

**RUN-OUT AMENDMENT TO THIRD PARTY CLAIMS ADMINISTRATION CONTRACT  
WITH THE STATE OF MONTANA DEPARTMENT OF CORRECTIONS, CONTRACT #03-  
004-CSD**

Blue Cross and Blue Shield of Montana, a Division of Health Care Service Corporation, a Mutual Legal Reserve Company ("BCBSMT") and the State of Montana Department of Corrections ("Department") (BCBSMT and Department jointly referred to as the "Parties") agree that the Third Party Claims Administration Contract, Contract # 03-004-CSD ("Agreement") which was made effective on March 27, 2003, by the Parties, is amended (this document hereinafter referred to as the "Amendment") as follows:

**1.0 RUN-OUT SERVICES**

**1.1.** The Parties agree that BCBSMT will not process Department claims that reflect dates of service on or after January 1, 2016. Claims that reflect dates of service on or after January 1, 2016 will be processed by the State of Montana Medicaid Program.

**1.2 Run-Out Services.** BCBSMT agrees to process "run-out claims", i.e., claims reflecting dates of service on or before December 31, 2015 but which were not submitted to BCBSMT prior to December 31, 2015. Except as provided in 1.2(c), the period during which BCBSMT will process run-out claims is January 1, 2016, through December 31, 2016 ("Run-Out Period").

- (a) In consideration for services to be provided by BCBSMT during the Run-Out Period under the terms of this Amendment, the Department agrees to pay BCBSMT a monthly administrative fee in each of the months of January, February, and March 2016. The amount of the monthly administrative fees paid by the Department to BCBSMT shall be the average amount of the three monthly administrative fees paid by the Department to BCBSMT in October, November, and December 2015. No administrative or other fees shall be due from the Department for services provided by BCBSMT during the remaining nine (9) months of the Run-Out Period. The Department shall be liable for the payment of all clean claims and adjustments processed during the Run-Out Period.
- (b) The Department, and not BCBSMT, shall be liable for the payment of all clean claims and adjustments that were not paid prior to December 31, 2016, except as provided in 1.2(c).
- (c) BCBSMT agrees to reprocess or adjust run-out claims after the Run-Out Period expires upon receipt of a written request from the Department specifying the claims to be reprocessed or adjusted. The Department agrees to pay BCBSMT an administrative fee of \$15 (fifteen dollars) per reprocessed or adjusted claim processed after the Run-Out Period. The Department shall be liable for the payment of all clean claims and adjustments reprocessed or adjusted under this section 1.2(c).

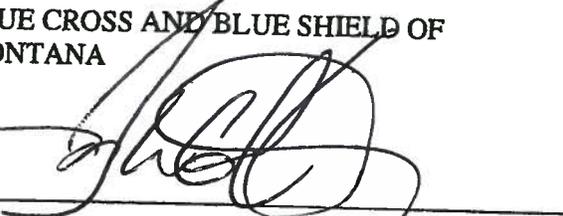
**1.3 Business Associate Agreement.** The information transmitted under this Amendment shall be considered "Plan and Healthcare Operations" between Covered Entities and/or Business Associates of Covered Entities with a need to know the information as those terms are defined by the Health Insurance Portability and Accountability Act of 1996, and the Administrative Simplification regulations therein.

**1.4 Amendment.** Nothing contained in this Amendment shall be held to alter any terms or conditions of the Agreement except as specifically stated herein or necessarily amended by implication in order to give full effect to this Amendment.

**1.5 Termination of Agreement.** The Parties agree that, subject to 1.2(c), the Agreement as hereby Amended will terminate on December 31, 2016.

IN WITNESS WHEREOF, the parties have executed this Amendment as of December \_\_\_\_\_, 2015.

BLUE CROSS AND BLUE SHIELD OF MONTANA

By: 

Its: VP of MT Sales

Reviewed for Legal Content by:

DEPARTMENT OF CORRECTIONS

By: 

Its: Deputy Director

