W. **Negotiation** means the formulation of a contractual relationship through discussions as may be allowed under the Louisiana Procurement Code.

X. **Network Provider** denotes a provider that participates in the Contractor's established network to provide health care services to Plan Participants.

Y. **OGB CEO** means the Office of Group Benefits' Chief Executive Officer.

Z. **OGB** means Office of Group Benefits.

AA. **OGB-Specific Ad-Hoc Report** denotes a unique report requested by OGB that contains data elements that are not included in the standard reports listed herein.

BB. **OSP** means the Louisiana Office of State Procurement.

CC. **OTS** means Office of Technology Services.

DD. **Overseas** means any location that is not within the territorial and jurisdictional limits of the 50 United States of America.

EE. **PCP** means Primary Care Physicians.

FF. **PGP** means Pretty Good Privacy.

GG. **Plan Document** denotes a formal written document for specified health benefits offered under the fully-insured plan(s) offered by the Contractor.

HH. **Plan** means OGB's defined health benefit plan pursuant to the Plan Document.

II. **Plan Participant(s)** denotes retirees and their eligible dependents who qualify for covered benefits under the fully-insured Medicare Advantage Plan as determined by OGB and identified in the eligibility data file prepared, maintained, and delivered to the Contractor by OGB.

JJ. **PPACA** means Patient Protection and Affordable Care Act.

KK. **Primary Plan Participant(s)** denotes the Plan Participant whose relationship with OGB governs the coverage under the Plan.

LL. **Proposal** means the document(s), data, information, and other media submitted by a Proposer in response to the RFP, including information submitted directly through the RFP Website and information submitted after the proposal opening date at the request of the State.

MM. **Proposer** means an entity or individual submitting a proposal in response to the RFP.

NN. **Protected Health Information (PHI)** means individually identifiable health information, held or maintained by a covered entity or its business associates acting for the covered entity that is transmitted or maintained in any form or medium. PHI referred to in the Contract has the same meaning as PHI in HIPAA.

OO. **Provider Network** denotes a group of healthcare professionals and facilities contracted by an insurance company to provide care to its Plan Participants.

PP. **RFP** means the Request for Proposals, including all attachments and exhibits and any information posted by the State to the RFP Website, as amended.

QQ. **SBC** means Summary of Benefits and Coverage

RR. **Shall** denotes mandatory requirements per La. R.S. 39:1556(53).

SS. **Should** denotes a desirable action.

TT. **SOC** means Service Organization Control.

UU. **State** means the State of Louisiana and its departments, agencies (including the Using Agency), boards, and commissions as well as their officers, agents, servants, employees, and volunteers.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

VV. Using Agency means the governmental body of the State (including any authorized users) which is procuring any supplies, services, or major repairs, or any professional, personal, consulting, or social services under the RFP pursuant to the Louisiana Procurement Code, La. R.S. 39:1551-1755.

WW. Will denotes mandatory requirements.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Attachment II: Statement of Work

I. Overview

The Contractor shall provide fully-insured Medicare Advantage Health Maintenance Organization (HMO) Plan coverage, including prescription drug benefits, for Medicare eligible Office of Group Benefits (OGB) retirees and their eligible dependents.

The Contractor shall be approved by the Center for Medicare and Medicaid Services to offer such coverage, and shall be licensed pursuant to the Health Maintenance Organization Act, La R.S. 22:241, et seq, as a "health maintenance organization, pursuant to La. R.S. 22:242(6), which states: "Health maintenance organization" means any corporation organized as either a business corporation or a nonprofit corporation and domiciled in this state which undertakes to provide or arrange for the provision of basic health care services to enrollees in return for a prepaid charge. The health maintenance organization may also provide or arrange for the provision of other health care services to enrollees on a prepayment or other financial basis. A health maintenance organization is considered to be an insurer for the purposes of R.S. 22:73, 96, 691.1 through 691.27, 731 through 737, 1022 and 1023, 1921 through 1929, and 2001 through 2045. A health maintenance organization shall not be considered an insurer for any other purpose.

In addition, the Contractor may also be a "Louisiana HMO", as specifically defined in La R.S. 42:802.1 (C) which states. "C. As used in this Section, the term "Louisiana HMO" means a health maintenance organization which meets all of the following criteria:

(1) Offers fully insured commercial and/or Medicare Advantage products.
(2) Is domiciled, licensed, and operating within the state.
(3) Maintains its primary corporate office and at least seventy percent of its employees in the state.
(4) Maintains within the state its core business functions which include utilization review services, claim payment processes, customer service call centers, enrollment services, information technology services, and provider relations

A Louisiana HMO may be awarded a contract in accordance with the provisions for competition and actuarial value as set forth in R.S. La. R.S. 42:802.1 A.

A "Louisiana HMO" which meets all the criteria of R.S. 42:802.1 C (1-4) will be awarded if it complies with the provisions of La. R.S. 42:802.1 (A), meaning it submits a competitive offer.

The Contractor must possess the knowledge, capability, and resourcefulness to effectively provide one or more fully-insured Medicare Advantage HMO Plan(s) in accordance with all federal, state, and any other applicable laws, regulations, policies, and OGB requirements.

Premium rates for each twelve-month period must be approved by the Centers for Medicare and Medicaid Services (CMS). Additionally, for each twelve-month period, the Contractor must document, through a written certification from its actuary, that the proposed rates for each twelve-month period is calculated on the basis of sound actuarial principles, reasonable in

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

relation to the benefits provided and the populations anticipated to be covered, and that the rates are neither excessive nor deficient.

The Contractor will submit proposed rates for each subsequent twelve-month period of the Contractor term following the initial period no later than August 31st of the preceding year, beginning on August 31, 2028.

The Contractor's plan of benefits must, at minimum, conform to coverage provisions set forth in Attachment III: **HMO Plan Design**.

II. Goals and Objectives

OGB's goal is to provide quality, cost-effective fully-insured health care services to Medicare-eligible OGB retired Plan Participants and their eligible dependents.

III. Deliverables

The deliverables listed in this section are the minimum required of the Contractor.

A. Reporting

1. **Monthly Reports:** Within 15 business days after the first of each month, the Contractor shall submit reports which demonstrate Plan Participant demographics and utilization, financial experience, and other aspects of the Contractor's performance identified by OGB to include, but not be limited to, the following:
    a. **Financial Experience:** Premium Income and Claims Utilization Experience.
    b. **Average Speed to Answer:** Average lag time to answer by live voice, percentage of Plan Participants who wait over 60 seconds to speak with a live customer service representative.
    c. **Abandon Call Rate:** Percentage of calls where the caller hangs up before speaking to a live voice.
    d. **Inquiry Timeliness**: Percentage of inquiries answered within seven business days.
    e. **Claims Financial Accuracy:** Percentage of claims paid correctly - dollar amount only.
    f. **Claims Accuracy:** Percentage of claims paid correctly the first time.
    g. **Claims Process Time:** Percentage of electronic and non-electronic claims paid within the mandatory 30 days of receipt.
    h. **Eligibility Posting Timeliness**: Percentage of membership files updated within two business days of the receipt of the OGB enrollment file.
    i. **Participation:** number of premiums paid, incurred claims, paid claims, and Plan Participants enrolled.
    j. **ID Card Timeliness**: Percentage of new Plan Participants who have ID cards issued prior to their effective date of coverage.
    k. **PCP Turnover Rate**: Percentage of Primary Care Physicians (PCPs) leaving the network voluntarily or involuntarily during the month.
    l. **Open PCP/Participant Ratio:** Ratio of open PCPs accepting new Plan Participants to actual plan participants.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

2. **Annual Service Organization Control (SOC), Type II:** Submit annual Service Organization Control (SOC), Type II report resulting from SSAE 18 engagement no later than September 30th of each Contract year. As an alternative to a SSAE 18 engagement and resulting SOC 1, Type II and/or SOC 2, Type II report, the Contractor may provide a quality control plan [such as third party Quality Assurance (QA), an Independent Verification and Validation (IV & V)], or any other independent Contractor project or performance review or independent internal audit report if approved by OGB on or before January 15th of 2027, 2028, and 2029 respectively for the initial contract period, and January 15th of 2030 and 2031 for any renewal option period.
3. **Performance Guarantee Quarterly Report:** Submit quarterly report that captures operational performance guarantees on a client specific basis and report OGB's data within 45 calendar days after close of each quarter. All performance guarantees will be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of each calendar year.
4. **Ad- Hoc Reports:** Provide OGB-Specific Ad- Hoc Reports within 30 days of OGB request that will include data related to the Contractor's operating performance and health outcomes of OGB's Plan Participants.
5. **Annual Renewal Report:** Each year, the Contractor shall provide OGB with a renewal report that shows how the indicated rate adjustment for the renewal year was calculated. The renewal report shall include, at a minimum, the base period incurred claims on which the renewal projection is based, the annual trend factors used to project claims costs, the administrative fees included in the renewal calculation, adjustments due to credibility, premiums at current rates, and the indicated rate adjustment. For the initial Contract period, these renewal reports shall be submitted 120 days prior to January 1, 2027, January 1, 2028, and January 1, 2029, respectively, and for any renewal option period the report shall be submitted 120 days prior to January 1, 2030.
6. **Disaster Recovery Plan**: Establish and maintain a Disaster Recovery Plan consistent with industry standards for Medicare Advantage plan data and participant services.

IV. Detailed Requirements

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under this Contract. The Contractor shall be the single point of contact for all subcontractor work. OGB reserves the right to modify or delete the tasks and services listed and, if appropriate, add additional tasks and services prior to and during the term of the Contract, subject to the approval of the OGB CEO, Office of State Procurement, and any other approval required by law.

The Contractor shall perform, at a minimum, the following tasks and services:

Task (1): Implementation

The Contractor shall:

- Assign a dedicated implementation team to manage the implementation process.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

- Facilitate system programming including, but not limited to, data collection from OGB, file transfer set-up between OGB and the Contractor, and data transfer of mapping. If the Contractor requires file mapping and/or subsequent updates, these services will be provided by the Contractor at no additional cost to OGB. Files must be sent electronically to the Office of Technology Services (OTS) MOVEit DMZ Secure File Transfer Protocol (FTP) server utilizing a security file transport protocol; the preference is File Transfer Protocol Secure (FTPS. All files must be encrypted using Public Key Infrastructure (PKI with a prior exchange of Public Key(s), commonly referred to as Pretty Good Privacy (PGP) encryption. The encrypted file(s) must have an extension of PGP. The encryption key must have an expiration of no longer than five years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an American Standard Code for Information Interchange (ASCII) text file prior to encryption.
- Provide certification of Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH) compliance.
- Upon OGB's request, the Contractor will be required to work with other Medicare Advantage HMO Fully Insured contractors, the appointed OGB actuary, employees from the Division of Administration, and OGB for management of the program.
- Conduct project status implementation meetings with the Contract Monitor.
- At no additional cost to OGB, perform comprehensive systems testing and quality assurance audits, with results reported to OGB prior to the "Go-Live" date.
- Ensure successful and timely completion of all tasks necessary to begin performance of the Contract on January 1, 2027, 12:00 a.m. Central Time (CT).

Task (2): General Support Services

The Contractor shall:

- Designate one key person, the Account Executive, and shall designate at least one back-up staff member as the contacts to OGB for all daily operational questions.
- Provide knowledgeable staff to attend statewide annual/special enrollment meetings within the proposed regions for which the Contractor is authorized to provide coverage and any other informational meetings as requested by OGB. There are approximately 36 meetings per year.
- Meet with OGB staff onsite, or via teleconference, on at least a quarterly basis to review and evaluate program administration.
- Maintain eligibility requirements and continued coverage provisions identical to OGB's. OGB may amend these requirements and provisions at its discretion. OGB will determine eligibility of Plan Participants and manage benefit enrollment information using its online system. All enrollment documents, changes, and/or terminations will be processed by OGB, including data entry into the billing and eligibility system, and transferred to the Contractor weekly in the form of an electronic eligibility data file. The Contractor must accept and efficiently process the eligibility file, and report any errors or omissions back to OGB within three to five business days.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

- Notify the applicable State authority (i.e., state treasurer, etc.) and escheat any unclaimed property upon the expiration of the statutory time period for escheatment.

Task (3): Fully-Insured Medicare Advantage HMO Plan Services

The Contractor shall:

- Provide an HMO Physician and Hospital Provider Network to OGB Plan Participants, including but not limited to:
    1. Inpatient and outpatient hospital services (including hospital based ancillary services),
    2. Ambulatory surgical services (including ambulatory surgical center based ancillary services),
    3. Physician services,
    4. Mental/behavioral health and substance abuse services,
    5. Prescription drug benefits,
    6. Utilization management and medical management, and
    7. Disease management including but not limited to the five chronic diseases of focus to OGB: Asthma, Diabetes, Coronary Artery Disease, Chronic Obstructive Pulmonary Disease and Chronic Heart Failure.
- Provide at least 45 days advance written notification to OGB and its Plan Participants of any change in the Provider Network that will effect a 1% or greater change in the number of Providers in the network or a disruption that would impact 3% or greater of Plan Participants.
- Provide a network of primary, specialty, and ancillary care Providers within 60 miles of a Plan Participant's address.
- Process premium refunds to Low Income Subsidy (LIS) members enrolled in Medicare Advantage Part D plans on behalf of OGB.
- Reconcile Part D claims payments, subsidies, and rebates on an annual basis.
- Provide 21 day disenrollment notices to Plan Participants as required by Centers for Medicare & Medicaid Services (CMS). OGB to review required CMS communications annually. Communications should be clearly marked with OGB specific verbiage, which OGB has the right to change at any time.
- Consult with OGB regarding benefits provided under the Plan. No changes to said plan design shall be made during the term of the resulting Contract without the written consent of OGB.
- Accept enrollment information weekly from OGB in electronic format and enroll Plan Participants, including Consolidated Omnibus Budget Reconciliation Act (COBRA) beneficiaries, to receive benefits in accordance with OGB requirements and plan provisions.
- Staff and maintain a dedicated toll-free customer service unit and phone line to assist Plan Participants with questions on claims, benefits, and networks in compliance with Patient Protection and Affordable Care Act (PPACA) Section 1557 and any other applicable laws. Furnish a toll-free telephone number for incoming customer service

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

calls, including telephone technology for the hearing impaired and multi-lingual support. The customer service unit must be available for extended hours during OGB's annual enrollment period from October 1st-Nov 15th, and any additional special enrollment periods. To ensure compliance with Health Insurance Portability and Accountability Act (HIPAA), all customer service functions should be performed in the United States. To ensure quality of service, calls should be taken in an office setting only. Customer service representatives will accept and make warm transfers to and from OGB and its third-party vendors.

- Design, update, print, and/or mail all Plan Participant communication materials (e.g., provider directories, summary plan documents, Plan Participant education materials, etc.), advertisements and marketing materials. All such materials will be subject to OGB's approval prior to distribution and shall be in compliance with all applicable laws, including but not limited to PPACA Section 1557. The cost of preparation and distribution of any and all Plan Participant communications or promotional materials must be included in the quoted premium.
- Facilitate management of the health care services afforded OGB's Plan Participants under the Plan, including but not limited to authorization services, discharge planning, verification of provided services, utilization management, and quality assurance.
- Report population health risk status and changes to OGB, or a third party, on a regular basis using claims data and/or information from another health risk assessment vendor.
- Maintain website for Plan Participant access to their claims information, benefits, ordering of replacement ID cards, provider directories, self-care information, and other program information necessary to manage their health care needs, in compliance with all applicable laws, including but not limited to PPACA Section 1557.
- Provide 24/7 access to online portal for activities of Plan Participants and the plan sponsor such as claim submission, account monitoring, reporting, communications requested and approved by OGB, in compliance with PPACA Section 1557 and any other applicable laws. This portal must include adequate encryption to guarantee protection of the Plan Participant's privacy and confidential data (e.g., Protected Health Information (PHI), personal data, and banking information, as applicable). All outages in excess of 1- hour must be reported to the OGB Contract Monitor.
- Maintain a service disruption plan or procedure to continue customer service, portal access, and other business operations when existing service is temporarily unavailable because of scheduled or unforeseen events. Service disruption plan must be available upon request.
- Provide medical claims administration to include, but not be limited to, the following, in compliance with all applicable laws: process claims and remit timely payment to Providers; furnish to any claimant notices of payment, explanation of benefits, and/or denials for claims; provide review of Plan Participants' appeals and grievances; maintain medical and carved out pharmacy claims for integrated Medical/Rx out-of-pocket maximum accumulation; adjudicate and process all claims with service dates prior to termination date.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

- Prepare and distribute, at a minimum, the following required membership materials to each new Plan Participant within 30 days of receipt of enrollment confirmation from OGB:
    1. A member handbook, which includes information on all covered services, including, but not limited to: benefits, limitations, exclusions, copayments, coinsurances and deductibles, policies and procedures for utilizing clinical and administrative services, conditions under which an individual's membership may be terminated, procedures for registering complaints or filing grievances against the Contractor or any Providers participating in a contractual agreement with the Contractor.
    2. Directions to access an online directory of Providers, which includes all physicians, hospitals and specialty facilities. Hard copies of Provider directories and certificates of coverage must be available upon request.
    3. One identification card to each Plan Participant for individual coverage or two cards for all other classes of coverage. Additional cards for family members or replacement cards shall be provided upon request and at no additional charge to OGB or the Plan Participant.
    4. Summary of Benefits and Coverage (SBC) and Uniform Glossary, as required by the federal PPACA and/or applicable state law and/or rules and regulations promulgated pursuant thereto, and including PPACA Section I557. Provide printed SBC documents to OGB for distribution to eligible but not enrolled employees/retirees.
    5. The following notices and any other notices required by applicable laws:
        - **Women's Health and Cancer Rights Act Notices**. The Contractor will provide a notice to Primary Plan Participant(s) under the Women's Health and Cancer Rights Act of I998.
        - **HIPAA Authorized Delegate Form**. The Contractor will provide a HIPAA Authorized Delegate Form to Primary Plan Participant(s).
        - **HIPAA Privacy Notice**. The Contractor will provide each Primary Plan Participant with the Contractor‘s HIPAA privacy notice, in the event the Primary Plan Participant needs to contact the Contractor's Privacy Department. OGB will prepare and the Contractor will provide OGB's HIPAA privacy notice to Primary Plan Participants.
        - **Balance Billing Disclosure Notice**. The Contractor will provide a Balance Billing Disclosure Notice to Primary Plan Participants.
- Provide a Wellness Program that includes, at a minimum, the following components:
    1. 24/7 online program for Plan Participants and OGB;
    2. Preventive care tracking;
    3. Biometric data collection - onsite and PCP; and
    4. Health Coaching Capabilities.
- Comply with all Inflation Reduction Act (IRA) requirements and all applicable state and federal Laws.
- Perform a final reconciliation of annual premium payments by February 28th of the following plan year.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

- That any retiree data provided by OGB remains the property of the OGB.

V. Location/Hours of Operation

OGB: Hours of Operation: 8:00 a.m. to 5:00 p.m., Monday through Friday, 1201 N. 3rd Street, Suite G-159, Baton Rouge, LA 70802.

Contractor: Hours of Operation: 8:00 a.m. to 5:00 p.m. CT Monday through Friday.

Contractor Call Center: Hours of Operation: The Contractor's Call Center shall, at a minimum, accept calls Monday through Friday, 8:00 a.m. to 5:00 p.m. CT, except on official Louisiana State holidays.

Extended hours may be required during project implementation, Annual Enrollment periods, audits, and upon request for assistance with inquiries from the legislative or executive branches.

Any of the Contractor's offices used in service of this Contract must be in the United States.

VI. Performance Requirements

A. Performance Measurements/Guarantees

The following performance guarantees are the minimum acceptable standards for the resulting Contract. These metrics shall be reported to OGB quarterly and reconciled on an annual basis unless another time period is agreed to by OGB and the Contractor.

The Contractor agrees to provide performance guarantees on a client-specific basis and report OGB's results on a quarterly basis. OGB reserves the right to modify or amend the performance guarantees each Contract year. For each Measurement Period, the amount at risk will be one-sixth of the total maximum payable amount of this Contract. For certain performance guarantees, the Contractor will be subject to per day and per occurrence fees. The Annual Amount at Risk is a percentage of the annual amount of this Contract. Year 1 is considered one year for calculating the Annual Amount at Risk. Each subsequent year is considered one year for this calculation as well.

All performance guarantees must be reconciled annually and any penalties owed to OGB shall be paid within 90 days after the end of the Measurement Period.

1. **Audit:**
   OGB reserves the right to audit performance guarantee reports on a Measurement Period basis. A third party may be utilized to perform this audit.

2. **Measurement Periods**
   The Measurement Periods are as follows:
   Year 1: January 1, 2027 through December 31, 2027
   Year 2: January 1, 2028 through December 31, 2028
   Year 3: January 1, 2029 through December 31, 2029

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Additional measurement periods will be incorporated, as applicable, upon extension of this Contract, subject to any option approval required by law. If performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the measurement period.

Service Level	Fees at Risk Per Calendar Year
Independent Assurance Reporting: Submit annual Service Organization Control (SOC 1), Type II report resulting from SSAE 18 engagement no later than September 30th of each Contract year and/or other independent assurances approved by OGB by January 15th preceding the report deadline.	$1,000 per day
Annual Enrollment Meetings: 100% attendance of state-wide annual and any special enrollment meetings within the proposed regions for which the Contractor is authorized to provide coverage.	$1,000 per annual or special enrollment meeting missed
Average Speed to Answer: 60 seconds or less. The Average Speed to Answer means the average speed for answering of the customer service telephone line by a "live" representative each plan quarter.	6.25% of the Annual Amount at Risk
Abandon Call Rate: Abandon no more than 5% of all incoming calls received. Abandon Call Rate means the number of incoming telephone calls received by the customer service telephone line, which are abandoned by the caller after a selection is made to either 1) the Interactive Voice Response Unit or 2) the Call Representative, divided by the total number of incoming calls received by the customer service telephone line during such plan quarter.	6.25% of the Annual Amount at Risk
Eligibility Posting Timeliness: 98% of electronically transmitted eligibility updates shall be posted to the Contractor's system within two business days of receipt.	6.25% of the Annual Amount at Risk
Required Membership Materials: Required membership materials shall be distributed by the Contractor to each new Plan Participant within 30 days of receipt of confirmation from OGB as to the validity of the enrollment application.	6.25% of the Annual Amount at Risk

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

B. Monitoring Plan

OGB will designate an OGB Contract Monitor to this Contract who will serve as the primary point of contact for the Contractor. The Contract Monitor will be responsible for monitoring and evaluating all tasks and services performed by the Contractor. This evaluation will include the review of performance criteria and corresponding monetary penalties for the Contractor's failure to comply with the identified criteria below.

The monitoring plan is as follows:

1. The Contractor will submit various reports to the Contract Monitor as specified in this Statement of Work.
2. The Contract Monitor will ensure all deliverables are submitted timely and perform subsequent review and acceptance.

The Contract Monitor will provide oversight of the Contractor's performance of the terms of the Contract, including the implementation process, to ensure quality, efficiency, and effectiveness in fulfilling the goals and objectives of OGB.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Exhibit A: Regions By Parish



Region 1: Orleans, Saint Bernard, Plaquemines, and Jefferson
Region 2: East Baton Rouge, West Baton Rouge, Livingston, Ascension, Iberville, Pointe Coupee, East Feliciana, and West Feliciana
Region 3: Lafourche, Saint John, Saint Charles, Saint James, Assumption, and Terrebonne
Region 4: Lafayette, Evangeline, Saint Landry, Acadia, Saint Martin, Iberia, Vermilion, and Saint Mary
Region 5: Beauregard, Allen, Calcasieu, Jefferson Davis, and Cameron
Region 6: Vernon, Sabine, Natchitoches, Winn, Grant, Rapides, LaSalle, Catahoula, Concordia, and Avoyelles
Region 7: Caddo, Bossier, Webster, Bienville, Red River, DeSoto, and Claiborne
Region 8: Ouachita, Union, Lincoln, Jackson, Caldwell, Richland, Morehouse, Franklin, West Carroll, Madison, and Tensas
Region 9: Washington, Saint Tammany, Saint Helena, and Tangipahoa

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Attachment III: HMO Plan Design

The table below represents the minimum requirements only. Actual Medicare Advantage plan can offer at or better coverage.

Office visit copay	
Primary Care Physician (PCP)	$5 copay
Specialist (SCP)	$20 copay
Preventive care	
Routine physical exam Well Woman Care Immunizations	100%
Inpatient hospital	
Semi-private room, ancillary services and physician visits	100% after $50 copay per day for first ten days
Pre-admission testing	100%
Outpatient hospital care	100%
Emergency room	100% after $50 copay
Ambulatory surgical care center	100%
Physical therapy, respiratory, occupational or speech	100%
Home health care	100% per date of service
Durable Medical Equipment	80% after Part B deductible is met
Skilled nursing	100% for days 1-20 100% after $25 copay per day (days 21-100) Max of $203 per admission
Ambulance	100% after $145 copay per one-way trip (for both ground and air)
Hospice Care	100%
Urgent Care	100% after $10 copay
Mental Health	
Inpatient/ Intensive Outpatient	$50/day for days 1-10 $0/day for days 11-90 No coverage after 90 days
Outpatient	100% after $15 copay
Alcohol/Substance Abuse	
Inpatient	100% after $25 copay per day for first five days

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Outpatient	100% after $20 copay
Prescription Drug	
Retail (30 days)	
Level One	$5 (low cost generic)
Level Two	$10 (higher cost generic)
Level Three	$50 (low cost brand)
Level Four	$100 (higher cost brand)
Level Five	30% (specialty)
Mail Order (90 days)	
Level One	$0
Level Two	$0
Level Three	$135
Level Four	30 day supply only
Level Five	30 day supply only

Note: It is not mandatory to include a 5-level prescription formulary benefit structure, but such a structure must utilize a cost sharing that is better than the 30% offering for specialty for the final level.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Attachment IV: Business Associate Addendum

State of Louisiana, Office of Group Benefits
HIPAA Business Associate Addendum

This HIPAA Business Associate Addendum (Addendum) is entered into effective the January 01, 2027 (Effective Date), by and between **Louisiana Health Service and Indemnity Company dba Blue Cross and Blue Shield of Louisiana** (Business Associate) and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the Covered Entity), and adds to the Agreement or Contract effective January 1, 2027, entered into between Covered Entity and Business Associate (Agreement).

Whereas, pursuant to the Agreement, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information (PHI) that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity; and

Whereas, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services (HHS), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act (HITECH) (HIPAA).

Covered Entity and Business Associate, therefore, agree to the following terms and conditions set forth in this Addendum.

1. **Definitions**. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.

2. **Compliance with Applicable Law**. The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.

3. **Uses and Disclosures of PHI**. Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:

    a. Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
    b. Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity

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notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

c. Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.

d. Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.

e. Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

4. Required Safeguards to Protect PHI. Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI (ePHI) on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. Use of Artificial Intelligence (AI).

(a) Artificial Intelligence (AI) Definitions:

i. **Artificial Intelligence or AI Systems** – Means a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations or decisions influencing real or virtual environments. Artificial intelligence systems use machine and human-based inputs to: perceive real and virtual environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action. AI Systems include, but are not limited to:

1. Generative AI Systems, which create text, images, audio, video, software code, or other content;
2. Natural-Language Processing Systems, including chatbots, virtual assistants, translation tools, document-analysis tools, and text-classification systems;

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

3. Predictive Analytics Systems, which forecast outcomes, behavior, demand, risk, eligibility, costs, or other future conditions;
4. Decision-Support Systems, which generate recommendations, rankings, scores, evaluations, or proposed courses of action for human consideration;
5. Automated Decision Systems, which make or materially influence decisions with limited or no human intervention;
6. Machine-Learning Systems, which identify patterns or improve performance through training on data; and
7. Data Extraction, Summarization, and Document-Processing Systems, which review, organize, summarize, redact, or extract information from records.

ii. AI Usage Data: AI usage data may include AI configuration, access, transmission, input quality, decisions, disparities, and outcomes to the extent necessary to satisfy 45 CFR 164.312(b).

iii. Public AI Systems – an AI System that is made generally available for use by the public or a broad, unrestricted class of users, whether free of charge or for a fee operating on shared infrastructure outside the Associates control. A Public AI System includes publicly accessible web-based platforms, applications, models, or services that are not provided exclusively to the Associate under a private agreement.

iv. Third Party AI Systems – an AI System developed, owned, operated, hosted, or maintained by a person or entity other than Covered Entity and provided to the Business Associate through a private contract, license, subscription, procurement, or other restricted-use arrangement.

(b) The terms of this Addendum still apply to PHI when PHI is used in connection with artificial intelligence ("AI") systems or processes. Business Associate agrees it will implement and maintain an AI Governance Program addressing the use of PHI in AI systems, consistent with HIPAA Security Rule requirements and an industry-recognized AI governance framework, such as the NIST AI Risk Management Framework. Business Associate will only use PHI in AI systems to perform services for Covered Entity and in accordance with the terms of this Addendum. Unless expressly authorized in writing by Covered Entity:

i. PHI shall not be used for development, training, or improving AI systems.
ii. PHI shall not be used in public AI systems; and
iii. PHI shall not be used for any purpose other than fulfilling contractual services.

Business Associate shall ensure that PHI is not disclosed to or processed by public AI systems and shall implement safeguards to prevent unauthorized access, retention, or inferential disclosure of PHI through public AI systems or output. With the written permission of OGB, or for those systems contained in the attached schedule, a Business Associate may utilize internal AI Systems and approved third-party AI Systems to identify, classify, redact, or de-identify PHI in accordance with 45 C.F.R. §164.514 when such activities support the performance of contractual services.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

(c) Approval for Integration of Contractual Services with Third-Party AI Systems. As of the Effective Date, Business Associate may continue using the third-party AI systems identified in an attached schedule.

i. Business Associate shall maintain and provide, on a quarterly basis upon request, an updated schedule of third-party AI systems authorized to process Covered Entity PHI.

ii. Business Associate may update product names, service names, versions, or successor offerings from an existing approved vendor without requiring separate approval, provided there is no material change in the nature of PHI processing or applicable safeguards.

iii. Business Associate may implement new third-party AI systems prior to inclusion on the quarterly schedule, provided such systems are subject to appropriate contractual, privacy, security, and access controls and are used solely for purposes permitted under this Agreement.

(d) Audit rights. Business Associate must implement hardware, software, and/or procedures to retain AI usage data. Upon request, Business Associate must provide AI usage data sufficient to satisfy HHS's required audit controls pursuant to 45 CFR 164.312(b). Covered Entity may elect a third-party auditor to administer the audit.

6. **Reporting to Covered Entity**. As soon as reasonably practicable (but not more than 48 hours), Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for by this Agreement including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any Security Event of which it becomes aware that may constitute a breach of unsecured PHI. Business Associate shall cooperate with Covered Entity's investigation, analysis, notification, and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities. Business Associate shall conduct a breach risk assessment to ascertain the probability that PHI has been compromised within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Business Associate shall provide the breach risk assessment to Covered Entity within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Security Event is defined in the OTS Information Security Policy as an observable event, or collection of events, that may indicate a potential incident and shall be reviewed or investigated and may or may not be required for promotion to an Incident. https://www.doa.la.gov/doa/ots/about-us/infosec/.

7. **Notifications and Reporting to HHS**. Following a breach of unsecured PHI, Business Associate shall send the required notifications to plan participants, news media outlets, and the Secretary as required by HIPAA. Business Associate shall consult with Covered Entity's HIPAA Privacy Officer prior to publishing a notification in a prominent media outlet and provide Covered Entity with a copy of the final publication one business day before date of publication. Business Associate shall provide Covered Entity with copies of notifications sent to plan participants five business days before sending the notification(s). Business Associate

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

shall provide Covered Entity with copies of notifications submitted to the Secretary within three business days of submission.

8. **Mitigation of Harmful Effects.** Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

9. **Agreements with Third Parties**. Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associate's agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

10. **Access to Information.** Within 10 days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five days forward such request to Covered Entity.

11. **Availability of PHI for Amendment**. Within 10 days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

12. **Documentation of Disclosures**. Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

13. **Accounting of Disclosures**. Within 10 days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 10 of this Addendum, to permit Covered Entity to respond to the

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

14. **Other Obligations.** To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation. Such obligations include but are not limited to Covered Entity's obligations to provide breach notifications.

15. **Availability of Books and Records.** Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for six years following the final payment under the Agreement.

16. **Effect of Termination of Agreement.** Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within 60 days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement. When return of PHI is not feasible, Business Associate will identify any of Covered Entity's PHI, including any that Business Associate has disclosed to subcontractors or agents, that cannot feasibly be returned to Covered Entity or destroyed and explain why return or destruction is infeasible. Business Associate will limit its further use or disclosure of such information to those purposes that make return or destruction of such information infeasible. Business Associate's obligation to protect the privacy and safeguard the security of Covered Entity's Protected Health Information as specified in this Agreement will be continuous and survive termination or other conclusion of services and this Agreement. Business Associate's obligations as it relates to breach and notifications for this PHI as set forth in this Agreement will also be continuous and survive termination.

17. **Breach of Contract by Business Associate.** In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

18. **Indemnification.** Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. Covered Entity will promptly notify Business Associate of any such claim if Covered Entity is aware of such claim. Covered Entity agrees to assist and cooperate in the defense of such claim if feasible. This Section of the Addendum shall survive the termination of the Agreement or this Addendum.

19. **Exclusion from Limitation of Liability.** To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section of the Addendum shall survive the termination of the Agreement and this Addendum.

20. **Injunctive Relief.** Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

21. **Third Party Rights.** The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.

22. **Owner of PHI.** Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.

23. **Changes in the Law.** Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and records retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

24. **Judicial and Administrative Proceedings**. In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments prior to the Business Associate responding to the request. Covered Entity shall have the right to control Business Associate's response to such request.

25. **Conflicts**. If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

In Witness Whereof, the parties have executed this Addendum effective the day and year first above written.

Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana, on behalf of itself and its subsidiary, HMO Louisiana, Inc. Signature:

By: Signed by: Brian P. Keller 52FBD39787234B7...

Name: Brian Keller

Title: EVP & Chief Growth Officer

Date: 9/8/2026

Office of Group Benefits Signature:

By: Signed by: Heath Williams 21C3CF4BDC4F403...

Name: Heath Williams

Title: Chief Executive Officer

Date: 9/8/2026

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Attachment V: Records Retention Schedule Summary

This document summarizes OGB's official Records Retention Policy. OGB will provide the official document upon request. The signed Schedule will be a part of the Contract resulting from this RFP.

Abbreviations, Acronyms, Codes, and Indicators aggregated from and specific to the official Records Retention document:

Permitted Retention Period Abbreviations

ACT: Active Period; the term of the active period will be defined per occurrence throughout this document as it is used.
FY: Fiscal Year; for the State of LA, July 1-June 30.
CY: Calendar Year; January 1-December 31.
AY: Academic year; August 1-July 31.
FFY: Federal Fiscal Year; October 1-September 30.
MO: Month(s).
WK: Week(s).
DY: Day(s).
PERM: Permanent; Life of State.
LOA: Life of Agency.
Asterisk: born-digital or imaged records; brief description of the technology used.

Security Status Codes

P: Public Record
M: May Contain Confidential Information
C: Confidential Information

Archival Processing Codes

A: Transfer to State Archives
R: Retain in Agency Archives
S: Review by State Archives
O: Other (should be specified)

State Records Center Use Indicators

Y: Yes
N: No

Vital Record Identification Codes

V: Vital
I: Important
U: Useful

Agency Abbreviations

LLA: Louisiana Legislative Auditor
OGB: Office of Group Benefits
IAT: Interagency Transfers
OTS: Office of Technology Services
HR: Human Resources
SOF: Special Order Form
PES: Personnel Evaluation System
RFP: Request for Proposal
ITB: Intent to Bid
RFI: Request for Information
PHI: Protected Health Information
TPA: Third Party Administrator
IMMEHRA: Individual Medicare Market Exchange with Health Reimbursement Arrangements
HIPAA: Health Insurance Portability and Accountability Act

Storage Locations

In Office
In Storage

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Executive Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Internal Audit Records/Reports	ACT+2FY	3FY	ACT+5CY	M	S	Y	V	ACT=until the FY in which the audit report is issued*
LLA Audit Records/Reports	ACT+2FY	3FY	ACT+5CY	M	S	Y	V	ACT=until the FY in which the audit report is issued*
Group Benefits Policy and Planning Board Meeting Presentations	ACT+10CY	0	ACT+10FY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Group Benefits Policy and Planning Board Reports	LOA+10CY	0	LOA+10CY	M	R	N	V	none
Group Benefits Policy and Planning Board Meeting Minutes	PERM	0	PERM	M	R	N	V	none
Group Benefits Estimating Conference Meeting Presentations	ACT+10FY	0	ACT+10FY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Group Benefits Estimating Conference Meeting Minutes	PERM	0	PERM	M	R	N	V	none
OGB 5-year Strategic Plan	ACT+5FY	0	ACT+5FY	P	S	N	V	ACT=until the FY in which the strategic plan was drafted*

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Finance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Budget Request Documents/Records	ACT+5FY	0	ACT+5FY	P	S	N	V	ACT=until the end of the FY in which created*
Actuarial Revenue/ Expenditure Line-item Projections	ACT+5FY	0	ACT+5FY	M	S	N	V	ACT=until the end of the FY in which created*
Actuarial Premium Rate Schedules	ACT+5CY	0	ACT+5FY	P	S	N	V	ACT=until the end of the FY in which created*
Official Premium Rate Schedules	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Monthly OTS Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Annual IAT Agreements & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Misc. One-time Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
OGB Fiscal Note Worksheets & Supporting Documents	ACT+5CY	0	ACT+5CY	M	S	N	V	ACT=until the end of the FY in which created*
DOA Analysis Sheets & Supporting Documents	ACT+5CY	0	ACT+5CY	M	S	N	V	ACT=until the end of the FY in which created*
Fuel Invoices & Supporting Documents	ACT+1FY	3FY	ACT+4FY	M	S	Y	V	ACT=until the end of the FY in which the document was received*

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Communications Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Annual Enrollment Member Guides	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Annual Enrollment Member Presentations	ACT+10CY	0	ACT+10CY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Annual Enrollment HR Presentations	ACT+10CY	0	ACT+10CY	P	S	N	I	ACT=until the end of the CY in which the presentations were created*
Agency/Member memos on OGB Policies/Procedures Changes	LOA+10CY	0	LOA+10CY	P	R	N	V	none
Medicare Part D Creditable Coverage Notices	ACT+6CY	0	ACT+6CY	M	S	N	V	ACT=until the end of the CY in which the notices were created*
Publications	LOA+10CY	0	LOA+10CY	M	R	N	V	none
Designation Forms (OGB Coordinator, OGB Additional Agency Contacts) (GB-74, GB-76)	LOA+10CY	0	LOA+10CY	M	R	N	V	none

General Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Employee Driver Authorization Forms	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the employee separates from the agency*

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Employee Safety Meetings Training Materials & Sign-in Sheets	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or received*
OGB Employee PES Evaluations & Planning Session Documents	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which supervision ends*
OGB Employee Time & Attendance Reports	ACT+2CY	3CY	ACT+5CY	M	S	Y	V	ACT=until the end of the CY in which the documents were created or received*
Vehicle Logs & Supporting Documents	ACT+2FY	3FY	ACT+5FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or received*
SOF & Supporting Documents	ACT+2FY	1FY	ACT+3FY	M	S	Y	V	ACT=until the end of the FY in which the documents were created or received*
Daily Documents/Mail Assignment Logs	ACT+2FY	3FY	ACT+5FY	M	S	Y	U	ACT=until the end of the FY in which the logs were created*
Records Management Files	LOA+10CY	0	LOA+10CY	M	R	N	V	Retention Schedules, Disposal Requests, Transmittals, Surveys & Exceptions

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Contracts Management Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Contracts, Contract Amendments & Supporting Documents	ACT+3CY	7CY	ACT+10CY	M	S	Y	V	ACT=until the end of the CY in which the contract expires or terminates*
OGB Contract Solicitations, (RFP, ITB, RFI) & Supporting Documents	ACT+3CY	0	ACT+3CY	M	S	Y	V	ACT=until the end of the CY in which the solicitations deadline ends*

Agency Services Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Member Participation Schedules	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Member Collections Notices & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Member Appeals & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
OGB Participating Agency Administrative Error Appeals & Supporting Documents	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Enrollment Change Forms & Supporting Eligibility Documents (GB-01)	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Designation Forms (Agency Master User, Eligibility/eEnrollment Contact) (GB-75, GB-78)	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Customer Service Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
OGB Member Correspondence	LOA+10CY	0	LOA+10CY	C	R	N	V	none
Daily Work Papers: Includes printed copies of imaged documents and non-essential notes with PHI or OGB member contact info, produced by OGB Customer Service section staff	ACT	0	ACT	M	S	N	U	ACT=until the end of the day in which the work papers were created*
OGB Visitor Logs/Sign-in Sheets	ACT+2FY	3FY	ACT+5FY	M	S	Y	U	ACT=until the end of the FY in which the logs were created*

Medical & Pharmacy Benefits Administration – Health Insurance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Self-funded Health Plan Medical TPA Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Self-funded Health Plan Pharmacy TPA Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Fully Insured Health Plan Vendors Invoices & Supporting	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Documents								document was received*
Capitated Primary Care Network Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
IMMEHRA Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the document was received*
Health Plan Vendors Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the FY in which the report or deliverable was received*
Health Savings Account Enrollment & Payroll Deduction/Election Changes (GB-79 Forms)	LOA+10CY	0	LOA+10CY	C	R	N	V	none
TPA Health and Pharmacy Claims (including supplemental Claims)	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Medical & Pharmacy Benefits Administration – Life Insurance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Fully Insured Basic and Supplemental Life Insurance Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	U	ACT=until the end of the CY in which the document was received*
Fully Insured Basic and Supplemental Life Insurance Vendor Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	U	ACT=until the end of the CY in which the document was received*
Fully Insured Basic and Supplemental Life Insurance Member Beneficiary Designation/Change Forms	LOA+10CY	0	LOA+10CY	C	R	N	V	none

Medical & Pharmacy Benefits Administration – Flexible Benefits & Cobra Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
FSA & COBRA TPA Vendor Invoices & Supporting Documents	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the CY in which the document was received*
FSA & COBRA TPA Vendor Reports & Contract Deliverables	ACT+1CY	3CY	ACT+4CY	M	S	Y	V	ACT=until the end of the CY in which the document was received*
Flexible Spending Arrangement Enrollment/Stop	LOA+10CY	0	LOA+10CY	M	R	N	V	none

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Form (GB -2)								

Invoicing Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Reconciled Invoices with Payment Record	PERM	0	PERM	M	R	N	V	

Compliance Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Section 111 Reporting Documents and Reports mandated by the Centers for Medicare and Medicaid Services (CMS)	PERM	0	PERM	M	R	N	V	includes research, communication with CMS, internal communication, reports, working files
Administrative Procedures Act Documents and Reports	PERM	0	PERM	P	R	N	V	none
Mandated Legislative Reports and Regulations	ACT+5 CY	0	ACT+5 CY	P	S	N	V	ACT=until the end of the CY report Is submitted (regulations that become OGB policy and procedure may become permanent records)
OGB HIPAA Compliance Records	ACT+6 CY	0	ACT+6 CY	M	S	N	V	ACT=until the end of the CY in which the records were created or received*

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Discontinued Programs Section

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Filing Deadline Mail Records	ACT+ 3CY	0	ACT+3 CY	M	S	N	I	ACT=until the end of the CY in which the document was created or received*
Live and Event Claims Records	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Field and Audit Reports	ACT+ 5CY	0	ACT+5 CY	M	S	N	I	ACT=until the end of the CY in which the report was issued*
Health Claims (including Supplemental Claims)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Explanation of Benefits (EOBs)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Medical Records	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Pre-determinations	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Case Management	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Medical Necessities	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Paid in Vouchers	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Flexible Benefit Master File	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Hospital Audits, Statistical Reports and Work Papers	ACT+ 5CY	0	ACT+5 CY	M	S	N	I	ACT=until the end of the CY in which the report was issued*
Fraud and Abuse Case Files and Logs	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Health Claim Audits and Work Papers (including over $500 plan	ACT+ 5CY	0	ACT+5 CY	C	S	N	I	ACT=until the end of the CY in which Audit is completed*

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Record Series Title	In Office	In Storage	Total Retention	Security	Archival	State Records Use	Vital Record	Remarks
Member check Audits)								
Special Reports (Outlier, Check cycle)	ACT+ 10CY	0	ACT+1 0CY	M	S	N	I	ACT=until the end of the CY in which report is run*
Reviews (Medical, and Chiropractic)	LOA+ 10CY	0	LOA+1 0CY	C	R	N	V	none
Preferred Provider Option/Exclusive Provider Option Contracts	LOA+ 5CY	0	LOA+5 CY	M	R	N	V	none
Logic Approvals	ACT+ 3CY	7CY	ACT+1 0CY	M	S	N	V	ACT=until the end of the CY in which plan expires*
Adjusted Batch Listings	ACT+ 7CY	0	ACT+7 CY	M	S	N	I	ACT=until the end of the CY in which plan expires*
Fully Insured Basic & Supplemental Life Insurance: all claims documents received, requested, & sent	ACT+ 70CY	0	ACT+7 0CY	M	S	N	V	Employer Statements, Beneficiary Statements, EOBs, Beneficiary Info, Enrollment Info, Notes, Calls, & Payments. ACT=until the end of the FY in which the employee separates from the agency

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Attachment VI: Imaging System Survey Compliance and Records Destruction

In connection with OGB's electronic records retention requirements and within 30 days of the Contract's effective date, the Contractor shall complete a State Archives Imaging System Survey ("System Survey") and forward it to OGB.Records@la.gov[1], or as otherwise directed by OGB. According to LAC 4:XVII.1305(A), the System Survey must contain the following information:

1. A list of all OGB records series[2] maintained/managed by the Contractor's system;
2. The hardware and software used including model number, version number and total storage capacity;
3. The type and density of media used by the Contractor's system;
4. The type and resolution of images being produced (TIFF class 3 or 4 and dpi);
5. Contractor's quality control procedures for image production and maintenance;
6. Contractor's system's backup procedures, including the location of back-up (on or off-site) and number of existing images; and
7. Contractor's migration plan for purging images from the system that have met their retention period.

OGB shall review the System Survey to make an initial determination of conformity with LAC 4:XVII.1305(A). Once OGB determines that the Contractor's System Survey contains the requisite information, OGB will forward the System Survey to the Secretary of State. As a continuing requirement, any system changes necessitating a revised System Survey response must be submitted to the Secretary of State within 90 days of the change. To ensure compliance with this rule, the Contractor shall notify the Records Officer of these changes within 60 days so that he or she may forward the appropriate information to the Secretary of State.

[1] If OGB makes a different designation, OGB will notify the Contractor of the change and provide updated contact information.

[2] A records series is a group of related or similar records that may be filed together as a unit, used in a similar manner, and typically evaluated as a unit for determining retention periods. LAC 4:XVII.301(A). The records series listed in the Contractor's imaging survey should correspond to the records series listed on the OGB official Attachment V: **Record Retention Schedule**.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Attachment VII: Insurance Requirements for Contractors

The Contractor shall purchase and maintain for the duration of this Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. Minimum Scope and Limits of Insurance

1. **Workers Compensation**
   Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of $1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. **Commercial General Liability**
   Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of $1,000,000 and a minimum general annual aggregate of $2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Automobile Liability**
   Automobile Liability Insurance shall have a minimum combined single limit per accident of $1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. **Professional Liability (Errors and Omissions)**
   Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of $3,000,000 per claim. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of this Contract. The policy shall provide an extended reporting period of not less than 24 months, with full reinstatement of limits, from the expiration date of the policy.

5. **Cyber Liability**
   Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of

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$25,000,000 or self-insurance limit of $25,000,000 per claim for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Data breaches containing PHI are governed by the BAA. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of this Contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages

    a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
    b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under this Contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

    To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

    a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, the Contractor is required to notify Agency of policy cancellations or reductions in limits.
    b. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall release the Contractor from the obligations of the insurance

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

requirements or indemnification agreement.

c. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. Acceptability of Insurers

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.
2. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

E. Verification of Coverage

1. The Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the Agency before work commences and upon any Contract renewal or insurance policy renewal thereafter.
2. The Certificate Holder shall be listed as follows:

   State of Louisiana
   Office of State Procurement
   1201 N 3rd St, Claiborne Building, Suite 2-160
   Baton Rouge, LA 70802

3. In addition to the Certificates, the Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this Contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under this Contract.

F. Subcontractors

The Contractor shall include all subcontractors as insureds under its policies or shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

G. Workers' Compensation Indemnity

In the event the Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that the Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of the Contractor, its owners, agents and employees. The parties further agree that the Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. The Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this Contract.

Docusign Envelope ID: 877D3092-B3CC-8CB5-83D6-7A41E37DF0CA

Attachment VIII: Price Schedule

Administrative Fee to OGB Per Primary Plan Participant Per Month:	$10.00

Proposed Plan Offering for **January 01, 2027 – December 31, 2027**

Region	Plan Offering Description	Fixed Monthly Premium per Plan Participant per Month
Region 1	Blue Advantage (HMO) Pine	$298.00
Region 2	Blue Advantage (HMO) Pine	$283.00
Region 3	Blue Advantage (HMO) Pine	$281.00
Region 4	Blue Advantage (HMO) Pine	$229.00
Region 5	Blue Advantage (HMO) Pine	$367.00
Region 6	Blue Advantage (HMO) Pine	$310.00
Region 7	Blue Advantage (HMO) Pine	$310.00
Region 8	Blue Advantage (HMO) Pine	$310.00
Region 9	Blue Advantage (HMO) Pine	$370.00

***** The Contractor will submit proposed rates for each subsequent 12 month period of the Contract no later than August 31st of the preceding year, beginning on August 31, 2027.

Note: Premium rates proposed for each 12 month period must be approved by the Centers for Medicare and Medicaid Services (CMS). Additionally, for each 12 month period, the Contractor must document, through a written certification from its actuary, that the proposed rates for each 12 month period are calculated on the basis of sound actuarial principles, reasonable in relation to the benefits provided and the population anticipated to be covered, and are neither excessive nor deficient.

Agenda Item No. 11

Review and approval of amendments to 2026 emergency contracts between the Office of Group Benefits and the following entities, in accordance with the provisions of R.S. 42:802(D)(2):

A. SilverScript Insurance Company

B. Southern Scripts, LLC d/b/a Liviniti, LLC

State of Louisiana
Office of Group Benefits

Heath Williams
Chief Executive Officer



Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804
Phone (800) 272-8451
Fax (225) 342-9919

Office of Group Benefits

September 17, 2026 Meeting of the Joint Legislative Committee on the Budget

SilverScript Insurance Company

Pharmacy Benefit Manager Services Emergency Contract Amendment No. 1
Overview

SilverScript Insurance Company

PBM Services Emergency Contract Amendment No. 1 Overview

Contract Purpose	To provide PBM services to support OGB self-funded health plan members enrolled in Medicare Part D.
Eligible Participants	Members enrolled in the Louisiana Blue Magnolia Open Access, Local, Local Plus, and Pelican HRA1000 plans who are also enrolled in Medicare Part D.
Eligible Participant Counts[1]	44,493
Beginning Contract Date	01/01/2026
Ending Contract Date	12/31/2026
Renewable Options Already Exercised	None
Renewable Options Remaining	1 Year (12 months)
Ending Contract Date After this Amendment	12/31/2027
Original Procurement Method	Emergency solicitation
Current Contract Maximum Payable Amount[2]	$398,526,362.00
Contract Maximum Payable Amount with Amendment No. 1[2]	$790,899,252.00
Administrative Fees[3]	No change from current contract rate

2026 Emergency Contract Amendment No. 1 Highlights

- Exercises the renewable option for twelve months, changing the emergency contract term date from 12/31/2026 to 12/31/2027.
    - Financial and performance guarantee measurement periods have been adjusted to include the additional 12 month period.
- Increases the emergency contract maximum payable amount by $392,372,890.00 for a total of $790,899,252.00.

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[1] Based on 9/1/2026 member participation counts for the BCBSLA Magnolia Open Access, Magnolia Local, Magnolia Local Plus, and Pelican HRA1000 plans. OGB self-funded health plan members not enrolled in Medicare Part D will receive PBM services through Liviniti.

[2] The Contract Maximum Payable Amounts listed above do not include member cost share, invoice credits, rebates, or federal subsidies.

[3] The *per member per month* administrative fee rate is considered proprietary and confidential.

SilverScript Insurance Company

PBM Services Emergency Contract Amendment No. 1 Overview

- No other changes to existing contractual terms.

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

Amendment Number 01
Pharmacy Benefits Management Contract
PO Number 2000963818

Be it known, that effective upon approval by the Office of State Procurement, as evidenced by the Director's signature on this document, the State of Louisiana, Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, Louisiana 70802, (hereinafter sometimes referred to as the "OGB" or "State") SilverScript Insurance Company ("SilverScript"), a wholly owned direct subsidiary of Part D Holding Company, L.L.C., a subsidiary of Caremark Rx, L.L.C., whose parent company is CVS Health Corporation, One CVS Drive, Woonsocket, RI 02895, (hereinafter sometimes referred to as "Contractor") do hereby enter into this Amendment Number 01 to the Emergency Contract, under the following terms and conditions through the undersigned and duly authorized representatives of each respective party.

Contract, Section 3.0 Term of Contract

Change From:

This Emergency Contract shall begin on January 1, 2026, and shall end on December 31, 2026, unless otherwise terminated in accordance with the Termination provisions of this Emergency Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Emergency Contract may be extended for up to 12 additional months with prices, terms and conditions that are mutually agreed to by the parties and reflected in an amendment to this Emergency Contract. Total Contract time not to exceed 24 months.

Change To:

This Emergency Contract shall begin on January 1, 2026, and shall end on December 31, 2027, unless otherwise terminated in accordance with the Termination provisions of this Emergency Contract. Total Contract time not to exceed 24 months.

Contract, Section 4.2. Performance Measures

Change From:

The Contract Monitor will evaluate the Contractor's performance under this Emergency Contract. This evaluation will include review of performance criteria and corresponding monetary penalties for the Contractor's failure to comply with the identified criteria in Section 19.0 Performance Guarantees and **Attachment II: Statement of Work** and/or any subsequent addendum.

Change To:

The Contract Monitor will evaluate the Contractor's performance under this Emergency Contract. This evaluation will include review of performance criteria and corresponding monetary penalties for the Contractor's failure to comply with the identified criteria in Section 19.0 Performance Guarantees and **Attachment I: Statement of Work** and/or any subsequent addendum.

Contract, Section 5.0 Payment Term

Change From:

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

In consideration of the services required by this Emergency Contract, OGB hereby agrees to pay the Contractor as follows:

OGB will pay the Contractor a maximum amount of $398,526,362.00 for work performed during the term of this Emergency Contract. This fee is inclusive of travel and all Contract-related expenses.

Payments are predicated upon successful completion by the Contractor and written approval by OGB of the described Statement of Work and Deliverables as provided in this Emergency Contract. The Contractor will not be paid more than the maximum amount of this Emergency Contract. OGB will make no payments on banking or State holidays.

The Contractor may invoice OGB at the billing address designated by the State. Invoices shall include the Emergency Contract and order number, using department and services purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

Payment will be made only upon approval of the Contract Monitor.

Change To:

In consideration of the services required by this Emergency Contract, OGB hereby agrees to pay the Contractor as follows:

OGB will pay the Contractor a maximum amount of $790,899,252.00 for work performed during the term of this Emergency Contract. This fee is inclusive of travel and all Contract-related expenses.

Payments are predicated upon successful completion by the Contractor and written approval by OGB of the described Statement of Work and Deliverables as provided in this Emergency Contract. The Contractor will not be paid more than the maximum amount of this Emergency Contract. OGB will make no payments on banking or State holidays.

The Contractor may invoice OGB at the billing address designated by the State. Invoices shall include the Emergency Contract and order number, using department and services purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

Payment will be made only upon approval of the Contract Monitor.

Contract, Section 20.0 Performance Guarantees, Last paragraph of this Section

Change From:

Measurement Periods: For annual performance guarantees, the period to be measured shall be January 1, 2026 through December 31, 2026. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

Change To:

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

Measurement Periods: For annual performance guarantees, the period to be measured shall be as follows. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

Measurement Periods:

Year 1: January 1, 2026 through December 31, 2026

Year 2: January 1, 2027 through December 31, 2027

Contract, Section 21.0 Financial Guarantees, Measurement Period Section

Change From:

Measurement Period: The period to be measured as follows:

Year 1: January 1, 2026 through December 31, 2026

In the event that the Contract is extended, the Measurement Period will be:

Year 2: January 1, 2027 through December 31, 2027

Change To:

Measurement Period: The period to be measured as follows:

Year 1: January 1, 2026 through December 31, 2026

Year 2: January 1, 2027 through December 31, 2027

Attachment I: Statement of Work - Task (3): Pharmacy Benefit Manager Services (First bullet point on page 45)

Change From:

- At no additional cost to OGB but subject to impacts as contemplated in **Attachment III: Pricing, Section 2.5 General Pricing Terms and Conditions** if applicable, the Contractor shall allow edits to the Formulary (including the ability to remove or add any products such as but not limited to over the counter ("OTC") products) if requested by OGB. The Contractor shall provide OGB with estimates of all expected financial impacts of any contemplated edits to the Formulary. OGB shall be permitted reasonable time to review expected financial impacts prior to rendering a final decision. The Contractor shall implement edits to Formularies within an acceptable timeframe proposed by the Contractor and approved by OGB in writing. To the extent OGB requests and implements formulary changes that comprise a significant departure to the Formulary, the Contractor may charge an additional fee for the current cost of supporting a custom formulary.

Change To:

- At no additional cost to OGB but subject to impacts as contemplated in **Attachment II: Pricing, Section 2.5 General Pricing Terms and Conditions** if applicable, the Contractor shall allow edits to the Formulary (including the ability to remove or add any products such as but not limited to over the counter ("OTC") products) if requested by OGB. The

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

Contractor shall provide OGB with estimates of all expected financial impacts of any contemplated edits to the Formulary. OGB shall be permitted reasonable time to review expected financial impacts prior to rendering a final decision. The Contractor shall implement edits to Formularies within an acceptable timeframe proposed by the Contractor and approved by OGB in writing. To the extent OGB requests and implements formulary changes that comprise a significant departure to the Formulary, the Contractor may charge an additional fee for the current cost of supporting a custom formulary.

Attachment I: Statement of Work - Task (4): Clinical Management Services – Deliverables

Only the Deliverables identified below are being revised. All other Emergency Contract Deliverables will remain unchanged and will continue to apply as stated in the original Emergency Contract.

Change From:

Deliverable	Description	Frequency of Submission
Independent Assurances		
Independent Assurances	Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of April 1, 2025 – March 31, 2026. Contractor shall also provide bridge letters to OGB for the period of April 1, 2026 – December 31, 2026.	Initial copy for April 1, 2025- March 31, 2026 shall be provided by July 31, 2026. The bridge letter shall be provided within two months following the close of the period covered by the letter.
Operational Activities		
Overdue Unpaid Balance Report	A listing of M3P Participants who have overdue unpaid balances, the amount owed, and all relevant dates such as dates notices are sent, date the sixty-day grace period ends, etc.	Every 15th day of the month, beginning February 15, 2026, with the final report due on January 15, 2027 providing a final accounting.

Change To:

Deliverable	Description	Frequency of Submission

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

Independent Assurances		
Independent Assurances	Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of April 1, 2025 – March 31, 2026. Contractor shall also provide bridge letters to OGB for the period of January 2027– December 31, 2027.	Initial copy for April 1, 2025- March 31, 2026 shall be provided by July 31st of the subsequent calendar year. The bridge letter shall be provided within two months following the close of the period covered by the letter.
Operational Activities		
Overdue Unpaid Balance Report	A listing of M3P Participants who have overdue unpaid balances, the amount owed, and all relevant dates such as dates notices are sent, date the sixty-day grace period ends, etc.	Every 15th day of the month, beginning February 15, 2026, with the final report due on January 15th of the subsequent calendar year providing a final accounting.

Attachment I: Statement of Work - Task (4): Clinical Management Services – Fifth paragraph of Performance Guarantees

Change From:

Measurement Periods: For annual performance guarantees, the period to be measured shall be calendar year 2026. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

Performance Guarantees Total Dollar at Risk	Calendar Year 2026
EGWP Ongoing Performance Guarantees: Total dollar at risk for the Ongoing (annual) Performance Guarantees.	[redacted]

*Annual Risk Allocation for EGWP Performance Guarantees will be calculated using the Performance Guarantees Dollar at Risk. For example, a 4% annual risk allocation for failure to meet an ongoing performance guarantee would result in a penalty in the amount of [redacted]

**Numbers based upon the following assumption: EGWP 44,017 lives (retirees and eligible dependents).

Change To:

Measurement Periods: For annual performance guarantees, the period to be measured shall be each calendar year. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

Performance Guarantees Total Dollar at Risk	Each Calendar Year
EGWP Ongoing Performance Guarantees: Total dollar at risk for the Ongoing (annual) Performance Guarantees.	[redacted]

*Annual Risk Allocation for EGWP Performance Guarantees will be calculated using the Performance Guarantees Dollar at Risk. For example, a 4% annual risk allocation for failure to meet an ongoing performance guarantee would result in a penalty in the amount of [redacted]

**Numbers based upon the following assumption: EGWP 44,017 lives (retirees and eligible dependents).

Attachment II: Pricing - Section 2.3 Pricing for Retail Claims, Mail Order Claims and Specialty Drug Claims

Change From:

The amount billed to OGB will be equal to the amount paid to Retail Pharmacies. For Claims Filled at Mail Order, Specialty Pharmacy, and Retail Pharmacy Claims, the participating pharmacy will collect from the Member the lowest of the discounted cost plus dispensing fee and applicable taxes, applicable cost share, or the participating pharmacy's Usual and Customary price (if applicable).

EGWP

Retail Network Pricing (Base Retail Network)	(Calendar Year 2026)
Brand Discount: The annual average Brand discount guarantee.	AWP - [redacted] Long Term Care (LTC): AWP - [redacted] Home Infusion (HIF): AWP - [redacted] Indian Health Service, Tribal and Urban (IHS): AWP - [redacted] Territory (TER): AWP - [redacted]
Generic Discount: The annual average Generic discount guarantee.	AWP - [redacted] Long Term Care (LTC): AWP - [redacted] Home Infusion (HIF): MAC or AWP - [redacted]

	Indian Health Service, Tribal and Urban (IHS): AWP - [redacted] Territory (TER): MAC or AWP - [redacted]
Dispensing Fee: The annual average Dispensing Fee guarantee.	Brand & Generic: [redacted] per claim Long Term Care (LTC): Brand: [redacted] per claim Generic: [redacted] per claim Home Infusion (HIF): Brand: [redacted] per claim Generic: [redacted] per claim Indian Health Service, Tribal and Urban (IHS): Brand: [redacted] per claim Generic: [redacted] per claim Territory (TER): [redacted] per claim
Retail 90 Network Pricing	**(Calendar Year 2026)**
Brand Discount: The annual average Brand discount guarantee.	AWP - [redacted]
Generic Discount: The annual average Generic discount guarantee.	AWP - [redacted]
Dispensing Fee: The annual average Dispensing Fee guarantee.	[redacted] per claim
Mail Network Pricing	**(Calendar Year 2026)**
Discount: The value of "X" in the lower of AWP - X% + Dispensing Fee or MAC + Dispensing Fee.	AWP - [redacted]
Generic Discount: The annual average Generic discount guarantee.	AWP - [redacted]
Dispensing Fee:	[redacted] per claim
Mail/PBM Specialty and Retail Specialty Pricing	**(Calendar Year 2026)**
Minimum discount for all new products in new therapeutic classes	AWP [redacted]
Aggregate annual discount guarantee across all specialty drugs. This will include all specialty products, including bio-generics, biosimilars, limited distribution, etc.	Specialty at Retail Brand: AWP [redacted] Generic: AWP [redacted] Specialty at CVS Specialty Pharmacies Overall Effective Discount (OED) Guarantee: AWP - [redacted] See Attachment VIII: Specialty Fee Schedule
Dispensing Fee for Specialty Drug Claims filled at Mail/PBM Specialty Pharmacies	[redacted] per claim
Dispensing Fee for Specialty Drug Claims filled at Retail Pharmacies	[redacted] per claim

Change To:

The amount billed to OGB will be equal to the amount paid to Retail Pharmacies. For Claims filled at Mail Order, Specialty Pharmacy, and Retail Pharmacy Claims, the participating pharmacy will collect from the Member the lowest of the discounted cost plus dispensing fee and applicable taxes, applicable cost share, or the participating pharmacy's Usual and Customary price (if applicable).

EGWP

Retail Network Pricing (Base Retail Network)	(Calendar Year 2026 and 2027)
Brand Discount: The annual average Brand discount guarantee.	AWP - [redacted] Long Term Care (LTC): AWP - [redacted] Home Infusion (HIF): AWP - [redacted] Indian Health Service, Tribal and Urban (IHS): AWP - [redacted] Territory (TER): AWP - [redacted]
Generic Discount: The annual average Generic discount guarantee.	AWP - [redacted] Long Term Care (LTC): AWP - [redacted] Home Infusion (HIF): MAC or AWP - [redacted] Indian Health Service, Tribal and Urban (IHS): AWP - [redacted] Territory (TER): MAC or AWP - [redacted]
Dispensing Fee: The annual average Dispensing Fee guarantee.	Brand & Generic: [redacted] per claim Long Term Care (LTC): Brand: [redacted] per claim Generic: [redacted] per claim Home Infusion (HIF): Brand [redacted] per claim Generic: [redacted] per claim Indian Health Service, Tribal and Urban (IHS): Brand: [redacted] per claim Generic: [redacted] per claim Territory (TER): [redacted] per claim
Retail 90 Network Pricing	(Calendar Year 2026 and 2027)
Brand Discount: The annual average Brand discount guarantee.	AWP - [redacted]
Generic Discount: The annual average Generic discount guarantee.	AWP - [redacted]
Dispensing Fee: The annual average Dispensing Fee guarantee.	[redacted] per claim
Mail Network Pricing	(Calendar Year 2026 and 2027)

Discount: The value of "X" in the lower of AWP - X% + Dispensing Fee or MAC + Dispensing Fee.	AWP – [redacted]
Generic Discount: The annual average Generic discount guarantee.	AWP – [redacted]
Dispensing Fee:	[redacted] per claim
Mail/PBM Specialty and Retail Specialty Pricing	**(Calendar Year 2026 and 2027)**
Minimum discount for all new products in new therapeutic classes	AWP - [redacted]
Aggregate annual discount guarantee across all specialty drugs. This will include all specialty products, including bio-generics, biosimilars, limited distribution, etc.	Specialty at Retail Brand: AWP - [redacted] Generic: AWP - [redacted] Specialty at CVS Specialty Pharmacies Overall Effective Discount (OED) Guarantee: AWP - [redacted] See Attachment VIII: Specialty Fee Schedule
Dispensing Fee for Specialty Drug Claims filled at Mail/PBM Specialty Pharmacies	[redacted] per claim
Dispensing Fee for Specialty Drug Claims filled at Retail Pharmacies	[redacted] per claim

Attachment II: Pricing - Section 2.4. Credits and Allowances – Second Paragraph

Change From:

PBM agrees to provide OGB an annual EGWP administration fund credit of [redacted] per Plan Participant per year which will be available during the term of this Contract as provided in **Attachment II: Statement of Work**.

Change To:

PBM agrees to provide OGB an annual EGWP administration fund credit of [redacted] per Plan Participant per year which will be available during the term of this Contract as provided in **Attachment I: Statement of Work.**

Attachment II: Pricing - Section 2.5. General Pricing Terms and Conditions - First Paragraph

Change From:

The financial provisions in this Emergency Contract are based upon information provided by OGB (or OGB's authorized representative) during the pricing request process. Subject to written notice to OGB within 30 days and upon written agreement between OGB and the Contractor, **Attachment III: Pricing.**

Change To:

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The financial provisions in this Emergency Contract are based upon information provided by OGB (or OGB's authorized representative) during the pricing request process. Subject to written notice to OGB within 30 days and upon written agreement between OGB and the Contractor, **Attachment II: Pricing.**

Revised Contract Attachment:

Attachment IV: Business Associate Addendum has been replaced in its entirety. See attached revised Attachment III : Business Associate Addendum.

Words which are struck through are deletions. Words in bold, red, and highlighted are additions.

All other terms and conditions of the Contract shall remain the same. The original Contract and all Amendments constitute the entire Agreement between the State and the Contractor. Any other oral or written communications between the parties before or after its execution shall not alter its effects, unless the change or modification is in writing and signed by authorized representatives of the State and the Contractor. In the event of a conflict between the terms and conditions of the Contract and this Amendment, the terms and conditions of this Amendment shall prevail.

In Witness Whereof, the parties have executed this Amendment Number 01.

SilverScript Insurance Company Signature:

By:

Name: Cheryl Byron

Title: Vice President, Employer Sales

Date: 09/11/2026

Office of Group Benefits Signature:

By: Heath Williams

Name: Heath Williams

Title: Chief Executive Officer

Date: 9-11-26

Office of State Procurement Approval:

By: Signed by: Allison Underwood 2D4280C9DB984B5...

Title: State Procurement Assistant Director

Date: 9/11/2026

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

ATTACHMENT III: BUSINESS ASSOCIATE ADDENDUM

State of Louisiana, Office of Group Benefits
HIPAA Business Associate Addendum

THIS HIPAA BUSINESS ASSOCIATE ADDENDUM (the "Addendum") is entered into effective the 1st day of January, 2027 (Effective Date), by and between SilverScript Insurance Company ("Business Associate") and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the "Covered Entity"), and adds to the Emergency Contract effective January 1, 2026, entered into between Covered Entity and Business Associate (the "Agreement").

WHEREAS, pursuant to the Contract, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information ("PHI") that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity; and

WHEREAS, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services ("HHS"), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act ("HITECH") (collectively "HIPAA").

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. *Definitions*. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.

2. *Compliance with Applicable Law*. The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.

3. *Uses and Disclosures of PHI*. Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:

(a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

(b) Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

(c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities. It is not contemplated that Business Associate will

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.

(d) Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.

(e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

(f) Business Associate may use and disclose PHI to respond to requests for PHI either accompanied by an authorization that meets the requirements of 45 CFR 164.508 or from a covered entity or health care provider in accordance with 45 CFR 164.506(c); or to report violations of law to federal and state agencies consistent with 45 CFR 164.502(j)(1). On a quarterly basis and at any time requested by Covered Entity, Business Associate will submit written notice of use and disclosure of PHI to Covered Entity when responding to requests pursuant to Section 3(f) of this Agreement.

4. *Required Safeguards to Protect PHI*. Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI ("ePHI") on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. *Use of Artificial Intelligence (AI)*. The provisions of this section shall apply solely to the extension period established by this Amendment and shall have no application to the original term of the contract. Business Associate agrees it has implemented, and will continue to maintain, an AI Governance program that addresses Business Associate's use of PHI in AI Systems, in a manner consistent with the HIPAA Security Rule requirements and an industry recognized AI governance framework, such as the NIST AI Risk Management Framework.

Business Associate affirms that its AI Governance program includes the following terms in substance:

A. Accuracy Testing: Prior to and during any use of a HIPAA-Compliant AI system in connection with the covered services under the BAA, Business Associate tests such feature for accuracy in Business Associate's use cases.

B. Qualified Personnel: Business Associate ensures that only duly trained and qualified individuals with proper authorizations perform the applicable covered services use HIPAA-Eligible AI systems.

C. Third Party Recipients: To the extent Business Associate provides AI Outputs to another covered entity, business associate, or third party that contains PHI, Business Associate will ensure that it has in place Business Associate Agreements as required by HIPAA.

D. That the terms of this Addendum still apply to PHI when PHI is used in connection with AI systems or processes.

E. Business Associate will only use PHI in AI systems to perform services for Covered Entity and/or in accordance with the terms of this Agreement, Addendum and/or the Emergency Contract.

F. Unless expressly authorized in writing by Covered Entity, Business Associate shall ensure that:

    a. PHI shall not be used for development, training, or improving AI Systems;

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

b. PHI shall not be disclosed, used or processed in Public AI Systems; and

c. PHI shall not be used with AI for any purpose other than as permitted by the Agreement and fulfilling contractual services.

G. For Third Party AI Systems;

a. Business Associate agrees to provide Covered Entity, upon request, with summary information on its use of any Third-Party AI Systems that process PHI as part of the Services,

b. Business Associate shall ensure any use of Third Party AI Systems is compliant with HIPAA, including maintaining applicable safeguards to prevent unauthorized access, retention, or inferential disclosure of PHI through AI systems or output.

c. Notwithstanding the foregoing, no separate written approval under this paragraph shall be required for Business Associate's use of a Third-Party AI System that (i) is licensed to, or under contract with, Business Associate, (ii) is disclosed to Covered Entity, and (iii) is not a Public AI System.

d. When possible, PHI shall be deidentified in accordance with 45 C.F.R. § 164.514 when added to an AI system.

H. Artificial Intelligence (AI) Definitions:

"Artificial Intelligence" or "AI Systems"

Means a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations or decisions influencing real or virtual environments. Artificial intelligence systems use machine and human-based inputs to: perceive real and virtual environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action.

AI Systems include, but are not limited to:

a) Generative AI Systems, which create text, images, audio, video, software code, or other content;

b) Natural-Language Processing Systems, including chatbots, virtual assistants, translation tools, document-analysis tools, and text-classification systems;

c) Predictive Analytics Systems, which forecast outcomes, behavior, demand, risk, eligibility, costs, or other future conditions;

d) Decision-Support Systems, which generate recommendations, rankings, scores, evaluations, or proposed courses of action for human consideration;

e) Automated Decision Systems, which make or materially influence decisions with limited or no human intervention;

f) Machine-Learning Systems, which identify patterns or improve performance through training on data; and

g) Data Extraction, Summarization, and Document-Processing Systems, which review, organize, summarize, redact, or extract information from records.; and

h) AI-Enabled Features Embedded in Other Software or Services, even when AI is not the primary purpose of the underlying product.

i) AI Outputs An output is a response to a query or command given to generative AI. If you ask for a picture, the picture would be an output. If you ask for an analysis, it would give you an output

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

Public AI Systems:

Means an AI System that is made generally available for use by the public or a broad, unrestricted class of users, whether free of charge or for a fee operating on shared infrastructure outside the Associates control. A Public AI System includes publicly accessible web-based platforms, applications, models, or services that are not provided exclusively to the Associate under a private agreement.

Third Party AI Systems:

Means an AI System developed, owned, operated, hosted, or maintained by a person or entity other than the Agency and provided to the Associate through a private contract, license, subscription, procurement, or other restricted-use arrangement. A Third-Party AI System is available only to the Agency, Associate, designated users, or other authorized persons under the terms and is not generally available for unrestricted public use.

6. *Reporting to Covered Entity*. As soon as reasonably practicable (but not more than 48 hours), Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for by this Agreement, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any Security Event of which it becomes aware that may constitute a breach of unsecured PHI. Business Associate shall cooperate with Covered Entity's investigation, analysis, notification, and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities. Business Associate shall conduct a breach risk assessment to ascertain the probability that PHI has been compromised within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Business Associate shall provide the breach risk assessment to Covered Entity within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Security Event is defined in the OTS Information Security Policy as an observable event, or collection of events, that may indicate a potential incident and shall be reviewed or investigated and may or may not be required for promotion to an Incident. https://www.doa.la.gov/doa/ots/about-us/infosec/.

7. *Notifications and Reporting to HHS.* Following a breach of unsecured PHI, Business Associate shall send the required notifications to Plan Participants, news media outlets, and the Secretary as required by HIPAA. Business Associate shall consult with Covered Entity prior to publishing a notification in a prominent media outlet and provide Covered Entity with a copy of the final publication within one business day of publication. Business Associate shall provide Covered Entity with copies of notifications sent to Plan Participants within five business days of sending the notification(s). Business Associate shall provide Covered Entity with copies of notifications submitted to the Secretary within three business days of submission.

8. *Mitigation of Harmful Effects*. Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

9. *Agreements with Third Parties*. Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

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10. *Access to Information*. Within 10 days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five days forward such request to Covered Entity.

11. *Availability of PHI for Amendment*. Within 10 days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

12. *Documentation of Disclosures*. Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

13. *Accounting of Disclosures*. Within 10 days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section **11** of this Addendum, to permit Covered Entity to respond to the request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

14. *Other Obligations*. To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation. Such obligations include but are not limited to Covered Entity's obligations to provide breach notifications.

15. *Availability of Books and Records*. Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for six years following the final payment under the Agreement.

16. *Effect of Termination of Agreement*. Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within 60 days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.

17. *Breach of Contract by Business Associate*. In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately

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terminate the Agreement if Covered Entity determines that Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

18. *Indemnification*. Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section 18 of the Addendum shall survive the termination of the Agreement or this Addendum.

19. *Exclusion from Limitation of Liability*. To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section 19 of the Addendum shall survive the termination of the Agreement and this Addendum.

20. *Injunctive Relief*. Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

21. *Third Party Rights*. The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.

22. *Owner of PHI*. Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.

23. *Changes in the Law*. Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and records retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.

24. *Judicial and Administrative Proceedings*. In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments. Covered Entity shall have the right to control Business Associate's response to such request.

25. *Conflicts*. If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

IN WITNESS WHEREOF, the parties have executed this Addendum effective the day and year first above written.

Docusign Envelope ID: 99D3FACB-691F-8CE7-8006-A38484389221

SilverScript Insurance Company
Signature:

By:

Name: Cheryl Byron

Title: Vice President, Employer Sales

Date: 09/11/2026

LEGAL REVIEW

Office of Group Benefits Signature:

By: Heath Williams

Name: Heath Williams

Title: Chief Executive Officer

Date: 9-11-26

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

August 27, 2026

To: Office of Group Benefits
Mr. Heath Williams, Chief Executive Officer

From: Ms. Allison Underwood
State Procurement Assistant Director

RE: OSP Approval for JLCB
Pharmacy Benefits Manager (PBM)
SilverScript Insurance Company
LaGov PO/Contract # 2000963818

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "**Memo to OSP re: JLCB Approval**" attached to this email.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact the RFP Team Help Desk at lesa@la.gov**.**

State of Louisiana
Office of Group Benefits

Heath Williams
Chief Executive Officer



Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804
Phone (800) 272-8451
Fax (225) 342-9919

Office of Group Benefits

September 17, 2026 Meeting of the Joint Legislative Committee on the Budget

Southern Scripts, LLC d/b/a Liviniti, LLC

Pharmacy Benefit Manager Services Emergency Contract Amendment No. 1
Overview

Liviniti, LLC

PBM Services Emergency Contract Amendment No. 1 Overview

Contract Purpose	To provide PBM services to support OGB self-funded health plan members not enrolled in Medicare Part D.
Eligible Participants	Members enrolled in the Louisiana Blue Magnolia Open Access, Local, Local Plus, Pelican HRA1000, and Pelican HSA775 plans.
Eligible Participant Counts[1]	163,626
Beginning Contract Date	01/01/2026
Ending Contract Date	12/31/2026
Renewable Options Already Exercised	None
Renewable Options Remaining	1 Year (12 months)
Ending Contract Date After this Amendment	12/31/2027
Original Procurement Method	Emergency solicitation
Current Contract Maximum Payable Amount[2]	$748,758,569.00
Contract Maximum Payable Amount with Amendment No. 1[2]	$1,454,109,211.00
Administrative Fees[3]	No change from current contract rate

2026 Emergency Contract Amendment No. 1 Highlights

- Exercises the renewable option for twelve months, changing the emergency contract term date from 12/31/2026 to 12/31/2027.
    - Financial and performance guarantee measurement periods have been adjusted to include the additional 12 month period.
- Increases the emergency contract maximum payable amount by $705,350,642.00 for a total of $1,454,109,211.00.
- Limitations of liability reduced to one-half of the amended contract's maximum payable amount.

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[1] Based on 9/1/2026 member participation counts for the BCBSLA Magnolia Open Access, Magnolia Local, Magnolia Local Plus, Pelican HRA1000, and Pelican HSA775 plans. OGB self-funded health plan members enrolled in Medicare Part D will receive PBM services through SilverScript.

[2] The Contract Maximum Payable Amounts listed above do not include member cost share, invoice credits, or rebates.

[3] The *per member per month* administrative fee rate is considered proprietary and confidential.

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Amendment Number 01
Pharmacy Benefits Management Contract
PO Number 2000963172

Be it known, that effective upon approval by the Office of State Procurement, as evidenced by the Director's signature on this document, the State of Louisiana, Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, Louisiana 70802, (hereinafter sometimes referred to as the "OGB" or "State") and Southern Scripts, LLC dba Liviniti, LLC, 411 Bienville Street, Natchitoches, Louisiana, 71457 (hereinafter sometimes referred to as "Contractor") do hereby enter into this Amendment Number 01 to the Contract, under the following terms and conditions through the undersigned and duly authorized representatives of each respective party.

Contract, 2.0 Term of Contract:

Change From:

This Contract shall begin on January 1, 2026, and shall end on December 31, 2026, unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Emergency Contract may be extended for 12 months at the same prices, terms, and conditions. Total Contract time may not exceed 24 months.

Change To:

This Contract shall begin on January 1, 2026, and shall end on December 31, 2027, unless otherwise terminated in accordance with the Termination provisions of this Contract. Total Contract time may not exceed 24 months.

Contract, 6.0 Payment Term

Change From:

In consideration of the services required by this Contract, OGB hereby agrees to pay the Contractor as follows:

OGB will pay the Contractor a maximum amount of $748,758,569.00 for work performed during the term of this Contract. This fee is inclusive of travel and all Contract-related expenses.

Payments are predicated upon successful completion by the Contractor and written approval by OGB of the described Statement of Work and Deliverables as provided in this Contract. The Contractor will not be paid more than the maximum amount of this Contract. OGB will make no payments on banking or State holidays.

The Contractor may invoice OGB at the billing address designated by the State. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

Payment will be made only upon approval of the OGB Contract Monitor or designee.

Change To:

In consideration of the services required by this Contract, OGB hereby agrees to pay the Contractor as follows:

OGB will pay the Contractor a maximum amount of $1,454,109,211.00 for work performed during the term of this Contract. This fee is inclusive of travel and all Contract-related expenses.

Payments are predicated upon successful completion by the Contractor and written approval by OGB of the described Statement of Work and Deliverables as provided in this Contract. The Contractor will not be paid more than the maximum amount of this Contract. OGB will make no payments on banking or State holidays.

The Contractor may invoice OGB at the billing address designated by the State. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

Payment will be made only upon approval of the OGB Contract Monitor or designee.

Contract, 18.5 Limitations of Liability

Change From:

For all claims against the Contractor not governed by any other provision of this Emergency Contract, the Contractor's liability for direct damages shall be limited to the maximum dollar amount of this Emergency Contract.

Notwithstanding the foregoing, the Contractor's liability for any actual electronic breach of personal data is limited to $25,000,000 per occurrence. For any other actual breach of personal data, Contractor's liability for any damages, direct or indirect, are not limited.

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

Change To:

For all claims against the Contractor not governed by any other provision of this Emergency Contract, the Contractor's liability for direct damages shall be limited to one-half of the maximum dollar amount of this Emergency Contract.

Notwithstanding the foregoing, the Contractor's liability for any actual electronic breach of personal data is limited to $25,000,000 per occurrence. For any other actual breach of personal data, Contractor's liability for any damages, direct or indirect, are not limited.

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

Contract, 21.0 Financial Guarantees, B. Measurement Periods

Change From:

The Measurement Periods are as follows:

Year 1: January 1, 2026 through December 31, 2026

In the event that the Contract is extended, the Measurement Periods(s) will be:

Year 2: January 1, 2027 through December 31, 2027

Change To:

The Measurement Periods are as follows:

Year 1: January 1, 2026 through December 31, 2026

Year 2: January 1, 2027 through December 31, 2027

Attachment II: Statement of Work, Section IV. Deliverables

Only the Deliverable identified below is being revised. All other contract Deliverables will remain unchanged and will continue to apply as stated in the original Contract.

Change From:

Deliverable	Description	Frequency of Submission
Independent Assurances		
Independent Assurances	The Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of January 1 – December 31. If the contract is extended, the Contractor shall also provide a bridge letter to OGB for the period of January 1 – June 30 of the following independent assurance reporting period.	October 1, 2026 and October 1 each subsequent calendar year thereafter. The Contractor shall provide the bridge letter for the period of January 1- September 30, 2026. If the contract is extended, the time period of January 1 – September 30, 2027, shall be provided no later than January 1, 2027.

Change To:

Deliverable	Description	Frequency of Submission
Independent Assurances		
Independent Assurances	The Contractor shall supply OGB with an exact copy of the annual SOC 1, Type II and/or SOC 2, Type II (as agreed by OGB) resulting from the SSAE18 engagement or any other independent assurances approved by OGB for the period of January 1 – December 31. The Contractor shall also provide a bridge letter to OGB for the period of January 1 – June 30 of the following independent assurance reporting period.	October 1 of each calendar year thereafter. The Contractor shall provide the bridge letter for the period of January 1- September 30 no later than January 1 of each subsequent calendar year.

Attachment II: Statement of Work, Section V. Performance Requirements, C. Performance Guarantees, B. Measurement Periods

Change From:

The Measurement Periods are as follows:

Year 1: January 1, 2026 through December 31, 2026

In the event that the Contract is extended, the Measurement Periods(s) will be:

Year 2: January 1, 2027 through December 31, 2027

Change To:

The Measurement Periods are as follows:

Year 1: January 1, 2026 through December 31, 2026

Year 2: January 1, 2027 through December 31, 2027

Revised Contract Attachments:

The following Contract Attachments have been replaced in their entirety.

- Attachment III: Pricing Guarantees
- Attachment V: Business Associate Addendum

See attached revised Attachments.

Words which are ~~struck through~~ are deletions. Words in **bold, red, and highlighted** are additions.

All other terms and conditions of the Contract shall remain the same. The original Contract and all Amendments constitute the entire Agreement between the State and the Contractor. Any other oral or

written communications between the parties before or after its execution shall not alter its effects, unless the change or modification is in writing and signed by authorized representatives of the State and the Contractor. In the event of a conflict between the terms and conditions of the Contract and this Amendment, the terms and conditions of this Amendment shall prevail.

In Witness Whereof, the parties have executed this Amendment Number 01.

Southern Scripts, LLC
DBA Liviniti, LLC Signature:

Signed by:
By: LeAnn C. Boyd
4C6696A0AAB1436...

Name: LeAnn C. Boyd

Title: CEO

Date: 9/1/2026

Office of Group Benefits Signature:

By: Heath Williams

Name: Heath Williams

Title: Chief Executive Officer

Date: 9-8-26

Office of State Procurement Approval:

By: Allison Underwood

Title: Assistant Director

Date: 9/8/26

Attachment III: Pricing Guarantees

(Revised per Amendment Number 01)
Schedule A*

Administration Fee

Item	Guarantee
Administration Fee	[redacted] Per Member Per Month (PMPM) as set forth in Administrative Fee Attachment

Retail Pricing (1-83 days; supply) - Broad Network

Pricing Guarantee	Independent Pharmacies	Other Pharmacies
Contract Year 1, 2 - Brand Discount:	N/A (NADAC)	[redacted]
Contract Year 1, 2 - Generic Discount:	N/A (NADAC)	[redacted]
Contract Year 1, 2 - Dispensing Fee:	$11.00	[redacted]

Retail Specialty Pricing (maximum 30 days' supply) - Broad Network

Pricing Guarantee	Independent Pharmacies	Other Pharmacies
Contract Year 1, 2 - Brand Discount:	N/A (NADAC)	[redacted]
Contract Year 1, 2 - Generic Discount:	N/A (NADAC)	[redacted]
Contract Year 1, 2 - Dispensing Fee:	$11.00	[redacted]

Retail 90 Pricing (84+ days' supply) - Broad Network

Pricing Guarantee	Independent Pharmacies	Other Pharmacies
Contract Year 1, 2 - Brand Discount:	N/A (NADAC)	[redacted]
Contract Year 1, 2 - Generic Discount:	N/A (NADAC)	[redacted]
Contract Year 1, 2 - Dispensing Fee:	$11.00	[redacted]

Mail Pricing (all days' supply)

Pricing Guarantee	Independent Pharmacies	Other Pharmacies
Contract Year 1, 2 - Brand Discount:	N/A	[redacted]
Contract Year 1, 2 - Generic Discount:	N/A	[redacted]

Pricing Guarantee	Independent Pharmacies	Other Pharmacies
Contract Year 1, 2 - Dispensing Fee:	N/A	[redacted]

Formulary Option 1 - Minimum Rebate Guarantees

Guarantee	Value
Name of Formulary:	Core
Structure of Formulary (Exclusionary, Open, Other)	Open
Contract Year 1, 2 - Retail Brand. Minimum Annual Rebate Guarantee	[redacted]
Contract Year 1, 2 - Retail 90 Brand. Minimum Annual Rebate Guarantee	[redacted]
Contract Year 1, 2 - Mail Brand. Minimum Annual Rebate Guarantee	[redacted]
Contract Year 1, 2 – Retail/ Mail Specialty Brand. Minimum Annual Rebate Guarantee	[redacted]

Compound Drugs

Item	Pricing
Contract Year 1, 2 - Compound Drugs	Lower of discounted AWP or MAC for each ingredient, plus dispensing fee, or U&C
Level of Effort Fee (paid to pharmacy)	[redacted] depending on the compound

Flu Vaccines

Item	Pricing
Contract Year 1, 2 - Covid Vaccines	Lower of discounted AWP ingredient cost plus dispensing fee, or U&C
Flu Vaccine program fee (paid to pharmacy)	[redacted]

COVID-19 Vaccines

Item	Pricing
Contract Year 1, 2 - Flu Vaccines	Lower of discounted AWP ingredient cost plus dispensing fee, or U&C
COVID-19 Vaccine program fee (paid to pharmacy)	[redacted]

Other Vaccines

Item	Pricing
Contract Year 1, 2 - Other Vaccines	Lower of discounted AWP ingredient cost plus dispensing fee, or U&C
Other Vaccine program fee (paid to pharmacy)	[redacted]

***Schedule A:**

1. All rates are expressed as an average annual effective rate
2. Subject to matrix in "Schedule B"

Pricing guarantees cannot be changed without an amendment to this Emergency Contract.

Schedule B

The following table indicates items to be included or excluded from the above pricing.

Category	Non-Specialty Retail Discounts/Dispensing Fees	Non-Specialty Mail Discounts/Dispensing Fees	Specialty Discounts/Dispensing Fees	Non-Specialty Rebate Guarantees	Specialty Rebate Guarantees
100% Member Paid Program Claims (e.g., Discount Card)	Included	Included	Included	Excluded	Excluded
340B Eligible Claims/340B Contract Pharmacies	Excluded	Excluded	Excluded	Excluded	Excluded
AB Rated Drugs	Included	Included	Included	Excluded	Excluded
Authorized Generics	Included	Included	Included	Excluded	Excluded
Biosimilars	Included	Included	Included	Excluded	Excluded
COB (Secondary Payor) Claims	Excluded	Excluded	Excluded	Excluded	Excluded
Compound Drugs	Excluded	Excluded	Excluded	Excluded	Excluded
COVID-19 Test Kits	Included	Included	Included	Excluded	Excluded
COVID-19 Vaccine	Excluded	Excluded	Excluded	Excluded	Excluded
DAW of 3,4,5,6, or 9	Included	Included	Included	Excluded	Excluded
Diabetic Supplies	Included	Included	Included	Included	Included
Diabetic Test Strips	Included	Included	Included	Included	Included
Flu Vaccines	Excluded	Excluded	Excluded	Excluded	Excluded
Hep-C Drugs	Included	Included	Included	Included	Included
HIV re: specialty category	Included	Included	Excluded	Included	Excluded

Category	Non-Specialty Retail Discounts/Dispensing Fees	Non-Specialty Mail Discounts/Dispensing Fees	Specialty Discounts/Dispensing Fees	Non-Specialty Rebate Guarantees	Specialty Rebate Guarantees
Home Infusion Pharmacy	Excluded	Excluded	Excluded	Excluded	Excluded
Indian/Tribal Pharmacy	Excluded	Excluded	Excluded	Excluded	Excluded
Inflammatory Conditions	Included	Included	Included	Included	Included
Insulins	Included	Included	Included	Included	Included
Limited Distribution Drug	Included	Included	Included	Included	Included
LTC Pharmacy	Excluded	Excluded	Excluded	Excluded	Excluded
Medical Devices and Supplies	Included	Included	Included	Included	Included
Medicaid/ Medicare Claims	Excluded	Excluded	Excluded	Excluded	Excluded
Military Pharmacy	Excluded	Excluded	Excluded	Excluded	Excluded
Multisource Code & Brand Name Code Combo of OG, MG, NG, YG, YT, YB, OB	Included	Included	Included	Excluded	Excluded
New to Market	Included	Included	Included	Included	Included
Other Vaccines	Excluded	Excluded	Excluded	Excluded	Excluded
OTCs (Other)	Excluded	Excluded	Excluded	Excluded	Excluded
Paper Claims	Excluded	Excluded	Excluded	Excluded	Excluded
PCSK9	Included	Included	Included	Included	Included
Single Source Generic Drugs - Brand Guarantee	Included	Included	Included	[redacted]	[redacted]

Category	Non-Specialty Retail Discounts/Dispensing Fees	Non-Specialty Mail Discounts/Dispensing Fees	Specialty Discounts/Dispensing Fees	Non-Specialty Rebate Guarantees	Specialty Rebate Guarantees
Single Source Generic Drugs - Generic Guarantee	Excluded	Excluded	Excluded	[redacted]	[redacted]
U&C Claims - Brand Guarantee	Included	Included	Included	Included	Included
U&C Claims - Generic Guarantee	Included	Included	Included	[redacted]	[redacted]
VA Pharmacy	Excluded	Excluded	Excluded	Excluded	Excluded
Worker's Comp	Excluded	Excluded	Excluded	Excluded	Excluded
Zero Balance Claims	Included	Included	Included	Included	Included

1. Pharmacy Reimbursement

1.1. Price per prescription will be the passed-through price for prescription drugs dispensed from the network pharmacy plus a passed-through dispensing fee for prescription drug dispensed plus any applicable sales tax or fees. There will be no spread or margin pricing. Participating pharmacy provider contracted rates may vary. The rate paid to the participating pharmacy provider will be equal to the amount billed to OGB. Rates and dispensing fees are subject to change but will always equal the contracted pharmacy rate.

1.2. Payment of Taxes. If any government authority imposes an additional tax related to prescription drug Claims, the Contractor shall calculate and collect from OGB the additional required tax.

2. Pricing and Rebate Guarantees:

2.1. The Contractor reserves the right to renegotiate Pricing in this Attachment III in the event circumstances including, but not limited to, the following occur that impact the underlying economics of the pricing:

(i) OGB changes the Formulary;

(ii) There is a loss of Rebates due to unexpected market events (i.e. drug patent expirations, removal of a drug from the market, introduction of biosimilars, patent litigations); or

(iii) There is any law, regulation, or any change within the marketplace that would lead to a deviation from the current economic environment upon which these guarantees are based and impacts the Contractor's ability to maintain Rebates.

If any of these conditions occur, the Contractor will provide OGB with the financial data regarding the underlying economics and showing the impact. The Contractor and OGB agree to negotiate in good faith. Any changes to the Pricing or Rebates require an amendment to this Emergency Contract.

2.2. The above Pricing and Rebate Guarantees are based on data from four of OGB's five self-funded plans. The Contractor will also provide PBM services for OGB's fifth self-funded plan, the Pelican HSA plan with the Pricing and Rebate Guarantees in Attachment III. In the event the Contractor determines it cannot meet the Pricing and Rebate Guarantees in Attachment III for the Pelican HSA Plan Participants, the Contractor will provide OGB with the financial data regarding the underlying economics. The Parties agree to negotiate in good faith to implement separate Pricing and Rebate Guarantees for the Pelican HSA Plan Participants.

3. General Pricing Terms:

3.1. All Financial Guarantees will be reported on a quarterly basis. All Financial Guarantees will be reconciled annually and any shortfalls owed to OGB shall be paid within 120 days after the Measurement Period.

3.2. All Rebates will be paid within 100 days from the close of the quarter.

3.3. Guarantee reconciliations, and any amounts due, will be reported and paid proactively by the Contractor and will not need to be requested by OGB.

3.4. Any Eligible Member Cost Share or ancillary fees will not be included in any discount calculation (billing, guarantee or otherwise).

3.5. No other monies (audit/clinical/therapeutic interchange, DUR savings) will be included in any calculations. Calculations include adjudication, billing, guarantee reconciliation, etc.

3.6. Any postage increases, shipping & handling increases, will not result in increases to ANY fees or any other pricing component and will NOT be billed back to OGB.

3.7. OGB will always pay the lowest of discounted price, MAC, or U&C, unless NADAC pricing is required in which case OGB will always pay the lowest of U&C or NADAC.

3.8. Dispensing Fee will not apply to U&C claims.

3.9. There is no minimum charge at retail for any transaction at any Retail Pharmacies, imposed by the Contractor.

3.10. If the number of Retail Pharmacies in the Contractor's organization's network is reduced by more than 5% prior to the effective date or during the contract term the Contractor will provide OGB an improved financial proposal for the smaller retail network at least 90 days prior to the effective date of the reduction in network size.

3.11. There is no minimum charge at Mail Order for any transaction

3.12. Mail Pricing Guarantees will not be dependent on the days' supply of a claim.

3.13. The Contractor will absorb any unpaid member balances associated with mail service facility.

3.14. OGB will receive the greater of the aggregate Minimum Rebate Guarantee or 100% of any Rebates plus Manufacturer Administrative Fees received by the Contractor

3.15. Rebate guarantees are for actual Rebates received from pharmaceutical manufacturers and do not include other amounts including, but not limited to, therapeutic interchange savings.

3.16. Quarterly Rebate payments will be paid 100 days after the end of each quarter.

3.17. Rebate guarantees are not based on an expectation of certain percentage (%) inflation increases in WAC or AWP, and will not be adjusted at any time during the term as a result of those expectations not coming to fruition. For example, if the Contractor proposes Rebate guarantees based on an underwriting assumption that WAC or AWP will increase 15%, Rebate guarantees will not be adjusted if WAC or AWP increases at a lower rate of 10%.

3.18. All Rebate payments will reported to OGB by, at the least, National Drug Code (NDC) 11.

3.19. Pricing is 100% Pass-Through which means a pricing structure comprised of a full pass through (100%) of PBM's contracted rates, including those with Retail, Mail Order, and Specialty Pharmacies and Pharmaceutical Manufacturers. PBM will pass through any over performance in excess of the State's guaranteed pricing minimums. The amount billed to OGB will be equal to the amount paid by the PBM to the pharmacy. PBM will pass through 100% of Rebates plus Manufacturer Administrative Fees.

3.20. For purposes of the Federal Anti-Kickback Statute, Manufacturer Payments paid to OGB shall constitute and shall be treated as discounts against the price of drugs within the meaning of 42 U.S.C. 1320a 7b(b)(3)(A).

3.21. MAC, if applicable, is managed to achieve Pricing Guarantees within each component while maintaining a MAC unit price at Mail Order that is equal to or lower than the MAC unit price at Retail.

3.22. For compound drug Claims, the Contractor applies the NCPDP D.0 standard. For each compound drug Claim, the submitting pharmacy shall provide the following: (a) compound indicator; (b) eleven-digit NDC, quantity, and submitted ingredient cost for each component in the recipe; (c) total quantity and total Usual & Customary price; and (d) level of effort value. PBM shall determine the appropriate ingredient cost, or NDC, for each component using the lower of (1) the

AWP discount; (2) MAC; or (3) the submitted ingredient cost. The level of effort charge will be applied in addition to the appropriate dispensing fee.

3.23. Rebate guarantees will not be conditioned on the average days of supply performance during the Contract term. The Contractor cannot pro-rate Rebate guarantees based on the achieved utilization performance, nor set a floor days of supply performance amount that needs to be achieved to be eligible for the Rebate guarantees.

3.24. In no instance will the cost difference between one product and another product be considered "Rebate(s)."

3.25. "Minimum Rebate Guarantee" shall equal the product of: (a) the number of paid Claims less exclusions processed by the PBM during the applicable period; and (b) the Rebate Guarantee for the Measurement Period.

3.26. Pricing and Rebate Guarantees do not include Rebate credits and already accounts for expected shift in Biosimilars.

3.27. For billing and guarantee purposes, the following method used to calculate of the percentage (%) discount off AWP: if the AWP of a generic product is $10, the discounted cost is $6 and the Eligible Member Cost Share is also $6 (leaving a zero balance due from the plan), the discount % off of AWP for both billing and guarantee purposes would be 40% off of AWP.

3.28. The Contractor will not set a minimum charge at Mail for any transaction. Mail Order pricing will not be dependent on the days' supply of a Claim. For example, you will not price mail claims at the retail rate if below a days' supply threshold. This requirement pertains not only to claim-level mail pricing, but to aggregate mail guarantees as well.

3.29. For Specialty Drugs, the Contractor's adjudication system will reflect the following claim billing formula: Lower of AWP-X% + Dispensing Fee or MAC + Dispensing Fee.

3.30. For Specialty Drugs, the Contractor agrees that new drugs in existing classes will be priced no less favorable than the mode of the existing drugs.

3.31. In the event of a new applicable law resulting in financial impact to the Contractor, the Parties agree to negotiate in good faith. The Contractor will provide OGB with the financial data regarding the underlying economics and showing the impact. Any change to this Emergency Contract requires an amendment to this Emergency Contract.

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Attachment V: Business Associate Addendum
(Revised per Amendment Number 01)

State of Louisiana, Office of Group Benefits
HIPAA Business Associate Addendum

THIS HIPAA BUSINESS ASSOCIATE ADDENDUM (the "Addendum") is entered into effective the 1st day of January, 2026 (the "Effective Date"), by and between Southern Scripts, LLC d/b/a Liviniti LLC ("Business Associate") and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the "Covered Entity"), and adds to the Agreement or Contract dated January 1, 2026, entered into between Covered Entity and Business Associate (the "Agreement").

WHEREAS, pursuant to the Agreement, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity ("PHI"); and

WHEREAS, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services ("HHS"), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act ("HITECH") (collectively "HIPAA").

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. *Definitions*. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.

2. *Compliance with Applicable Law*. The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.

3. *Uses and Disclosures of PHI*. Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:

(a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

(b) Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

(c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care

operations of the respective Covered Entities. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.

(d) Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.

(e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

4. *Required Safeguards to Protect PHI*. Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI ("ePHI") on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. ***Use of Artificial Intelligence (AI).*** **The provisions of this section shall apply solely to the extension period established by this Amendment and shall have no application to the original term of the contract. The terms of this Addendum still apply to PHI when PHI is used in connection with artificial intelligence ("AI") systems or processes. Business Associate will only use PHI in AI systems to perform services for Covered Entity and in accordance with the terms of this Addendum. Unless expressly authorized in writing by Covered Entity:**

a) **PHI shall not be used by Business Associate for development, training, or improving AI systems;**

b) **PHI shall not be used by Business Associate in public AI systems; and**

c) **PHI shall not be used for any purpose by Business Associate in AI systems other than fulfilling contractual services.**

Business Associate shall ensure that PHI is not disclosed to or processed by public or third-party AI systems without Covered Entity's prior approval in writing, and shall implement safeguards to prevent unauthorized access, retention, or inferential disclosure of PHI through AI systems or output. When applicable, PHI shall be deidentified in accordance with 45 C.F.R. § 164.514.

When seeking written approval from OGB, the Business Associate shall submit a report detailing the AI Governance program it has implemented or desires to implement. The Business Associate shall continue to maintain an AI Governance program that addresses Business Associate's use of PHI with AI, in a manner consistent with NIST SP 800-66r2, and the NIST AI Risk Management Framework. In the event there is a conflict between the two, NIST SP 800-66e2 controls. Additional documentation may be requested prior to approval by OGB.

Artificial Intelligence (AI) Definitions:

Artificial Intelligence/AI Systems:

"Artificial Intelligence" or "AI Systems"

Means a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations or decisions influencing real or virtual environments. Artificial intelligence systems use machine and human-based inputs to: perceive real and virtual

environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action.

AI Systems include, but are not limited to:

1. **Generative AI Systems, which create text, images, audio, video, software code, or other content;**
2. **Natural-Language Processing Systems, including chatbots, virtual assistants, translation tools, document-analysis tools, and text-classification systems;**
3. **Predictive Analytics Systems, which forecast outcomes, behavior, demand, risk, eligibility, costs, or other future conditions;**
4. **Decision-Support Systems, which generate recommendations, rankings, scores, evaluations, or proposed courses of action for human consideration;**
5. **Automated Decision Systems, which make or materially influence decisions with limited or no human intervention;**
6. **Machine-Learning Systems, which identify patterns or improve performance through training on data;**
7. **Data Extraction, Summarization, and Document-Processing Systems, which review, organize, summarize, redact, or extract information from records; and**
8. **AI-Enabled Features Embedded in Other Software or Services, even when AI is not the primary purpose of the underlying product.**

Public AI Systems:

Means an AI System that is made generally available for use by the public or a broad, unrestricted class of users, whether free of charge or for a fee operating on shared infrastructure outside the Associates control. A Public AI System includes publicly accessible web-based platforms, applications, models, or services that are not provided exclusively to the Associate under a private agreement.

Third Party AI Systems:

Means an AI System developed, owned, operated, hosted, or maintained by a person or entity other than the Agency and provided to the Associate through a private contract, license, subscription, procurement, or other restricted-use arrangement. A Third-Party AI System is available only to the Agency, Associate, designated users, or other authorized persons under the terms approved by OGB in writing and is not generally available for unrestricted public use.

For clarity, the restrictions in this Section apply solely to Business Associate's use or disclosure of PHI in connection with performing services for Covered Entity under this Addendum.

6. *Reporting to Covered Entity*. As soon as reasonably practicable (but not more than 72 hours), Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for by this Agreement, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any Security Event of which it becomes aware that may constitute a breach of unsecured PHI. Business Associate shall cooperate with Covered Entity's investigation, analysis, notification, and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities to the extent Business Associate is responsible for such breach or unauthorized use or disclosure. Business Associate shall conduct a breach risk assessment to ascertain the probability that PHI has been compromised within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Business Associate shall

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provide the breach risk assessment to Covered Entity within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Security Event is defined in the OTS Information Security Policy as an observable event, or collection of events, that may indicate a potential incident and shall be reviewed or investigated and may or may not be required for promotion to an Incident. Information Security - Louisiana Division of Administration (la.gov).

7. *Notifications and Reporting to HHS.* Following a breach of unsecured PHI, Business Associate shall send the required notifications to plan participants, news media outlets, and the Secretary as required by HIPAA. Business Associate shall consult with Covered Entity prior to publishing a notification in a prominent media outlet and provide Covered Entity with a copy of the final publication one business day before date of publication. Business Associate shall provide Covered Entity with copies of notifications sent to plan participants five business days before sending the notification(s). Business Associate shall provide Covered Entity with copies of notifications submitted to the Secretary within three business days of submission.

8. *Mitigation of Harmful Effects*. Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

9. *Agreements with Third Parties*. Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

10. *Access to Information*. Within 10 days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five days forward such request to Covered Entity.

11. *Availability of PHI for Amendment*. Within 10 days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

12. *Documentation of Disclosures*. Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

13. *Accounting of Disclosures*. Within 10 days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 11 of this

Addendum, to permit Covered Entity to respond to the request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

14. *Other Obligations*. To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation. Such obligations include but are not limited to Covered Entity's obligations to provide breach notifications.

15. *Availability of Books and Records*. Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for six years following the final payment under the Agreement.

16. *Effect of Termination of Agreement*. Upon the termination of the Agreement or this Addendum for any reason, if feasible Business Associate shall return to Covered Entity, at its expense and within 60 days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.

17. *Breach of Contract by Business Associate*. In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

18. *Indemnification*. Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section 18 of the Addendum shall survive the termination of the Agreement or this Addendum.

19. *Exclusion from Limitation of Liability*. Except for actual electronic breaches of personal data, to the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. Actual electronic breaches of personal data are limited to $25,000,000 per occurrence. This Section 19 of the Addendum shall survive the termination of the Agreement and this Addendum.

20. *Injunctive Relief*. Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the

Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

21. *Third Party Rights*. The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.

22. *Owner of PHI*. Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.

23. *Changes in the Law*. Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and records retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.

24. *Judicial and Administrative Proceedings*. In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments prior to the Business Associate responding to the request. Covered Entity shall have the right to control Business Associate's response to such request.

25. *Conflicts*. If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

IN WITNESS WHEREOF, the parties have executed this Addendum effective the day and year first above written.

Southern Scripts, LLC
DBA Liviniti, LLC Signature:

Signed by:
By: LeAnn C. Boyd
4C6696A0AAB1436...

Name: LeAnn C. Boyd

Title: CEO

Date: 9/1/2026

Office of Group Benefits Signature:

By: Heath Williams

Name: Heath Williams

Title: CEO

Date: 9-8-26

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

August 27, 2026

To: Office of Group Benefits
Mr. Heath Williams, Chief Executive Officer

From: Ms. Allison Underwood
State Procurement Assistant Director

RE: OSP Approval for JLCB
Pharmacy Benefits Manager (PBM)
Southern Scripts dba Liviniti LLC
LaGov PO/Contract # 2000963172

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "**Memo to OSP re: JLCB Approval**" attached to this email.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact the RFP Team Help Desk at lesa@la.gov**.**

Agenda Item No. 12

Review and approval of an amendment to the 2024 contract between the Office of Group Benefits and Total Administrative Services Corporation, in accordance with the provisions of R.S. 39:1615(J)

State of Louisiana
Office of Group Benefits

Heath Williams
Chief Executive Officer



Office of Group Benefits
P.O. Box 44036
Baton Rouge, Louisiana 70804
Phone (800) 272-8451
Fax (225) 342-9919

Office of Group Benefits

September 17, 2026 Meeting of the Joint Legislative Committee on the Budget

Total Administrative Services Corporation ("TASC")

Flexible Spending Arrangement ("FSA") and COBRA Administrative Services Contract Amendment No. 4 Overview

TASC

FSA and COBRA Administrative Services Contract Amendment No. 4 Overview

Contract Purpose	To provide FSA and COBRA administration services in support of plan options offered by OGB.
FSA Eligible Enrollees	Active employees of the State of Louisiana and other OGB-participating entities participating in an optional OGB Flexible Benefits Plan.
COBRA Eligible Enrollees	OGB health plan participants, who have been termed from health insurance coverage due to resignation, dismissal, employer lay-off, retirement, or other qualifying events. COBRA is also offered to participants in the General-Purpose Flexible Spending Arrangement ("GPFSA") or Limited-Purpose Flexible Spending Arrangement ("LPFSA"), who have funds remaining in their FSA account.
FSA Plan Participant Count[1]	5,016
COBRA Participant Count[1]	217
Beginning Contract Date	01/01/2024
Ending Contract Date	12/31/2026
Renewable Options Already Exercised	None
Renewable Options Remaining	2 Years (24 months)
Ending Contract Date After this Amendment	12/31/2028
Original Procurement Method	Request for proposal
Current Contract Maximum Payable Amount	$1,148,000.00
Contract Maximum Payable Amount with Amendment No. 4	$1,900,000.00
Administrative Fees[2]	No change from current contract rates

2024 Contract Amendment No. 4 Highlights

- Exercises the renewable option for twenty-four months, changing the emergency contract term date from 12/31/2026 to 12/31/2028.
    - Contract deliverables amended to provide for two additional 12 month measurement periods
- Increases the contract maximum payable amount by $752,000.00 for a total of $1,900,000.00.
- Principal contract contacts have been updated.

[1] As of 09/01/2026.

[2] TASC charges a monthly rate of $2.00 per enrolled FSA participant, and a monthly rate of $0.28 per active employee enrolled in an OGB-offered health plan for COBRA services.

Amendment Number 4
Flexible Spending Arrangement and COBRA Administration Services
File Number WS680743221, Solicitation Number Doc691989713, Contract Number CW8051, PO Number 2000792961

Be it known, that effective upon approval by the Director of State Procurement, as evidenced by the Director's signature on this document, the Office of Group Benefits (hereinafter sometimes referred to as "State") and Total Administrative Services Corporation ("TASC") , 2032 International Lance, Madison Wisconsin, 53704 (hereinafter sometimes referred to as "Contractor") do hereby enter into this Amendment Number 4 to the to the Flexible Spending Arrangement and Cobra Administration Services for OGB contract, File Number WS680743221, Solicitation Number Doc691989713, under the following terms and conditions through the undersigned and duly authorized representatives of each respective party.

Change From: 2.0 Term of Contract

This Contract shall begin on January 1, 2024, and shall end on December 31, 2026, unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana and acceptance of the Contractor, this Contract may be extended for twenty-four (24) months at the same prices, terms, and conditions. The total contract time shall not exceed 60 months.

Prior to the extension of the Contract beyond a thirty-six (36) month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the Contract amendment to the OSP to extend contract terms beyond the 3-year term.

Change To: 2.0 Term of Contract

This Contract shall begin on January 1, 2024, and shall end on **December 31, 2028,** unless otherwise terminated in accordance with the Termination provisions of this Contract. The total contract time shall not exceed 60 months.

Prior to the extension of the Contract beyond a thirty-six (36) month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the Contract amendment to the OSP to extend contract terms beyond the 3-year term.

Change From: 4.0 Payment Terms

The Contractor may invoice the OGB monthly for payment. Payments will be made by the Office of Financial Services and Support within approximately 30 days after receipt of a properly executed invoice, and approval by the State.

Invoices shall include the Contract and order number, using department and services purchased. No payments will be made by the State on banking or Louisiana State holidays.

In consideration of the services required by this contract, State hereby agrees to pay the Contractor based on the Administrative Fees identified on the Price Schedule attachment, not to exceed a maximum fee of $1,148,000.00. The Administrative Fees will be calculated as follows:

- For billing purposes, FSA Plan Participant counts will be determined on the first calendar day of each month as determined by TASC multiplied by the monthly Administrative Fee. Plan Participants losing eligibility to receive FSA reimbursement after the first calendar day of the month are included in the count for that month's billing.
- For COBRA administration, the Administrative Fee will be based on the number of active employees (i.e., non-retirees) enrolled in the OGB health plans determined by TASC on the last calendar day of each month multiplied by the monthly Administrative Fee. Contractor may not submit Administrative Fee invoices more frequently than monthly.

Such payment amounts for work performed must be based on at least equivalent services rendered. Payment will be made only upon approval of the Contract Monitor.

4.1. Late Payments Interest due by the Agency for late payments shall be in accordance with La. R.S. 39:1695 at the rates established in La. R.S. 13:4202.

4.2. Prohibition Against Advance Payments No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law or otherwise stated herein.

Change To: 4.0 Payment Terms

The Contractor may invoice the OGB monthly for payment. Payments will be made by the Office of Financial Services and Support within approximately 30 days after receipt of a properly executed invoice, and approval by the State.

Invoices shall include the Contract and order number, using department and services purchased. No payments will be made by the State on banking or Louisiana State holidays.

In consideration of the services required by this contract, State hereby agrees to pay the Contractor based on the Administrative Fees identified on the Price Schedule attachment, not to exceed a maximum fee of **$1,900,000.00.** The Administrative Fees will be calculated as follows:

- For billing purposes, FSA Plan Participant counts will be determined on the first calendar day of each month as determined by TASC multiplied by the monthly Administrative Fee. Plan Participants losing eligibility to receive FSA reimbursement after the first calendar day of the month are included in the count for that month's billing.
- For COBRA administration, the Administrative Fee will be based on the number of active employees (i.e., non-retirees) enrolled in the OGB health plans determined by TASC on the last calendar day of each month multiplied by the monthly Administrative Fee. Contractor may not submit Administrative Fee invoices more frequently than monthly.

Such payment amounts for work performed must be based on at least equivalent services rendered. Payment will be made only upon approval of the Contract Monitor.

4.1. Late Payments Interest due by the Agency for late payments shall be in accordance with La. R.S. 39:1695 at the rates established in La. R.S. 13:4202.

4.2. Prohibition Against Advance Payments No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law or otherwise stated herein.

Change From: 47.0 Notice

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier or hand delivery to the State/OGB; or, (ii) registered or certified mail return receipt requested, and addressed as follows:

To TASC: Stuart Bowie, Regional Vice President, Large Markets - Public
2302 International Lane
Madison, Wisconsin 53704
Email: Stuart.Bowie@tasconline.com

To OGB: Mr. David Couvillon, CEO Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804

Or

Mr. David Couvillon, CEO Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802
Email: David.Couvillon@la.gov
If by email, cc to: Melissa.Mayers@la.gov

The U.S. Postal Service does not make deliveries to OGB's physical location. At any time, either party may change its address and/or addresses for notification purposes by mailing a notice stating the change and setting forth the new address.

Change To: 47.0 Notice

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier or hand delivery to the State/OGB; or, (ii) registered or certified mail return receipt requested, and addressed as follows:

To TASC: **Derrick Daniel, Vice President, Large Market Sales**
2302 International Lane
Madison, Wisconsin 53704
Email: Derrick.Daniel@tasconline.com

To OGB: **Heath Williams**, CEO Office of Group Benefits
Post Office Box 44036
Baton Rouge, LA 70804

Or

Heath Williams, CEO Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802
Email: Heath.Williams2@la.gov
If by email, cc to: Melissa.Mayers@la.gov

The U.S. Postal Service does not make deliveries to OGB's physical location. At any time, either party may change its address and/or addresses for notification purposes by mailing a notice stating the change and setting forth the new address.

Change From: Statement of Work Attachment, Section 3.0 Deliverables

The deliverables listed in this section are the minimum required from Contractor. Additional deliverables may be included as mutually agreed upon, upon contract amendment. Contractor shall provide the following deliverables:

	Deliverable	Description	Frequency of Submission
		General	
1.	Independent Assurances	Contractor and its subcontractors performing key delegated functions shall each supply the OGB with an exact copy of the SOC 2, Type II report annually resulting from the SSAE 18 engagement or other assurances as described in Section 34 of the Contract document.	Due September 30 of each calendar year beginning in 2024. A bridge letter will be submitted within 90 days of the Contract's effective date.
2.	Unclaimed Property	A copy of the documentation provided to the applicable State authority for escheatment of unclaimed property.	Within 30 calendar days from submission to the applicable State authority.
3.	Fraud and Abuse	Report detailing the financial impact of identified fraud and abuse.	Within 30 calendar days after the close of each quarter.
4.	Performance Guarantees	A detailed monthly report including metrics for the performance guarantees set forth in the contract.	Within 30 calendar days after the close of each month.

5.	Grievance Log	A detailed report listing all appeals and grievances filed during the month and the current status of each.	Within 15 calendar days after the close of each month.
6.	Ad Hoc Reports	Client-specific ad hoc reports that will include data related to Contractor's operating performance under the contract.	Within thirty 30 calendar days of request from the OGB.
7.	Email Bounce Back Report	Submit a report of listed email bounce back occurrences. Report must contain the date and details of steps taken to remedy the failure.	Within 15 calendar days after the close of each month.
8.	Returned Mail Report	Submit a report of listed returned mail. Report must contain the date and details of steps taken to remedy the failure.	Within 15 calendar days after the close of each month.
		FSA Administration	
1.	Daily Enrollment Files	Provide confirmation of enrollment within 24 hours of receiving enrollment files to the OGB. For those unable to be enrolled, note what is needed to enroll Plan Participant.	Within 24 hours of receiving the enrollment file from the OGB.
2.	FSA Contribution Replenishment Report	Detailed listing in an OGB-approved format of approved claims and debit card transactions scheduled for reimbursement.	Weekly.
3.	FSA Accounting Statement	FSA accounting statement including name, identification number, election amount, claim type (i.e., manual, debit card transaction, etc.), contribution amounts received from the OGB and paid out per month, cumulative year-to-date claim payments, and available balance.	Within 15 calendar days after the close of each month.
4.	FSA Zero Contribution Report	Report detailing all Plan Participants with no contribution listed.	Within fifteen 15 calendar days after the close of each month.
5.	Forfeited FSA Plan Participant Contributions	Forfeited FSA Plan Participant contributions remittance report including: name, identification number, election amount, cumulative year-to-date paid claims, total of denied claims, outstanding balance, and remaining balance, along with any forfeited funds.	Calendar Year 1: Due June 17, 2025, for the period of January 1 – December 31, 2024. Calendar Year 2:

			Due June 17, 2026, for the period of January 1 – December 31, 2025. Calendar Year 3: Due June 17, 2027, for the period of January 1 – December 31, 2026.
8.	Nondiscrimination Testing	Provide the results of the semi-annual nondiscrimination testing results to the OGB.	Within 30 calendar days of each semi-annual report.
9.	Flexible Benefits Plan Summary	Provide FSA Plan Participants the Flexible Benefits Summary on an annual basis according to the OGB's approved method of communication.	Within 30 calendar days after the end of each calendar year.
		COBRA Administration	
1.	COBRA Accounting Statement	COBRA eligibility and payment status report including all COBRA participants for whom coverage is continued, including such information as name, identification number, effective date of coverage, Plan, coverage status, amount and dates of payments made, date through which premiums have been paid, and any outstanding premiums due.	Within 15 calendar days after the close of each month.
2.	COBRA Notice Distribution	Detailed listing in a mutually agreeable format of COBRA notices that were delivered to qualified beneficiaries.	Within fifteen 15 calendar days after the end of each month.
3.	COBRA Premiums	Remit 100% of collected COBRA premiums (including 2% administrative fee collected from active, non-retiree participants) to the OGB with a premium remittance report. The content and format of the remittance report are subject to the OGB's prior approval.	Within ten 10 business days after the close of each month.
4.	COBRA Annual Enrollment Packets	Mail annual enrollment packets to COBRA eligible Primary Plan Participants.	October 1st of each calendar year.

Change To: Statement of Work Attachment, Section 3.0 Deliverables

The deliverables listed in this section are the minimum required from Contractor. Additional deliverables may be included as mutually agreed upon, upon contract amendment. The Contractor shall provide the following deliverables:

	Deliverable	Description	Frequency of Submission
		General	
1.	Independent Assurances	Contractor and its subcontractors performing key delegated functions shall each supply the OGB with an exact copy of the SOC 2, Type II report annually resulting from the SSAE 18 engagement or other assurances as described in Section 34 of the Contract document.	Due September 30 of each calendar year beginning in 2024. A bridge letter will be submitted within 90 days of the Contract's effective date.
2.	Unclaimed Property	A copy of the documentation provided to the applicable State authority for escheatment of unclaimed property.	Within 30 calendar days from submission to the applicable State authority.
3.	Fraud and Abuse	Report detailing the financial impact of identified fraud and abuse.	Within 30 calendar days after the close of each quarter.
4.	Performance Guarantees	A detailed monthly report including metrics for the performance guarantees set forth in the contract.	Within 30 calendar days after the close of each month.
5.	Grievance Log	A detailed report listing all appeals and grievances filed during the month and the current status of each.	Within 15 calendar days after the close of each month.
6.	Ad Hoc Reports	Client-specific ad hoc reports that will include data related to Contractor's operating performance under the contract.	Within thirty 30 calendar days of request from the OGB.

7.	Email Bounce Back Report	Submit a report of listed email bounce back occurrences. Report must contain the date and details of steps taken to remedy the failure.	Within 15 calendar days after the close of each month.
8.	Returned Mail Report	Submit a report of listed returned mail. Report must contain the date and details of steps taken to remedy the failure.	Within 15 calendar days after the close of each month.
		FSA Administration	
1.	Daily Enrollment Files	Provide confirmation of enrollment within 24 hours of receiving enrollment files to the OGB. For those unable to be enrolled, note what is needed to enroll Plan Participant.	Within 24 hours of receiving the enrollment file from the OGB.
2.	FSA Contribution Replenishment Report	Detailed listing in an OGB-approved format of approved claims and debit card transactions scheduled for reimbursement.	Weekly.
3.	FSA Accounting Statement	FSA accounting statement including name, identification number, election amount, claim type (i.e., manual, debit card transaction, etc.), contribution amounts received from the OGB and paid out per month, cumulative year-to-date claim payments, and available balance.	Within 15 calendar days after the close of each month.
4.	FSA Zero Contribution Report	Report detailing all Plan Participants with no contribution listed.	Within fifteen 15 calendar days after the close of each month.
5.	Forfeited FSA Plan Participant Contributions	Forfeited FSA Plan Participant contributions remittance report including: name, identification number, election amount, cumulative year-to-date paid claims, total of denied claims, outstanding balance, and remaining balance, along with any forfeited funds.	Calendar Year 1: Due June 17, 2025, for the period of January 1 – December 31, 2024. Calendar Year 2: Due June 17, 2026, for the period of January 1 – December 31, 2025. Calendar Year 3: Due June 17, 2027, for the period of January 1 –

			December 31, 2026. **Calendar Year 4: Due June 17, 2028, for the period of January 1 – December 31,** **2027.** **Calendar Year 3: Due June 17, 2029, for the period of January 1 – December 31,** **2028.**
8.	Nondiscrimination Testing	Provide the results of the semi-annual nondiscrimination testing results to the OGB.	Within 30 calendar days of each semi-annual report.
9.	Flexible Benefits Plan Summary	Provide FSA Plan Participants the Flexible Benefits Summary on an annual basis according to the OGB's approved method of communication.	Within 30 calendar days after the end of each calendar year.
		COBRA Administration	
1.	COBRA Accounting Statement	COBRA eligibility and payment status report including all COBRA participants for whom coverage is continued, including such information as name, identification number, effective date of coverage, Plan, coverage status, amount and dates of payments made, date through which premiums have been paid, and any outstanding premiums due.	Within 15 calendar days after the close of each month.
2.	COBRA Notice Distribution	Detailed listing in a mutually agreeable format of COBRA notices that were delivered to qualified beneficiaries.	Within fifteen 15 calendar days after the end of each month.
3.	COBRA Premiums	Remit 100% of collected COBRA premiums (including 2% administrative fee collected from active, non-retiree participants) to the OGB with a premium remittance report. The content and format of the remittance report are subject to the OGB's prior approval.	Within ten 10 business days after the close of each month.
4.	COBRA Annual Enrollment Packets	Mail annual enrollment packets to COBRA eligible Primary Plan Participants.	October 1st of each calendar year.

All other terms and conditions of the Contract shall remain the same. The original Contract and all Amendments constitute the entire Agreement between the State and the Contractor. Any other oral or written communications between the parties before or after its execution shall not alter its effects, unless the change or modification is in writing and signed by authorized representatives of the State and the Contractor. In the event of a conflict between the terms and conditions of the Contract and this Amendment, the terms and conditions of this Amendment shall prevail.

In Witness Whereof, the parties have executed this Amendment Number 4.

Total Administrative Services Corporation Signature:

By: Kathleen Murphy

Name: Kathleen Murphy

Title: EVP of Customer Service

Date: 09/08/2026

Office of Group Benefits Signature:

By: Heath Williams

Name: Heath Williams

Title: CEO

Date: 9-8-26

Office of State Procurement Approval:

By: Allen Undmd

Title: Assistant Director

Date: 9/8/26

State of Louisiana
Office of State Procurement

Jeff Landry
Governor

Taylor F. Barras
Commissioner of Administration

Division of Administration
1201 N. Third Street, Suite 2-160
Baton Rouge, Louisiana 70802-5243
Phone (225) 342-8010
Fax (225) 342-9756

August 4, 2026

To: Office of Group Benefits
Ms. Roxane Williams, Group Benefits Contracts Director

From: Ms. Allison Underwood
State Procurement Assistant Director

RE: OSP Approval for JLCB
LaGov PO/Contract # 2000792961, CW8051

The above referenced amendment has been reviewed by the Office of State Procurement. The document complies with the State Procurement Code and is ready for submission to the Joint Legislative Committee on the Budget. Upon approval of the proposed term extension, in accordance with La. R.S. 39:1615(J), please return the "**Memo to OSP re: JLCB Approval**" attached to this email.

The amendment will not receive final approval by OSP until it has been approved by JLCB and is submitted to OSP in LaGov, Proact, or LESA, as applicable.

If you should have any further questions/comments, please do not hesitate to contact the RFP Team Help Desk at lesa@la.gov**.**