

FIRST AMENDING AGREEMENT

This First Amending Agreement is made effective April 1, 2020 (the "Effective Date")

BETWEEN:

(the "Provider")

- and -

ALBERTA BLUE CROSS

RECITALS:

- A. The Provider and Alberta Blue Cross have entered into the Alberta Blue Cross Pharmaceutical Services Provider Agreement (Pharmacy) effective May 17, 2018 (the "Agreement"); and
- B. The Provider and Alberta Blue Cross wish to amend certain provisions of the Agreement as contemplated by Section 14.1 thereof.

THEREFORE, in consideration of the mutual promises and agreements described in this First Amending Agreement, the Provider and Alberta Blue Cross covenant each with the other as follows:

- 1. The Recital clauses are incorporated into and form part of this First Amending Agreement.
- 2. Except as expressly stated herein, the Agreement remains unamended and the provisions thereof remain in full force and effect.
- 3. This First Amending Agreement will be construed and will be interpreted according to the laws of the Province of Alberta and the courts of the Province of Alberta will have exclusive jurisdiction regarding the interpretation and enforcement of this First Amending Agreement.
- 4. Except as otherwise expressly stated herein, all defined terms will have the same meanings as described in the Agreement.
- 5. As of the Effective Date, the following provisions of the Agreement are amended as hereinafter described:
 - A. in Sections 2.1 to 2.7 inclusive of Appendix "A", wherever the date "March 31, 2020" appears it will be deleted and will be replaced with "March 31, 2022";
 - B. all of Section 2.8 of Appendix "A" will be deleted and will be replaced by the following new Section 2.8:

“2.8 “Authorized Adjustment”

(a) Notwithstanding any other provision of this Agreement, the Provider hereby irrevocably and unconditionally authorizes and directs Alberta Blue Cross as follows:

(i) For the period of time from April 1, 2020 to March 31, 2022, Alberta Blue Cross is authorized to adjust the amount owing to a Provider (the “Authorized Adjustment”) from each Claim by the Provider for a Pharmaceutical Service which:

- has been provided according to Coverage within a Plan sponsored by the Government of Alberta, and
- is a Drug Benefit for which a Dispensing Fee is to be paid or is a Pharmacy Service for which a Pharmacy Service Fee is to be paid,

in accordance with an Authorized Adjustment Policy (the “Policy”), approved by the Minister of Health and published in a Ministerial Order (the “MO”) on or before April 1, 2020,

(ii) The amount of the Authorized Adjustment will be amended and varied, from time to time, in accordance with the Policy,

(iii) Alberta Blue Cross will report quarterly in writing to the Provider with respect to the amount of the aggregate Authorized Adjustment, and

(iv) For clarity, the Provider may not charge or collect from the Plan Member any amount reduced from a Claim in relation to the Authorized Adjustment;

(b) The Authorized Adjustment Policy is being implemented by the Government of Alberta to constrain growth for Drug Benefit Fees and Pharmacy Services Fees within the Government of Alberta’s currently projected budget for Drug Benefit Fees and Pharmacy Services Fees from April 1, 2020 to March 31, 2022;

(c) The amount of the Authorized Adjustment

(i) Is determined at the sole discretion of the Minister of Health (or delegate), in accordance with Policy,

(ii) May be set at different rates for a Claim for a Drug Benefit for which a Dispensing Fee is to be paid and for a Claim for a Pharmacy Service for which a Pharmacy Service Fee is to be paid,

(iii) For each Claim for a Drug Benefit for which a Dispensing Fee is to be paid, is limited to the amount of the Drug Benefit Fees

(inclusive only of Dispensing Fee, Allowable Upcharge #1, Allowable Upcharge #2, Allowable Compound Upcharge #1 and Allowable Compound Upcharge #2), and

- (iv) May be set at \$0.00, and may be increased, reduced or otherwise varied from time to time;
 - (d) The Minister of Health will provide a minimum of five business days' written notice in advance of implementing and making any changes to the Authorized Adjustment and/or the Policy;
 - (e) As directed by the Minister of Health, Alberta Blue Cross will advise the Provider of the implementation of and changes to the Authorized Adjustment and/or the Policy through Alberta Blue Cross's "The Pharmacy Benefact" publication or by and through such other written means as Alberta Blue Cross in its sole discretion decides; and
 - (f) If the Minister of Health approves and publishes the Policy in a MO on or before April 1, 2020, then Alberta Blue Cross is unconditionally and irrevocably authorized and directed to make the Authorized Adjustment in accordance with the Policy."
- C. Wherever the date "March 31, 2020" appears in Appendix "C" it will be deleted and will be replaced with "March 31, 2022"; and
- D. The words "Holdback Policy" in the second bullet point of paragraph 14.2(b)(ii) of the body of the Agreement will be deleted and will be replaced with the words "Authorized Adjustment Policy". In this First Amending Agreement "body of the Agreement" means pages 1 through 12 of the Agreement.
6. This First Amending Agreement may be signed in counterparts each of which, when so signed and delivered, will be deemed to be an original and all such counterparts together will constitute one and the same instrument. Regardless of the date of the signing, all such counterparts will be deemed effective as of the Effective Date of this First Amending Agreement.
7. All signed counterparts sent and received by facsimile transmission will be deemed to be as valid as an originally signed and personally delivered signature page of this First Amending Agreement.

[INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS.]

This First Amending Agreement has been signed and delivered by the Provider and Alberta Blue Cross to be effective as of and after the Effective Date.

PROVIDER

ALBERTA BLUE CROSS

Per: _____
Signature (I have authority to sign)

Per: _____
Signature (I have authority to sign)

Print Name and Title

Print Name and Title

Date Signed

Date Signed

Per: _____
Signature (I have authority to sign)

Print Name and Title

Date Signed

For Reference Only