

AMENDMENT #1

MEMORANDUM OF UNDERSTANDING BETWEEN ELECTRX AND HEALTH
SOLUTIONS, LLC AND THE CITY OF OCALA

AMENDMENT ADDING SPECIALTY DRUG PRODUCTS

WHEREAS

- A. City desires to amend the Memorandum of Understanding dated November 21, 2016 between ElectRx and Health Solutions, LLC and the City of Ocala to add specialty drug products.
- B. There is no standard scientific definition of a Specialty Drug Product. In general, they are high-cost products that provide precision therapies for complex and sometimes rare diseases. They have novel manufacturing techniques including some preparations derived from living cells which are termed "biologics." Many have special handling, distribution, and route of administration requirements including oral, intravenous, subcutaneous, and implantation applications.
- C. Specialty Drugs are now becoming much more widely prescribed. Many do not require special handling storage, or cold chain custody. This formulary is subject to change, and additions and deletions will be made at varying intervals subject to product availability, regulatory changes, and wholesale pricing factors.
- D. Because of the attributes of this drug category particularly related to availability, wholesale acquisition costs, sourcing, and supply issues through the ElectRx networks, the City of Ocala and ElectRx agree to the following terms and conditions with respect to the fulfillment of a Specialty Drug to eligible employee members from the most current ElectRx Specialty Drug Formulary.

NOW THEREFORE, in consideration of matters set forth above (which are incorporated herein by reference), the parties hereto agree as follows:

- 1) **PURPOSE**. The purpose of this Amendment is to establish the terms and conditions under which employee members of the City of Ocala, and/or their eligible dependents, and various other groups, as defined in the articles of City of Ocala Employee Benefit Plan(s) can participate in an expanded voluntary Specialty Drug Program. This program will enable their acquisition of certain Specialty Drug Products. These Specialty Drug Products are for personal consumption only, and are sourced from both the United States of America and International Mail Order networks, and are provided at the true lowest net cost.
- 2) **PRE-APPROVAL**. The Director of Human Resources and Risk Management, or their designee, at the City of Ocala must pre-approve in writing any duly-prescribed Specialty Product for an eligible employee/member that is available through the ElectRx networks prior to shipping of that product from ElectRx sources.



- 3) **ONGOING MAINTENANCE APPROVAL.** For Specialty Drug Products required as an ongoing monthly maintenance regimen, pre-approvals as referenced above must be provided in writing to ElectRx in an expedited manner to facilitate the time interval for sourcing, processing, shipping, and transit time of up to seven (7) business days, to ensure there is no interruption of an employee's maintenance medication regimen.
- 4) **PAYMENT.** The City of Ocala must remit payment in full to ElectRx within fifteen (15) business days of receipt of detailed invoice and confirmation of receipt by the employee member of each and every Specialty Product shipment from ElectRx sources. Upon execution of this Amendment, and for its entire duration, City of Ocala agrees that on receipt of a detailed invoice from the ElectRx Specialty Drug Program for pre-approved specialty Drug Product, City of Ocala shall remit payment in full within fifteen (15) business days.
- 5) **MAIL SERVICE.** An express mail service with tracking capability will be an integral component of the shipping process and included in the quoted cost of each shipment prior to approval.
- 6) **AMENDMENTS.** The MOU and this amendment adding specialty drug products may be amended at any time, by written consent between City of Ocala and ElectRx.

IN WITNESS WHEREOF, the parties to this Amendment, through their duly authorized representatives, have executed this Amendment on the days and date set out below, and certified they have read understood and agreed to the terms and conditions of this Amendment as set forth herein.

ATTEST:

CITY OF OCALA


Angel B. Jacobs
City Clerk


Brent R. Malever
City Council President

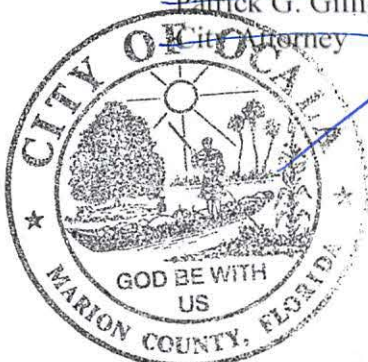
Approved as to form and legality:

**ELECTRX AND HEALTH SOLUTIONS,
LLC**


Patrick G. Gilligan
City Attorney


W. James Gooding III
Assistant City Attorney


Managing Partner



ACCEPTED BY CITY COUNCIL

DATE
OFFICE OF THE CITY CLERK

MEMORANDUM

TO: THE CITY COUNCIL
FROM: THE CITY CLERK
SUBJECT: [Illegible]

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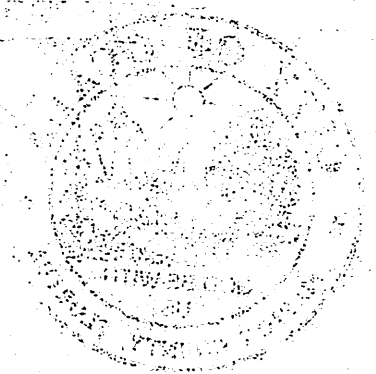
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W. James Gooding III
Assistant City Attorney



APPROVED BY CITY COUNCIL
[Signature]
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