

PREVAILING HEALTHCARE CHARGES SYSTEM (PHCS)
PRODUCT SCHEDULE

Ingenix, Inc. ("Ingenix") and [REDACTED] ("Customer") have entered into this Product Schedule (the "Schedule"), with an Effective Date of May 1, 2005. This Schedule is incorporated into and made a part of the Master Services and License Agreement between Ingenix and Customer, dated April 27, 2004 (the "Agreement"). As of the Effective Date, this Schedule replaces and terminates the PHCS Product Schedule between the parties dated May 1, 2000. The parties agree as follows.

I. Subscription to Data System(s).

A. License. Customer hereby licenses from Ingenix and Ingenix agrees to license to Customer the databases marked below (all of which are deemed to be "Data" under the Agreement). The license of Data includes two PHCS Data output releases per year for the term of this Schedule of the following selected databases. The license to use the Data includes a sublicense to use the CPT codes and CDT codes embedded in the Data.

SURGICAL/MEDICAL: Complete or Region-Specific Subscription

ANESTHESIA: Complete or Region-Specific Subscription

HCPCS: Complete or Region-Specific Subscription

B. Internal Use. The Data may be used only by Customer and its Affiliates for their internal business purposes, as long as the number of covered lives of the Affiliates are included in the count of Customer's total Covered Lives as reported in this Schedule.

C. Informational Tool. The Data is provided to Customer for informational purposes only. Customer acknowledges that the Data is a tool that Customer may use in various ways in its internal business. The Data does not provide to Customer a stated or an implied "reasonable and customary" charge, either actual or derived. The Data does not contain a stated or an implied "reasonable and customary" conversion factor. Any reliance upon, interpretation of and/or use of the Data by Customer is solely and exclusively at the discretion of Customer. Customer's determination or establishment of an appropriate reimbursement level or fee is solely within Customer's discretion, regardless of whether Customer uses the Data. Ingenix does not determine, on Customer's behalf, the appropriate fee or reimbursement levels for Customer and its business. Customer acknowledges that Ingenix sells both the MDR and the PHCS relative and actual charge databases, and that Customer has decided to license the PHCS database. Customer shall not represent the Data in any way other than as expressed in this paragraph. In creating the PHCS Data, each of Ingenix's employees, agents and subcontractors assigned to perform any services hereunder (which shall be deemed to be "Services" under the Agreement) shall have the proper skill, training, and experience to perform the Services, and the Services will be performed in a competent and professional manner.

II. Delivery and Support.

A. Delivery and Updates. For each year this Schedule is in effect, Customer will receive two releases of the Data (except for the RBRVS Data, which is updated annually). Ingenix shall deliver the Data and associated documentation to Customer in the format(s) specified by the Customer.

B. Telephone Support - Technical. Customer is entitled to Ingenix's standard Technical Telephone Support for the Data, at no additional charge, during Ingenix's normal business/support hours (8:00 am – 5:00 pm Mountain Time). Technical Telephone Support consists primarily of answers to questions regarding installation, setup, Data structure, design, and update. This service may not be used for training purposes. Customer may obtain training from Ingenix at Ingenix's then-current charges.

C. Telephone Support - Data. Customer may obtain telephone support for the licensed Data, at no additional charge, during Ingenix's normal business/support hours. Telephone support consists primarily of answers to questions about the Data and is not to be used for training purposes. Customer may also obtain access to Review Services, at Ingenix's then-current Review Services fees. Review Services consist of coding analyses, review of claims for appropriateness of coding, and guidelines for payment of "By Report" or multiple procedures.

D. Legal Support Services.

1. Obligation to Notify Ingenix of a Dispute. Customer agrees to notify Ingenix, in writing, within 30 days after learning of a legal challenge to one of Customer's payment decisions, if Customer knows that such challenge involves or would be reasonably likely to involve issues regarding use, development or maintenance of the Data (a "Database Challenge"). Customer shall also promptly send to Ingenix copies of applicable court filings, and information on the Database Challenge and applicable benefits explanations. Customer shall not disclose the Data or any confidential information relating to the Data in any legal proceeding without (1) informing Ingenix in advance and (2) if capable of doing so, obtaining an appropriate protective order to protect the Data.

2. Standard Legal Support Services. Without additional charge to Customer, Ingenix will provide the following legal support services to Customer, in the event of a Database Challenge:

a. Statistical Analysis. Ingenix will provide certain underlying data as part of a Statistical Analysis for the specific CPT-4, CDT-3, HCPCS, and DRG codes at issue, for the applicable geographic areas. The Statistical Analysis provides greater detail (such as frequencies and distribution in related geographic areas) than that found in the Data as it is licensed. This information can be graphically represented. There may be a reasonable Data access fee when Data older than 2001 is required.

b. Methodology Training Conference Calls. Ingenix will provide education on the Data methodologies and answer questions, with non-confidential information, on how the products are developed.

c. Research on Data Anomalies and Frequencies. Should Customer receive a Database Challenge resulting from unusual data anomalies, Ingenix will perform research as appropriate to attempt to explain the anomaly. Ingenix will also analyze frequencies as part of this support service.

3. Additional Legal Support Services. Upon Customer's request, Ingenix will provide the following legal support services to Customer, in the event of a Database Challenge, at Ingenix's then-current generally available fees:

a. Methodology Conference Calls. Ingenix may require its legal counsel to be present for conference calls with Customer or Customer's legal team, in the event of a Database Challenge. Ingenix will charge for its attorneys' reasonable fees for preparation and attendance time for these conference calls, with a minimum charge of one hour.

b. Affidavit Service. Ingenix may provide sworn statements or affidavits regarding how the Data is collected, scrubbed, derived, and displayed. The charges for this service will be hourly for attorney time and hourly for Ingenix staff time, for consulting with Customer on the issues presented, and for preparing and signing the affidavit.

c. Telephonic or Local Deposition. In the event Customer requires support in the form of a deposition, Customer will pay the reasonable fees for the following, as incurred.

Please note that Ingenix does not provide deposition services of any kind without the presence of Ingenix legal counsel.

- Ingenix staff deposition preparation and travel time
- Ingenix staff deposition time
- Ingenix legal counsel deposition preparation and travel time
- Ingenix legal counsel deposition representation time
- Prior to the deposition, Ingenix requires that Customer's lawyers meet with the Ingenix person to be deposed and Ingenix's lawyers, in person or via telephone, for a minimum of one hour, in order to prepare for the deposition.

d. Trial Testimony. If Customer requests Ingenix's testimony at trial, Customer will pay the reasonable fees for the following as incurred. Please note that Ingenix does not provide testimony services of any kind without the presence of Ingenix legal counsel.

- Ingenix staff trial preparation time and travel time
- Ingenix staff trial time, in daily increments only
- Ingenix legal counsel trial preparation time and travel time
- Ingenix legal counsel on-site trial time, in daily increments only
- All travel costs, lodging, and meal expenses are billed as incurred
- Any on site testimony requests without a minimum 30-day advance written notice may be subject to an additional charge.

III. Data Contribution Program. Customer will participate in Ingenix's Data Contribution Program. If Customer participates in the Data Contribution Program, Customer agrees to submit healthcare claims data to Ingenix according to the terms of the Ingenix Data Contribution Program. Customer must submit to Ingenix non-manipulated, complete, Useable Data for all covered members and for all submitted claims. Submissions to Ingenix must be in the then-current data contribution format, which shall be provided in advance to Customer, established by Ingenix in order to qualify for data credits. Customer shall include all data fields that Customer currently collects that are required in the data contribution format, and Customer shall not manipulate or present the data so as to provide only a particular subset of its data. Customer will submit its full claims experience for the number of total contracted covered lives. Customer shall encrypt in a HIPAA compliant manner all confidential information prior to submission to Ingenix. Customer agrees that except for patient identifiable information, which Ingenix agrees to hold in confidence, Ingenix may incorporate the contributed Customer data into any and all current and/or future Ingenix data or software products. Ingenix reserves the right to change the required input formats, data contribution program requirements, and/or discontinue the Data Contribution Program upon ninety days advance written notice to Customer. If Customer contributes data in compliance with this provision, Ingenix shall award Customer with data credits as specified in the Data Contribution Program from time to time.

IV. Limitations on Use.

A. Licensed Use. Customer's right to use the Data is limited to the uses stated in this paragraph. Customer may use the Data (1) to create fee schedules (referred to as a "Data-derived Fee Schedules") based on or derived from the Data, or based on or derived from percentage factoring of the Data, and (2) for reviewing or setting an allowable fee in adjudication and/or payment of healthcare bills submitted to Customer. Customer may not modify the Data or create any derivative works based on the Data, except to create Data-derived Fee Schedules. Customer may not use the Data to perform medical diagnostic functions, set treatment procedures or substitute for the medical judgment of a physician or qualified health care provider. Customer may not use the Data as a substitute for Customer's own judgment in setting and determining Customer's fee schedules and reimbursement levels.

B. Disclosures of Codes. Customer may disclose to providers or clients a single fee per code from the Data, but only as required and necessary in the claim administration and review process. Customer may also disclose a single fee for up to three codes in the course of responding to a Request For Proposal from a potential client. In the event that Customer requires disclosure of additional fees or codes, Customer must

obtain written approval from Ingenix prior to disclosing the additional information. This prior, written approval requires a signed and executed confidentiality agreement between Ingenix and the third party who will receive the information, as well as a written description of the information that will be disclosed. Ingenix agrees to provide approval or disapproval for disclosures within 10 business days of receipt of the request.

V. Term and Termination.

A. Term. This Schedule shall commence as of the Effective Date, and shall continue for an initial term of three years thereafter. Customer understands and agrees that it is obligated to pay the annual fee for each of the three years of the initial term, regardless of any attempt to terminate this Schedule earlier, without cause. Customer may terminate this Schedule during the term, without cause, only upon payment to Ingenix of liquidated damages in the amount of all unpaid fees for the three-year initial term, unless the terms of any settlement require Customer to stop using the Data. After the initial term, this Schedule shall automatically renew for additional one year periods, unless either party gives the other party written notice of termination at least sixty (60) days before the end of the initial term or any successive one-year term. The fee for any year after the initial term shall be no more than ten percent (10%) more than the previous year's annual license fee adjusted for any increase in Customer's Covered Lives above 5,000,000. The initial three-year term and the automatic one year renewals are referred to collectively as the "Base Term".

B. Effect of Termination or Expiration. Upon expiration or termination (only as permitted in the Agreement) of this Schedule for any reason, Customer shall immediately: (i) discontinue all use of the Data and documentation, and remove the Data from all hard disks on all computers; (ii) return to Ingenix all copies of the Data and documentation within the possession or control of Customer; (iii) cease using and delete from its computer systems all Data-derived Fee Schedules; and (iv) provide to Ingenix written certification that (i), (ii) and (iii) have been accomplished. In the event that Customer desires to use any Data-derived Fee Schedule after termination of this Schedule, Customer shall pay Ingenix a license fee based on the term of continued usage and the amount of Data used in creating the Data-derived Fee Schedule. Customer shall not be deemed to be in violation of this Section for use of any Data-derived Fee Schedule after the term of this Schedule as long as Customer has used its best efforts to comply with the terms of this Section.

C. Use of Data After Termination. Notwithstanding section B, above, if Customer desires to retain or use the Data after the Base Term, Customer shall notify Ingenix, in writing, at least 30 days prior to the termination of the Base Term, of its intention to retain or use the Data thereafter. Upon Ingenix's receipt of such notification, this Schedule will be deemed to be amended as follows:

1. This Schedule shall continue in effect for one additional year after the Base Term, and this Schedule shall automatically renew for additional one year periods, unless either party gives the other party written notice of termination at least sixty (60) days before the end of any successive one-year term.
2. Customer shall pay Ingenix the following license fee for each year of this Schedule after the Base Term, at the beginning of each such year:
 - Year 1: 10 % of license fee for the last year of the Base Term (the license fee for the last year of the Base Term is referred to as the "Base Fee")
 - Year 2: 8% of the Base Fee
 - Year 3: 6% of the Base Fee
 - Year 4: 4 % of the Base Fee
 - Year 5 and thereafter: 2% of the Base Fee
3. Customer may use the Data only as follows after the Base Term, and in no other manner:
 - a. Archival use
 - b. Repricing trailing claims (those claims incurred during the Base Term and

processed at a later date), but not repricing or adjudicating claims incurred after the Base Term.

- c. Appeals and legal challenges to claim decisions made during the Base Term
4. In the event that Customer desires to continue to use a Data-Derived Fee Schedule after the Base Term for purposes other than those set forth in Section V.C(3), Customer must renew this Schedule pursuant to Section V.A of this Schedule or enter into a new Schedule with Ingenix, which permits such use of the Data.

VI. Fees and Payment Terms.

A. Covered Lives. "Covered Lives" shall mean the number of individuals eligible for coverage or payment for medical benefits by or through Customer. Each of Customer's members shall be considered a Covered Life. As of the Effective Date, Customer's total number of Covered Lives equals 3,100,000.

B. Annual License Fee. Customer shall pay Ingenix an annual license fee for the Data for each year this Schedule is in effect as specified below. For each year of the initial term the annual license fee shall be the fee specified below, provided the total number of Customer's Covered lives does not exceed 5,000,000. For the first year of this Schedule, Customer shall pay Ingenix the first year license fee specified below within forty-five (45) days after the Effective Date. This license fee is based on Customer's Covered Lives as of the date of this Schedule. The annual license fee for the Data may be adjusted each year to reflect any increase in Customer's Covered Lives above 5,000,000. If Customer is invoiced after the first year of the Schedule without accounting for Customer's then-current number of Covered Lives, Ingenix may retroactively increase the annual fee to account for the number of total covered lives as of the invoice date. The fee for any year after the first year of this Schedule is due on the anniversary of the Effective Date.

C. Recalculation Upon Acquisition. In the event that Customer acquires, becomes acquired by or merges with another entity, Customer shall pay Ingenix, at Ingenix's then-current rates, a prorated annual license fee based on Customer's new total contracted covered lives (from both or all applicable companies).

D. Additional Site Fees. The annual license fees allow Customer to use the Data at the following location: [REDACTED]. Customer shall pay Ingenix an Additional Site Fee for each additional site at which Customer desires to use the Data. An additional site is defined as a location having a different street address than the address set forth above. Customer desires to use the Data at the following Additional Sites: _____

E. Payment Schedule.

Data System	First Contract Year License Fee	Second Contract Year License Fee	Third Contract Year License Fee	Additional Site Fee, per site (Number of additional sites)
Surgical/Medical	\$67,377	\$69,399	\$71,481	18% of then-current fee (0)
Anesthesia	\$17,845	\$18,380	\$18,931	18% of then-current fee (0)
HCPCS	\$17,845	\$18,380	\$18,931	18% of then-current fee (0)

The parties have accepted and agreed to this Schedule as of the Effective Date.

INGENIX, INC.

[REDACTED]
BY: [REDACTED]
PRINT NAME: [REDACTED]
TITLE: [REDACTED]

[REDACTED]
[REDACTED]
BY: [REDACTED] *JP*
PRINT NAME: [REDACTED]
TITLE: [REDACTED]

[REDACTED]