

Cigna-Express Scripts Undertakings

Cigna Corporation (Cigna) has agreed to acquire control of Express Scripts Holding Company (Express Scripts) (the “Acquisition”). Cigna is the indirect parent company of three California health plans licensed by the Department of Managed Health Care (Department). The three health plans are:

1. Cigna HealthCare of California, Inc. (CHCC)
2. Cigna Behavioral Health of California, Inc. (CBHC)
3. Cigna Dental Health of California, Inc. (CDHC)

CHCC, CBHC, and CDHC each filed with the Department a Notice of Material Modification (Material Modification) regarding the Acquisition. Those filing numbers are 20181174 (CHCC), 20181173 (CBHC), and 20181172 (CDHC).

To demonstrate continued compliance with the Knox-Keene Health Care Service Plan Act of 1975 (Act), codified at Health and Safety Code section 1340 et seq., and the Act’s corresponding regulations at Title 28, California Code of Regulations (Rules), the following entities (collectively, the “Parties”) agree to the Undertakings set forth herein and acknowledge that any Orders issued by the Department approving Material Modifications numbers 20181174, 20181173, and 20181172 are conditioned upon these Undertakings:

- Cigna
- Express Scripts
- CHCC
- CBHC
- CDHC

The Parties agree to fully and completely comply with these Undertakings and agree they will not violate these Undertakings.

Financial and Filing Requirements

1. Costs of acquisition sole responsibility of Cigna

Cigna and Express Scripts promise the following:

- (a) The payments in consideration of the Acquisition will be the sole responsibility of Cigna and not CHCC, CBHC, or CDHC.
- (b) The stock or assets of CHCC, CBHC, or CDHC will not secure the indebtedness necessary to finance the acquisition.

2. Restrictions on upstreaming of funds

CHCC, CBHC and CDHC shall not declare or pay dividends, make other distributions of cash or property or in any other way upstream any funds or property to its shareholders or any of CHCC, CBHC, or CDHC's affiliates ("Affiliate Company Distributions") without adequate consideration if such actions would cause any of the following:

- (a) Cause CHCC, CBHC, or CDHC to fail to maintain at all times the greater of the following:
 - i. For CHCC, 150% of the minimum tangible net equity (which annualized amount shall be calculated by multiplying the applicable current quarter revenues and expenditures by four) currently required by Section 1374.64(b)(1) of the Act;
 - ii. For CBHC, 750% of the minimum tangible net equity (which annualized amount shall be calculated by multiplying the applicable current quarter revenues and expenditures by four) currently required by California Code of Regulations, Title 28, Rule 1300.76;
 - iii. For CDHC, 500% of the minimum tangible net equity (which annualized amount shall be calculated by multiplying the applicable current quarter revenues and expenditures by four) currently required by California Code of Regulations, Title 28, Rule 1300.76;
 - iv. 100% of minimum tangible net equity as may be required following any future amendment to Section 1374.64 of the Act or Rule 1300.76, or any successor statute or regulation; or
- (b) Result in insufficient working capital or insufficient cash flows necessary to provide for the retirement of existing or proposed indebtedness of CHCC, CBHC or CDHC, as required by Rule 1300.75.1(a); or
- (c) Adversely affect the ability of CHCC, CBHC, or CDHC to provide health care services.

For purposes of these Undertakings, "Affiliate Company Distributions" shall not be deemed to refer to payments made under the terms of any administrative service agreement or tax sharing agreement, which has been filed with and received prior approval from the Department.

3. Material Modification required before guaranteeing, cosigning or assuming loans, or before borrowing

CHCC, CBHC, and CDHC shall not take any of the following actions prior to the submission of a Notice of Material Modification in accordance with the standards set forth in Section 1352 of the Act and Rule 1300.52.4 and the receipt of the Department's Order

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of Approval:

- (a) Cosign or guarantee any portion of any current or future loans and/or credit facilities entered into by CHCC, CBHC or CDHC shareholders, the CHCC, CBHC or CDHC affiliates, or any other affiliated shareholders; or
- (b) Permit any portion of loans obtained by CHCC, CBHC or CDHC shareholders, CHCC, CBHC or CDHC affiliates, or any other affiliate shareholders to be assumed by CHCC, CBHC or CDHC unless CHCC, CBHC or CDHC are currently a party to a loan; or
- (c) Allow a pledge or hypothecation of CHCC, CBHC or CDHC assets in any way connected with any current or future loans of CHCC, CBHC or CDHC shareholders, CHCC, CBHC or CDHC affiliates or any other affiliated shareholders; or
- (d) Borrow any funds or otherwise incur any indebtedness for the purpose of making any Affiliate Company Distribution, except (i) any Affiliate Company Distribution that is made in compliance with this Undertaking, or (ii) a payment made pursuant to any written administrative services agreement or tax sharing agreement between or among CHCC, CBHC or CDHC on the one hand, and CHCC, CBHC or CDHC affiliates or shareholders or any other affiliate shareholders, on the other hand.

4. Notice of undertakings to creditors

CHCC, CBHC and CDHC shall ensure that written disclosure, by commercially reasonable means, of Undertakings 2 and 3 is provided to any and all future holders of any loans and/or credit facilities of CHCC, CBHC or CDHC affiliates, to the extent that CHCC, CBHC or CDHC assets are involved in such loans and/or credit facilities, to ensure that the holder of such instrument(s) has written notice that the satisfaction of any obligations under such instrument(s) is subordinated to obligations CHCC, CBHC or CDHC under the Act and Rules thereunder.

5. Required financial reporting and actuarial opinion

For three (3) years following the closing date of the Acquisition, CHCC, CBHC, and CDHC shall file with the Department, a Schedule that reports the estimated claims payable; reported or unreported medical liability at the end of each such quarter; and the amount of the claims payable reported on lines 3 through 6 of Report #1 - Part B: Liabilities and Net Worth. This Schedule shall be filed with the CHCC, CBHC, and CDHC Quarterly Financial Reports filed with the Department each calendar quarter. If filed through eFiling, the Schedule must be filed as an Exhibit HH-32 and must be accompanied by a Request for Confidentiality as described below.

The estimated unreported medical liability (incurred-but-not-reported claim liability) at the end of each such quarter shall be prepared by CHCC, CBHC, and CDHC and by the CHCC, CBHC, CDHC, or Cigna chief actuary, chief financial officer, or other appropriate financial officer, ensuring the unreported medical liability is in accordance with actuarial standards of practice which generally require that the unreported medical liability estimates be adequate to cover

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obligations under moderately adverse conditions.

Annually, CHCC, CBHC, and CDHC shall obtain, provide, and include as a part of its required filings, an actuarial opinion by a qualified actuary, which may include a Cigna actuary.

Upon receipt of a Request for Confidentiality, the Department shall grant confidential treatment to the Schedule filed pursuant to this Undertaking for an indefinite period of time. In each Request for Confidentiality, CHCC, CBHC, and CDHC shall reference the File Number of this Undertaking and Order, and describe the confidential and proprietary nature of the information provided in the Schedule. The Department shall provide CHCC, CBHC, and CDHC with appropriate notice of any judicial or other effort to compel the Department to disclose this information in accordance with Rule 1007.

6. Tax sharing agreements to be filed as Material Modifications

After the closing date of the Acquisition, if CHCC, CBHC and CDHC desire to amend, change, terminate or replace their tax sharing agreements, as previously filed with and approved by the Department, CHCC, CBHC and CDHC shall file any changes to those tax sharing agreements as a Notice of Material Modification in accordance with the standards set forth in Section 1352 of the Act and Rule 1300.52.4.

7. Plans to pay costs associated with Department's review for compliance with undertakings

CHCC, CBHC and CDHC shall promptly pay for the reasonable costs arising from activities of the Department with respect to each such plan, including any necessary out-of-state travel, incurred in the course of verifying and auditing compliance by CHCC, CBHC and CDHC with each of the Undertakings set forth herein. Such activity shall be conducted, at the Department's discretion, in addition to any of the surveys, audits, examinations, or inquiries required or permissible under the Act.

8. No push-down of goodwill from Cigna or Express Scripts

Cigna and Express Scripts shall not use any form of push-down accounting methods that result in the transfer or allocation of any of Cigna Corporation or Express Scripts' goodwill, including goodwill related to this Acquisition, to CHCC, CBHC and CDHC.

Premium Rates

9. No increase in premiums because of the Acquisition

For a period of five (5) years, CHCC, CBHC, CDHC, and Cigna represent and warrant that premiums payable by CHCC, CBHC and CDHC enrollees (including copayments and deductibles) will not increase as a result of costs incurred in financing, analyzing and/or consummating the Acquisition. Such costs include but are not limited to attorneys' and investment bankers' fees, travel expenses, bonuses or payouts, due diligence expenses, and expenses related to concurrent or future mergers or acquisitions by Cigna affiliates, other than CHCC, CBHC, and CDHC ("Acquisition Costs").

Annually, through eFiling, as an Exhibit HH-32, within 60 days following the end of the calendar year, an Actuarial Memorandum, signed by the CHCC, CBHC, and CDHC or Cigna chief actuary, CFO or similar officer, that certifies that no portion of the cost components of any premium rate charged for any commercial product offered in California by CHCC, CBHC, and CDHC includes a charge related to the Acquisition Costs.

10. Keep premium rate increases to a minimum

Cigna and Express Scripts agree that controlling health care costs is of the utmost importance. As of the date of this Agreement, CHCC is not a participant in the small group or individual commercial markets and the large group market is not subject to the Department's rate review. For the duration of these Undertakings, for any CHCC premium rate filing subject to rate review which is deemed by the Department as not using reasonable actuarial assumptions, rate levels not reasonable in relationship to the benefits provided or that the rating assumptions will produce rates that are excessive, inadequate, or unfairly discriminatory, CHCC agrees to meet and confer with the Department and make a good faith attempt to resolve any differences regarding the premium rate increase.

Key Functions, Management and Books/Records Based in California

11. Key functions and management based in California

For a period of five (5) years, Cigna and Express Scripts commit that the President(s), Chief Financial Officer(s) and Clinical Leader(s), including a dental director, overseeing the California operations of CHCC, CBHC and CDHC shall be based in California. Cigna and Express Scripts further commit that job functions currently performed at the time of the filing by employees in California who directly interact with members and providers in California for CHCC, CBHC and CDHC will continue to be performed in California after the Acquisition, unless a Notice of Material Modification has been submitted to and approved by the Department. After the Acquisition is completed, CHCC, CBHC and CDHC shall maintain leaders and personnel in California to ensure adequate organizational

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and administrative capacity and to perform, at a minimum, the following functions consistent with the plans' practices in effect prior to the Acquisition:

- (a) Clinical decision-making and California medical policy development by any clinical personnel responsible for California medical decision-making and California medical policy, including determination of CHCC, CBHC and CDHC prescription drug formularies, including a Chief Medical Officer(s), medical directors and other clinicians;
- (b) Prior authorization and referral functions;
- (c) Enrollee grievance and appeal functions;
- (d) Network Management;
- (e) Provider services, including membership accounting and provider directories;
- (f) Independent Medical Review process;
- (g) Underwriting functions;
- (h) Provider Dispute Resolution Mechanism process;
- (i) Claims processing functions;
- (j) Key management personnel, including senior financial staff; and
- (k) Key regulatory, financial, and compliance officers and other personnel performing state and federal compliance functions, including personnel knowledgeable with the Act and Rules as well as the laws governing Medi-Cal and any other applicable law.

These aforementioned functions shall be conducted in conformity with California standards, and timeframes, as required by the Act. CHCC, CBHC and CDHC confirm to the Department that they intend to maintain offices in California, which shall continue to serve as headquarters for CHCC, CBHC and CDHC plan operations.

12. Books and records to stay in California unless approved by the Department

For a period of five (5) years, CHCC, CBHC and CDHC agree that they shall not remove, require, permit, or cause the removal of any CHCC, CBHC and CDHC books and records, as defined in the Act, from California prior to the submission of a Notice of Material Modification in accordance with the standards set forth in Section 1352 of the Act and Rule 1300.52.4 and the receipt of the Department's Order of Approval. Further, notwithstanding any failure or omission on the part of CHCC, CBHC and CDHC, or that of an affiliate, to maintain the records of CHCC, CBHC and CDHC in California, CHCC, CBHC and CDHC agree that they shall return to California, as may be required by the Department, within the timeframe specified by the Department, any such CHCC, CBHC

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and CDHC books and records that have been removed from California without the Department's express, written permission. This Undertaking shall not restrict CHCC, CBHC and CDHC from maintaining books and records in an electronic format, as long as electronic books and records are contemporaneously available in California.

13. Changes to Administrative Services Agreements must be filed as Material Modifications

For a period of five (5) years, in the event of any Change(s), as defined below, to an administrative services agreement (ASA) to which CHCC, CBHC, or CDHC are a party with any CHCC, CBHC, or CDHC affiliate, or through which CHCC, CBHC, or CDHC receive services, CHCC, CBHC, and CDHC shall file a Notice of Material Modification, as applicable, in accordance with the standards set forth in Section 1352 of the Act and Rule 1300.52.4 and shall not implement the ASA change(s) prior to the receipt of the Department's Order of Approval.

"Change" is defined for purposes of this undertaking to be an amendment, modification, termination, or replacement of an ASA, which involves any of the following:

- (a) The addition of a new service or a change in the scope of services;
- (b) Change to reimbursement terms or method of reimbursement for services performed on behalf of CHCC, CBHC or CDHC;
- (c) Change to the location of books and records documenting performance of the services performed on behalf of CHCC, CBHC or CDHC pursuant to an ASA, resulting in removal of the ASA provider's books and records outside of California;
- (d) Change to the location of performance of any of the functions from California to another state or country, or from a state other than California to another state or country; or
- (e) Change to the legal identity of the entity performing CHCC, CBHC or CDHC functions on behalf of CHCC, CBHC or CDHC pursuant to an ASA, unless the entity is a CHCC, CBHC or CDHC affiliate.

Segregation of Functions

14. Express Scripts to continue to contract with other California licensed health plans on an arm's length basis in the normal course of business.

Express Scripts and Cigna agree that, for a period of at least five (5) years from the issuance of the Order of Approval, Express Scripts and its subsidiaries shall continue to contract with unaffiliated Department-licensed health plans on an arm's length basis in the normal course of business.

15. Firewall requirements

For at least five (5) years from the issuance of the Order of Approval, Cigna and Express Scripts shall maintain firewalls to ensure that health plan clients' competitively sensitive information is not inappropriately used in a manner that harms competition (the "Firewalls"). The Firewalls shall include: (i) appropriate IT access controls, organizational structures, and corporate policies and procedures that are designed to ensure health plan clients' information is not used to the competitive advantage of Cigna's health plan; (ii) training, and monitoring to ensure compliance; (iii) investigation of any suspected material violation of the established policies and procedures; and (iv) appropriate disciplinary action for any substantiated violation.

Correction of Deficiencies

16. Compliance with Timely Access Standards

All Department-licensed health plans owned directly or indirectly by Cigna shall comply with the Act's timely access standards, as applicable, codified in Health and Safety Code sections 1367.03, 1367.031 and 1367.035, and the Rules.

17. Geographic Access to PCPs and Hospitals

Cigna shall improve its performance in meeting geographic access standards for primary care providers (PCPs) and hospitals and in accurately reporting geographic access data to the Department. Within thirty six (36) months of the date of the Order of Approval, Cigna shall complete an internal review of access to PCPs and hospitals for its *entire* licensed service area and, in the event Cigna identifies barriers to access for PCPs or hospitals, Cigna shall develop a plan to ensure that both current and potential enrollees have adequate access to providers. By March 1, 2022, Cigna shall submit a report to the Department explaining how it has satisfied this undertaking.

18. Geographic Access to Specialists

- (a) Cigna shall ensure adequate geographic access to Obstetrics/Gynecology providers, at a minimum within CCHC's Southern CA Select Network, in the following ZIP codes in Los Angeles County: 90250; 90026; 90045; 90274; 91103; 91104; 90278; and, 90505.
- (b) By March 1, 2020, Cigna shall submit a report to the Department explaining the steps CCHC has taken to ensure adequate Obstetrics/Gynecology for the Southern CA Select Network.
- (c) Cigna shall contract with an external vendor validator to review and validate annual provider network reports that are required under Health and Safety Code section 1367.035 subd. (a), and California Code of Regulations, title 28, section 1300.67.2.2, subd. (g)(2)(G) (the Annual Network Review "G data" report.) The vendor validator shall review Cigna's Annual Network Review G data report for accuracy prior to timely submission to the Department, for Measurement Years

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2019, 2020 and 2021. For these Measurement Years, Cigna shall include with its annual G data report a statement attesting that the external validator has reviewed the report.

19. Plans to correct all uncorrected survey deficiencies

Several of the California licensed health plans owned, directly or indirectly, by Cigna Corporation have uncorrected deficiencies as identified in recent Department surveys or financial exams. These deficiencies are set forth below.

Within twelve (12) months of the date of the Order of Approval, the California licensed plans shall correct all deficiencies identified below and shall submit a report via eFiling demonstrating how the deficiencies have been corrected.

(a) CBHC – June 23, 2017 Final Report of Routine Survey

- i. Deficiency #2: The Plan does not ensure that only appropriately licensed professional providers participate in QA activity.
- ii. Deficiency #3: The Plan fails to adequately investigate Potential Quality Issues and take action where necessary.
- iii. Deficiency #4: The Plan does not consistently acknowledge grievances and appeals in writing within five (5) calendar days of receipt.
- iv. Deficiency #5: Plan responses to grievances involving a determination that the requested service is not a covered benefit fail to cite the specific provision in the contract, Evidence Of Coverage or member handbook that excludes the services.
- v. Deficiency #6: The Plan's online grievance form does not allow the complainant to preview and edit the grievance form prior to submittal.
- vi. Deficiency #7: For decisions based in whole or in part on medical necessity, the Plan's denial letters fail to consistently include the clinical reasons for the Plan's decision to deny, delay, or modify health care services.
- vii. Deficiency #8: The Plan does not have a process in place to ensure the disclosure of the Plan's criteria is accompanied by the notice required by Section 1363.5(c).

(b) CDHC – November 6, 2017 Final Report of Routine Survey

- i. Deficiency #1: The Plan does not consistently ensure oral expressions of dissatisfaction and requests for reconsideration are reviewed and resolved as grievances.

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- ii. Deficiency #2: The Plan's exempt grievance log does not include the nature of the resolution and the name of the representative who took the call and resolved the grievances.
- iii. Deficiency #3: The Plan does not document that quality of care problems are being identified.
- iv. Deficiency #4: The Plan does not communicate its decisions to deny prior authorization requests to requesting providers within 24 hours of the Plan's decision.

(c) CHCC – June 7, 2018 Routine Survey Follow-Up Report

- i. Deficiency #1: The Plan's Quality Assurance Program does not ensure that the quality of care provided is reviewed, that problems are identified, that effective action is taken to improve care where deficiencies are identified, and that follow-up is undertaken where indicated.
- ii. Deficiency #2: The Plan does not have an established and effective mechanism for documenting, tracking, and monitoring grievances.
- iii. Deficiency #3: The Plan fails to adequately consider and rectify exempt enrollee grievances that contain potential quality of care, quality of service, and access issues.
- iv. Deficiency #4: The Plan impermissibly processes medical necessity disputes, benefits and coverage disputes, and/or grievances that are not resolved by the next business day as exempt grievances, in violation of Section 1368(a)(4)(B) and Rule 1300.68(d)(8). As a result, the Plan fails to send written grievance and acknowledgement letters in those cases.
- v. Deficiency #5: The Plan failed to provide written acknowledgment, status, and resolution letters to enrollees in a timely manner.
- vi. Deficiency #8: The Plan's grievance system does not ensure that the Plan immediately informs the enrollee of his/her right to notify the Department of the expedited grievance.
- vii. Deficiency #12: Denial letters do not consistently include: a clear and concise explanation for the denial; the criteria or guidelines used for the decision; and the clinical reason for the decision.
- viii. Deficiency #14: In its written communications to providers of denial, delay, or modification of requests for authorization of health care services, the Plan does not consistently include the name and direct telephone number of the reviewing professional responsible for the decision.

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- ix. Deficiency #15: The Plan's pharmacy denial letters do not consistently include: a clear and concise explanation for the Plan's denial; the criteria or guidelines used for the Plan's decision; and the clinical reason for the Plan's decision.

20. Grievance and Appeals System

- (a) Based on the number of deficiencies across all Cigna lines of business pertaining to grievances, Cigna shall improve its California grievance and appeals systems, improve its enrollee and provider notification mechanisms, processes, and letter content, and improve the quality and frequency of training of Customer Service Representatives.
- (b) By March 1, 2021, Cigna shall submit a report to the Department explaining how it has satisfied this undertaking.

Community Investments

21. Charitable contributions

- (a) Cigna shall contribute at least **\$2 million** annually for a period of five (5) years to the Health Professions Education Foundation, a 501(c)(3) nonprofit organization administered by the Office of Statewide Health Planning and Development. These contributions shall be used to improve access to healthcare in underserved areas of California. Five hundred thousand dollars (\$500,000) annually shall be used for scholarships and \$1.5 million annually shall be used for loan repayments.
- (b) Cigna shall contribute at least **\$1.5 million** annually for a period of five (5) years to support programs in California related to addressing social determinants of health, including:
 - i. the intersection of homelessness and health;
 - ii. loneliness and improvement in community connectivity;
 - iii. children's health and wellness programs;
 - iv. connections between planetary health and human health with a focus on clean air and water, especially in underserved communities.
- (c) Cigna shall submit an annual report by March 1 of each year, beginning in year 2020, confirming that during the preceding calendar year it made the contribution required by this undertaking and detailing how Cigna used or is using the contributions pursuant to this undertaking.

22. Investments to support joint ventures, delivery system alliances and collaborative accountable care initiatives

(a) Cigna shall spend at least **\$35 million** over five (5) years to support joint ventures, delivery system alliances (DSA) and collaborative accountable care (CAC) initiatives in California. This investment will be used to promote and improve value-based care payment models and may include tools for population health management, care coordination, integrated services and patient engagement.

Beginning in 2020 through 2024, Cigna shall submit an annual report to the Department by March 1 demonstrating its compliance with this undertaking.

23. Investments to support California's health care infrastructure and employment

Over a period of 5 years, Cigna shall spend a total of **\$5 million** in support for the building and/or improving of Cigna and Express Scripts facilities in California and expanding employment capacity. These investments shall include infrastructure improvements, additional employment opportunities, leasehold and operating costs, as well as employee wages and benefits.

Participate in Industry-Wide Initiatives

24. Cooperate with the Provider Directory Utility

(a) Cigna agrees that accurate, complete, and accessible provider directories reflecting adequate networks of contracted providers are essential to enrollees. CBHC, CDHC and CHCC shall publish and maintain printed and online provider directories in compliance with Health and Safety Code section 1367.27, and will correct any deficiencies in provider network adequacy identified by the Department within applicable regulatory timelines.

(b) Within six (6) months of the date of the Order of Approval, CHCC, CBHC, and CDHC shall cooperate with the Provider Directory Utility hosted by the Integrated Healthcare Association. For a period of five (5) years, CHCC, CBHC, and CDHC shall annually file with the Department a report outlining the status of this undertaking. This report shall be submitted by March 1 of each year starting in 2020 and ending 2024.

25. File cost and quality atlases

For a period of five (5) years, all Department-licensed health plans owned, directly or indirectly by Cigna, shall file by March 1 the health plans' cost and quality atlas issued by the Integrated HealthCare Association for the most recent reporting year.

26. Project to Improve Encounter Data

Encounter data gathered from health care providers is essential for measuring quality of care and setting and adjusting payment rates for capitated providers. In June 2018, Integrated Healthcare Association (IHA) released a white paper, "Challenges in Encounter Data Submissions," which recommends the development of a governance body to oversee and coordinate an approach to standardizing and improving the quality of encounter data, with a focus on education and training, technology improvements, standardization, and incentives. Cigna shall participate in this effort for the duration of the Undertakings.

27. Supporting Value Based Pay for Performance

For the next five years, Cigna shall, at a minimum, continue the financial per-member per-month contribution rate in place for measurement year 2017 for its participation in the Value Based Pay for Performance program managed in California by the Integrated Healthcare Association (IHA) and designed to reward providers who improve clinical quality, resource use, and patient experience through a common set of measures, public report cards, incentive payments and public recognition.

Cigna shall submit a report to the Department by March 1 of each year through 2023, demonstrating its compliance with this undertaking.

Improving Quality of Care

28. OPA Star Ratings

CHCC received scores of "poor" or "fair" in a number of the areas in the 2018-19 Office of Patient Advocate Quality Report Card as follows:

(a) Quality of Medical Care:

- i. Asthma and Lung Disease Care: Fair (two out of five stars)
- ii. Diabetes Care: Very Good (four out of five stars)
- iii. Heart Care: Fair (two out of five stars)
- iv. Behavioral and Mental Health Care: Fair (two out of five stars)

(b) Patients Rate Overall Experience:

- i. Getting Care Easily: Poor (one out of five stars)

CHCC shall use its best efforts to improve its scores on each of the above-listed factors where the score is two or fewer stars to at least three out of five stars by no later than the performance measurement period ending December 31, 2021, and shall maintain or improve its performance where the score is three or more stars.

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Within six (6) months of the issuance of the Order of Approval, CHCC shall report to the Department its action plan to reach this goal. CHCC shall also submit an annual report to the Department by March 1 of each year through 2022, reporting to the Department on the plan's progress, including action plans and benchmarks, regarding this undertaking.

29. Asthma Provider-Focused Program

Within twelve (12) months of the issuance of the Order of Approval, CHCC shall implement a three-year provider-focused asthma program for contracted provider organizations that scored a one or two star rating on a five star scale in Asthma Care on the 2018-19 Office of the Patient Advocate Quality Report Card with a goal of bringing each rating to, at a minimum, three stars on a five star scale. The program shall include the use of culturally and linguistically appropriate patient education materials that promote and support patient self-management including bilingual asthma educators, as appropriate, to assist in education and coaching with the target population.

Beginning in 2020, CHCC shall submit an annual report by March 1 of each year through 2022, reporting to the Department on the plan's progress, including action plans and benchmarks, on this undertaking.

30. Delegation Oversight Activities

Cigna agrees that data collected by Cigna from its contracted provider organizations pertaining to customer experience and clinical performance of CHCC shall be shared with each provider organization on an annual basis to support the provider organization in assessing its performance.

31. Healthy Pregnancies

Within twelve (12) months of the issuance of the Order of Approval, CHCC shall implement a patient engagement tool in an effort to improve the likelihood of healthy, full-term pregnancies. The goal of this patient engagement tool is to make it easier to enroll and engage in the program and to support pregnant women while helping reduce pregnancy complications, such as early delivery and low birth weight. This tool will deliver convenient, personalized guidance, giving expectant mothers and fathers information to help them make important health care decisions in real-time. This tool will be available for customers who have Cigna's Healthy Pregnancy Healthy Babies program.

Addressing the Opioid Crisis

32. Activities To Address the Opioid Crisis

California has not been spared from the effects of the opioid crisis, which contributes to rising health care costs. In an effort to address the crisis:

(a) Beginning within six (6) months of the date of the Order of Approval:

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- i. Cigna shall contribute **\$500,000** annually for five (5) years supporting community or Cigna-sponsored programs that address prevention, treatment, overdose support, recovery, neo-natal abstinence syndrome as well as increase access to MAT drugs and various community needs related to opioid abuse.
 - ii. Cigna shall maintain an enterprise-wide Substance Use Disorder Enterprise Workgroup to identify policies, practices, and opportunities for Cigna to continue to act as a thought leader on substance use disorder issues, especially the opioid crisis. The Workgroup identifies public policy and advocacy needs at the federal and state levels, as well as local and national communications needs and opportunities. The Workgroup's Clinical Subgroup is responsible for implementing internal policies that will help Cigna achieve its goal of reducing opioid use as well as opioid overdoses by its enrollees, and is comprised of relevant clinical expertise from across the company.
- (b) Beginning in 2020 and through 2023, CHCC shall submit annual reports by March 1 to the Department to demonstrate compliance with this undertaking.

General Undertakings

33. Reports to the Department

The Parties shall submit all reports required by the Undertakings through the Department's eFiling portal. Unless otherwise specified in these Undertakings, the Parties shall submit an annual report to the Department by March 1, with the first report submitted by March 1, 2020 and a final report submitted by March 1, 2022, informing the Department of their activities and compliance regarding these Undertakings that require reporting during the preceding calendar year. These reports shall be organized by Undertaking and shall provide sufficient detail for the Department to determine whether the Parties are compliant with each Undertaking.

34. Enforceability of Undertakings

The Undertakings set forth herein shall be enforceable to the fullest extent of the authority and power of the Director of the Department under the provisions of the Act, including all civil, criminal, and administrative remedies (such as Cease and Desist Orders, freezing enrollment, and assessment of fines and penalties). The Undertakings shall act as an Order of the Director. Cigna, Express Scripts, CHCC, CBHC and CDHC acknowledge that the Act's enforcement remedies are not exclusive, and may be sought and employed in any combination deemed advisable by the Department to enforce these Undertakings.

35. Terms and conditions

The Undertakings set forth herein shall be subject to the following terms and conditions:

- (a) **Binding Effect.** The Undertakings set forth herein shall be binding on Cigna, Express Scripts, CHCC, CBHC and CDHC and their respective successors and permitted assigns. If Cigna, Express Scripts, CHCC, CBHC and CDHC fail to fulfill their obligations to the Department as provided under the Undertakings set forth herein, Cigna, Express Scripts, CHCC, CBHC and CDHC stipulate and agree that the Department shall have the authority to enforce the provisions of these Undertakings in a California court of competent jurisdiction or an Office of Administrative Hearing.
- (b) **Venue.** The proper venue for any dispute arising from the Undertakings set forth herein shall be Sacramento, California.
- (c) **Governing Law.** The Undertakings set forth herein and their validity, enforcement, and interpretation, shall for all purposes be governed by and construed in accordance with the laws of the State of California.
- (d) **Invalidity.** In the event any Undertakings or any portion of any Undertaking set forth herein shall be declared invalid or unenforceable for any reason by a court of competent jurisdiction, such Undertaking or any portion of any Undertaking, to the extent declared invalid or unenforceable, shall not affect the validity or enforceability of any other Undertakings, and such other Undertakings shall remain in full force and effect and shall be enforceable to the maximum extent permitted by applicable law.
- (e) **Duration.** The Undertakings set forth herein shall become effective upon the date of the issuance of the Order of Approval and except as to those provisions of the Undertakings that contain separate termination provisions shall remain in full force and effect for three (3) years, ending on the anniversary date of the Order of Approval, unless terminated sooner by the Parties with the written consent of the Department or unless a different duration is specified in a specific Undertaking.
- (f) **Third Party Rights.** Nothing in the Undertakings set forth herein is intended to provide any person other than Cigna, Express Scripts, CHCC, CBHC and CDHC and the Department, and their respective successors and permitted assigns, with any legal or equitable right or remedy with respect to any provision of any Undertaking set forth herein.
- (g) **Amendment.** The Undertakings set forth herein may be amended only by written agreement signed by Cigna, Express Scripts, CHCC, CBHC and CDHC, and upon written approval or consent by the Department.

Cigna-Express Scripts Undertakings

- (h) **Assignment.** No Undertakings set forth herein may be assigned by Cigna, Express Scripts, CHCC, CBHC and CDHC, in whole or in part, without the prior written consent of the Department.
- (i) **Specific Performance.** In the event of any breach of these Undertakings, Cigna, Express Scripts, CHCC, CBHC and CDHC acknowledge that the State of California would be irreparably harmed and could not be made whole by monetary damages. It is accordingly agreed that Cigna, Express Scripts, CHCC, CBHC and CDHC shall waive the defense in any action for specific performance that a remedy at law would be adequate, and the Department should be entitled to seek an injunction or injunctions to prevent breaches of the provisions of these Undertakings and to seek to specifically enforce the terms and provisions stated herein. The Department's right to seek an injunction does not supersede the remedies available to the Director.

Cigna Corporation

Signature: ORIGINAL SIGNED BY

Date: 12/12/2018

Print Name: Joanne R. Hart

Print Title: Assistant Treasurer

Cigna Healthcare of California, Inc. (CHCC)

Signature: ORIGINAL SIGNED BY

Date: 12/12/2018

Print Name: Joanne R. Hart

Print Title: Vice President

Cigna-Express Scripts Undertakings

Cigna Behavioral Health of California, Inc. (CBHC)

Signature: ORIGINAL SIGNED BY

Date: 12/12/2018

Print Name: Joanne R. Hart

Print Title: Vice President

Cigna Dental of California, Inc. (CDHC)

Signature: ORIGINAL SIGNED BY

Date: 12/12/2018

Print Name: Joanne R. Hart

Print Title: Vice President

Express Scripts, Inc.

Signature: ORIGINAL SIGNED BY

Date: 12/12/2018

Print Name: Tim Wentworth

Print Title: President