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IMPLEMENTATION AGREEMENT

THIS Implementation Agreement and any exhibits and addendums hereto (“Agreement”) is effective on January 15, 2020 (“Effective Date”) and is made by and between Advocate Aurora Health, Inc. a not-for-profit corporation duly organized and existing under the laws of the state of Delaware with its principal place of business in Wisconsin at 750 W. Virginia Street, Milwaukee, WI 53204, on behalf of itself and its affiliates (hereinafter referred to as “AAH”) and Quartz Health Solutions, Inc., a corporation duly organized and existing under the laws of the state of Wisconsin with its principal place of business at 840 Carolina Street, Sauk City, Wisconsin 53583-1374 (hereinafter referred to as the “Quartz”) (each entity is individually a (Party), collectively “Parties”).

WHEREAS, AAH is an integrated delivery health system that has locations in parts of Wisconsin and Illinois;

WHEREAS, Quartz is a licensed third-party administrator and has a management agreement with Quartz Health Plan Corporation, a health maintenance organization (“QHPC”), to perform all administrative and management duties for QHPC, and QHPC contracts with CMS to offer Medicare Advantage Plans under its license;

WHEREAS, AAH desires to utilize Quartz’s expertise to design and implement a Medicare Advantage Plan;

WHEREAS, Quartz desires to contract with the AAH to perform design and implementation services, as defined in more detail below; and

WHEREAS, Quartz, with authority from QHPC, will use QHPC’s licenses for a Medicare Advantage Plan in the AAH Service Area as contemplated in that certain Letter of Intent, dated as of the date hereof (the “Letter”), by and between Aurora Health Care, Inc. (“Aurora”), a Wisconsin nonstock corporation and a wholly owned subsidiary of AAH , Quartz and the Legacy Owners (each as defined therein).

THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, AAH and Quartz enter into this Agreement.

ARTICLE I DEFINITIONS

For the purposes of this Agreement, the following words and phrases have the meanings set forth below, unless the context clearly indicates otherwise and wherever appropriate, the singular shall include the plural and the plural shall include the singular.

[REDACTED]

1.2 **Advocate Aurora Quartz Medicare Advantage Plan or AAH Quartz Medicare Advantage Plan** means a Medicare Advantage and Medicare Advantage Part D Plan licensed under QHPC and administered by Quartz offered within applicable counties within AAH Service Area for which AAH is responsible for Medical Expenses for Beneficiaries with in a risk pool.

[REDACTED]

1.4 **Beneficiary** means an individual who is entitled to benefits under Medicare part A plan and enrolled under Medicare part B plan or enrolled in both Medicare part A and part B plan and who resides in the U.S.

1.5 **CMS** means the Centers for Medicare and Medicaid Services

[REDACTED]

1.7 **Legacy Owner** means Gundersen Lutheran Health System, Inc., University Health Care, Inc. and Iowa Health System d/b/a UnityPoint Health.

1.8 **Medical Expense** means expenses for and recoveries related to healthcare and/or clinical services and prescription drug costs provided to covered persons. The term "Medical Expense" includes, but is not limited to capitation and fee-for-service payments for inpatient hospital, outpatient hospital, physician, pharmacy expenses and rebates, chiropractic, dental, reinsurance expense and recoveries, subrogation expense and recoveries and other healthcare-related services.

1.9 **Medicare** means the health insurance program for people 65 and older, people under 65 with certain disabilities, or people with End-Stage Renal Disease (ESRD).

1.10 **Medicare Advantage Part D Plan** means a type of Medicare health plan offered by a private company, such as QHPC that contracts with Medicare and provides Part A, Part B, Part D and various other health care and related benefits to Beneficiaries.

1.11 **Plan** means health benefits coverage offered under policy or contract by QHPC

1.12 **Plan Year** means January 1 through December 31 of a particular year.

1.13 **Proprietary Information** means the pricing, methods, processes, financial data, provider or customer lists, statistics, software, systems or equipment, programs, research, development, strategic plans, operating data, or related information of each of the Parties and/or its or their policyholders, concerning past, present, or future business activities of each Party. Proprietary Information includes all non-public information disclosed by either Party to the other prior to and after the execution of this Agreement.

1.14 **Provider Agreement** means the then current Participating Provider Agreement and its schedules, exhibits and addenda (including the Risk Sharing Addendum) as amended from time to time between Quartz and Aurora Health Care, Inc.

ARTICLE II SCOPE

2.1 **Confidentiality.** Except as otherwise provided in this Agreement, each Party shall maintain the Proprietary Information of the other Party in confidence; will use such Proprietary Information only for purposes of this Agreement; and will not disclose such Proprietary Information to any person or entity, except with the prior written consent of the other Party. Each Party shall use due care and take reasonable and appropriate precautions to prevent any unauthorized or inadvertent disclosure of the other Party's Proprietary Information or any misappropriation thereof (which shall, in any event, be no less than the same degree of care and precautions it uses to preserve and protect its own Proprietary Information) and each Party shall be responsible for any breach of this confidentiality requirement by one of its officers, employees, directors, or third-party agents (including without limitation, those contemplated by Section 2.1.1 below) acting on behalf of such Party.

2.1.1 **Permissive Disclosures.** Nothing contained in this Agreement may be construed as prohibiting either Party's disclosure of Proprietary Information, so long as such Party takes reasonable precautions to ensure that the recipients of such information are bound by a reasonable confidentiality obligation:

2.1.1.1 to its employees on a need-to-know basis;

2.1.1.2 to the employees, agents, or representatives of the other Party; or

2.1.1.3 to other persons (including agents, consultants or subcontractors) in need of access to the information for purposes specifically related to either Party's responsibilities under this Agreement.

2.1.2 **Information Lawfully Received.** Neither Party has any obligation or liability with respect to the other's information to the extent that the information:

2.1.2.1 is already known by the receiving Party on the date of this Agreement, free (to the receiving Party's knowledge after due inquiry) from any obligation to keep such information confidential;

- 2.1.2.2 is or becomes publicly known through no wrongful act of the receiving Party;
- 2.1.2.3 is lawfully received by the receiving Party from a third party without restriction and without breach of any obligation of the third party; or
- 2.1.2.4 must be disclosed pursuant to a court order or as required by any governmental or administrative authority or authorized regulatory agency, in which event the disclosing Party shall notify the other Party in advance of any such disclosure and must continue to maintain the confidentiality of such information for all other purposes.

[REDACTED]

- 2.3 **License, Bond and Insurance.** Quartz agrees to comply with any state or federal statutes or regulations regarding its operations and to obtain any additional licenses or registrations which may apply in the future.
- 2.4 **Warranties.** Each Party will perform its duties under this Agreement with that degree of skill, care and prudence which a similarly situated Party, would exercise under similar circumstances, and in any event with reasonable care. EXCEPT AS EXPRESSLY WARRANTED IN THIS AGREEMENT, EACH PARTY DISCLAIMS ALL EXPRESS AND IMPLIED WARRANTIES OF ANY KIND.
- 2.5 **Limitation of Liability.** Each Party agrees that it is responsible solely for any and all injuries, claims, losses, expenses or damages whatsoever (“Claim”) arising out of or in any way related to this Agreement as a result of any act, negligence, error, omission or breach of this Agreement by that Party, its directors, officers, agents and employees acting in the course of their employment not amounting to a willful or intentional wrong.

ARTICLE III MEDICARE ADVANTAGE PLAN DEVELOPMENT & IMPLEMENTATION

- 3.1 **Quartz Services.** Quartz shall develop and implement a Medicare Advantage plan in the AAH Service Area and perform the services outlined in Addendum A (the “Services”) beginning on the Effective Date with respect to the AAH Quartz Medicare Advantage Plan. Subject to the terms and conditions set forth herein, Quartz shall provide or cause to be provided through its respective employees, agents, and subcontractors, the Services related to the development of the AAH Quartz Medicare Advantage Plan.
- 3.2 **Expenses and Services Not Included Under This Agreement.** The Parties agree that the following tasks and items are not included under this Agreement:
 - (a) Expenses which the Parties agree that Quartz will pay directly and AAH will reimburse to Quartz, which include agent and broker commissions and any related compensation and other items the Parties may agree to.

- (b) Any advertising and marketing expenses above what is allocated by Quartz for Quartz Medicare Advantage products (which allocation shall be shared with AAH).

3.3 **AAH's Support of the Services and No Interference.** AAH shall promptly provide Quartz with the information, documents and access to data and AAH's personnel that Quartz requests to provide and complete the Services. AAH will act with diligence to keep Quartz informed of any changes or information that impacts the accuracy of reporting to CMS regarding the Provider Agreement. AAH agrees that, except as requested by Quartz for participation or assistance, AAH will not interfere or have proactive discussions with CMS officials or contractors regarding the Services. AAH defers to Quartz on all such matters and will give notice to Quartz regarding correspondence and/or communications to or from CMS. AAH further agrees to cooperate in good faith with Quartz in its provision of the Services.

ARTICLE IV OPERATIONS

4.1 **Provider Agreement.** All information conveyed to CMS regarding the AAH Quartz Medicare Advantage Plan shall be consistent with the terms of the Provider Agreement.

[Redacted text block]

ARTICLE V RISK ASSUMPTION AND RESERVE POWERS

[Redacted text block]

[Redacted text block]

- [Redacted list item]

- [Redacted list item]

- [Redacted list item]

- [Redacted list item]

ARTICLE VI DISPUTE RESOLUTION

6.1 **Disputes.** The Parties will attempt in good faith to resolve any dispute or claim arising out of or in relation to this Agreement through negotiations. If a dispute cannot be settled amicably within thirty (30) calendars days (or, fifteen (15) calendar days, if related to a notice or request from any regulatory body) (“Cure Period”) from the date on which either Party has served written notice on the dispute then either Party may, by written notice to the other Party, escalate the dispute or claim to the executives of each Party, who shall then meet in good faith to amicably settle the dispute. In the event that the dispute remains unsettled after thirty (30) calendars days (or, fifteen (15) calendar days, if related to a notice or request from any regulatory body), the Parties may, if they wish, agree to mediation or other voluntary form of dispute resolution in accordance with procedures to be agreed to by the Parties, the costs of which shall be borne equally by each Party. The Parties agree that litigation shall be a final resort for resolving any dispute or claim hereunder. Unless otherwise agreed, the Parties do not waive their right to pursue remedies in the court of law.

This mechanism detailed in this Section 6.1 shall be the exclusive mechanism for resolving any dispute that may arise from time to time between the Parties with respect to this Agreement or the subject matter hereof.

To the extent permitted by applicable law, all negotiations pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

ARTICLE VII PAYMENT

[REDACTED]

ARTICLE VIII TERM AND TERMINATION

8.1 **Term of Agreement.** This Agreement shall be effective on the Effective Date and will continue until and through December 31, 2020. Notwithstanding the foregoing, unless otherwise agreed to by the Parties in writing, this Agreement shall immediately terminate and have no further effect, except for the Aggregate Fee owed under 7.1, if a definitive agreement (or agreements) detailing the relationship contemplated by the Letter are not signed and filed with the Office of the Commissioner of Insurance for the State of Wisconsin by April 1, 2020. Termination of this Agreement shall have no effect or impact on the Provider Agreement.

8.2 **Termination for Cause:** Either Party may terminate this Agreement upon fifteen (15) days prior written notice if the other Party commits a material breach of this Agreement and such breach was not cured within 60 days of receipt of written notice of the breach by the terminating Party. If termination is not permissible under CMS regulations or feasible due to the negative impact on Beneficiaries, the Party not in breach may seek appropriate judicial remedies and be entitled

to direct reimbursement for all expenses including attorney fees, fines and penalties, in addition to all other remedies available.

ARTICLE IX MISCELLANEOUS

- 9.1 **Subcontractors.** The work to be performed by Quartz under this Agreement may be performed directly by it or wholly or in part through a vendor or affiliate of Quartz or under an agreement with an organization, agent, advisor, or other person of its choosing, provided that Quartz shall not be relieved of its obligation to perform under this Agreement by such delegation, agreement or subcontract.
- 9.2 **Independent Contractor.** The Parties enter into this Agreement as independent contractors and not as agents of each other. Neither Party shall have any authority to act in any way as the representative of the other, or to bind the other to any third party, except as specifically set forth herein.
- 9.3 **Use of Logos.** Prior to a Party using the other Party's logo in any marketing materials, the Party using the logo shall obtain permission from the other Party (which may include entering into a trademark license agreement) to use the other Party's name or logo in marketing materials relating to the AAH Quartz Medicare Advantage Plan, subject to the Parties' and CMS approval of marketing materials. Each Party agrees that both the AAH and Quartz logo shall appear on any marketing materials and each Party shall include a trademark attribution notice giving notice of the respective Party's ownership of its trademarks in the marketing materials in which Quartz and AAH's name and logo appear.
- 9.4 **Assignment.** Except as specifically set forth herein, this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective legal representatives and successors; provided, however, neither Party may assign this Agreement nor any or all of its rights or obligations hereunder (except by operation of law) without the prior written consent of the other Party, which consent may not be unreasonably withheld.
- 9.5 **Compliance with Applicable Laws.** Each Party shall take all practicable steps to ensure that each Party will comply with applicable law, regulations, the Medicare Managed Care Manual and Health Plan Management System (HPMS) memos ("Laws"). As necessary, Parties shall cooperate in the implementation of any new Laws.
- 9.6 **Notification of Lawsuit.** Each Party hereto agrees to notify the other Party at the time a lawsuit is initiated concerning any dispute with any third person or entity that is relevant to any rights, obligations, or other responsibilities or dues provided for under this Agreement
- 9.7 **Counterparts.** This Agreement may be executed in two or more counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument. This Agreement may be executed electronically.
- 9.8 **Amendments.** No changes in or additions to this Agreement shall be recognized unless and until made in writing and signed by all Parties hereto.

- 9.9 **Third Party Beneficiary.** The terms and provisions of this Agreement are intended solely for the benefit of each Party hereto and their respective successors and permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person.
- 9.10 **Severability.** In the event any provision of this Agreement is held to be invalid, illegal, or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice, or disturb the validity of the remainder of this Agreement, which shall be in full force and effect, enforceable in accordance with its terms.
- 9.11 **Force Majeure.** In the event that either Party is unable to perform any of its obligations under this Agreement because of natural disaster, labor unrest, civil disobedience, acts of war (declared or undeclared), or actions or decrees of governmental bodies (any one of these events which is referred to as a "Force Majeure Event"), the Party who has been so affected shall immediately notify the other Party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Agreement shall be immediately suspended. If the period of non-performance exceeds ten (10) working days from the receipt of notice of the Force Majeure Event, the Party whose ability to perform has not been so affected may, by giving written notice, terminate this Agreement.
- 9.12 **Notice.** All notices required to be given to either Party by this Agreement shall, unless otherwise specified in writing, be deemed to have been given three (3) days after deposit in the U.S. Mail, first class postage prepaid, certified mail, return receipt requested as follows:

To Quartz:

Quartz Health Solutions, Inc.
Attention: President
840 Carolina Street
Sauk City, Wisconsin 53583
Fax: 608-643-1450

Copy to:

Quartz Health Solutions, Inc.
Attention: General Counsel
840 Carolina Street
Sauk City, Wisconsin 53583

To AAH:

Advocate Aurora Health, Inc.
Attention: Senior Vice President, Payer Analytics
750 W. Virginia Street
Milwaukee, WI 53204

Copy to:

Advocate Aurora Health, Inc.
Attention: Chief Legal Officer

750 W. Virginia Street
Milwaukee, WI 53204

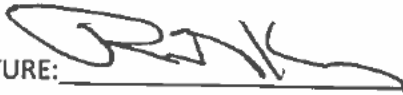
- 9.13 **Choice of Law.** This Agreement shall be interpreted and construed in accordance with the laws of the state of Wisconsin except to the extent superseded by federal law.
- 9.14 **Waiver.** No forbearance or neglect on the part of either Party to enforce or insist upon any of the provisions of this Agreement shall be construed as a waiver, alteration, or modification of the Agreement.
- 9.15 **Headings.** The section headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.
- 9.16 **Entire Agreement.** This Agreement, together with the aforesaid addenda, exhibits, and appendices constitutes the entire agreement between the Parties with respect to its subject matter. It supersedes all previous agreements, representations, conditions, warranties, proposals and understandings between the Parties and each Party acknowledges that, in entering into this agreement, it does not do so on the basis of or in reliance upon any representations, promises, undertakings, warranties or other statements (whether written or oral) of any nature whatsoever except as expressly provided in this agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date above.

ADVOCATE AURORA HEALTH, INC.

QUARTZ HEALTH SOLUTIONS, INC.

SIGNATURE: 

SIGNATURE: _____

PRINTED NAME: Rick Klein

PRINTED NAME: _____

TITLE: Chief Business Development Officer

TITLE: _____

DATE: January 15, 2020

DATE: _____



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the Effective Date above.

ADVOCATE AURORA HEALTH, INC.

QUARTZ HEALTH SOLUTIONS, INC.

SIGNATURE: _____

SIGNATURE: Terry R Boltz

PRINTED NAME: Rick Klein

PRINTED NAME: Terry Boltz

TITLE: Chief Business Development Officer

TITLE: President + CEO CS

DATE: _____

DATE: 1/15/2020

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