

CONTRACT NO. 1093

PROFESSIONAL VISION SERVICES AGREEMENT

BETWEEN

HM LIFE INSURANCE COMPANY AND DAVIS VISION, INC.

AND

CHICAGO HOUSING AUTHORITY

AGREEMENT

THIS VISION SERVICES AGREEMENT ("Agreement") is made as of this 1st day of January 2011 ("Effective Date") by and between the **CHICAGO HOUSING AUTHORITY**, a municipal corporation of the City of Chicago and the State of Illinois, ("**CHA**"), acting by and through its Human Resources Department ("**Department**") and **HM Life Insurance Company**, a corporation authorized by the Illinois Department of Insurance and Public Health to conduct a vision and eye care insurance business in the State of Illinois, ("**Insurer**") and **DAVIS VISION, INC.**, ("**Davis**"), administrator for Insurer, authorized by the Illinois Department of Insurance and Public Health to administer a vision and eye care plan in the State of Illinois.

RECITALS

WHEREAS, the CHA is engaged in the development and operation of safe, decent and sanitary housing throughout the City of Chicago for low-income families in accordance with the United States Housing Act of 1937, 42 U.S.C. §1437 et seq.; regulations promulgated by the United States Department of Housing and Urban Development ("HUD"), and the State Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances; and

WHEREAS, the CHA recently solicited insurance premiums and proposals for vision services for its Eligible Participants, as defined in Section 1.02, and in response thereto Davis, on behalf of Insurer, provided the CHA premium rates and details of its vision service administration; and

WHEREAS, after evaluation of all the proposals and premium quotes received, Davis, on behalf of Insurer, has been selected by the CHA to provide vision services for CHA's Eligible Participants for FY 2011; and

WHEREAS, the CHA currently has approximately 450 Eligible Participants, who may elect to enroll with Davis; and

WHEREAS, Davis desires to enroll CHA's Eligible Participants and their dependents who select the Vision Plan, (hereinafter collectively referred to as "Enrollees" or "Enrollee"), at the initial effective date of this Agreement and at various times throughout the term of this Agreement. In addition, Davis desires to provide the day-to-day administrative services in order to maintain the Vision Plan as prescribed by the CHA; and

WHEREAS, the CHA and Davis have negotiated the terms and conditions by which Davis shall provide or make available the Vision Plan Schedule of Benefits required by the CHA under this Agreement, which is attached hereto as Exhibit I and incorporated by reference as if fully set forth herein; and

WHEREAS; the CHA has purchased a policy of insurance coverage from Insurer, with respect to the provision of certain vision plan benefits for its employees, a copy of the Certificate of Coverage is attached hereto as Exhibit II; and

WHEREAS, Davis has entered into an agreement with Insurer wherein Davis has agreed to serve as administrator for Insurer and arrange for eye examinations, spectacle lenses and frames at a reduced cost to CHA's Eligible Participants covered under the Vision Plan. In addition, as administrator for Insurer, Davis is responsible for collecting the insurance premiums due to Insurer under the Vision Plan; and

WHEREAS, Davis represents and warrants that it is ready, willing and able to provide the Vision Plan as of the Effective Date of this Agreement to the full satisfaction of the CHA as set forth in the Vision Plans Schedule of Benefits.

NOW THEREFORE, in consideration of the mutual promises and the terms and conditions and representations set forth herein, the CHA, Insurer, and Davis do hereby agree as follows:

ARTICLE 1. INCORPORATION OF RECITALS

Section 1.01 Incorporation of Recitals

The recitals set forth above are incorporated by reference as if fully set forth herein.

Section 1.02 Definitions

In addition to the terms defined in the recitals and elsewhere in this Agreement (including the Exhibits to this Agreement). The following words and phrases shall have all of the following meanings when used in this Agreement unless the context indicates otherwise:

"Agreement" shall mean this Vision Plan Agreement, including all Exhibits attached hereto and incorporated by reference and all amendments, modifications or revisions made to any of them in accordance with the terms of this Agreement.

"Benefits" mean the benefits to be provided to Enrollees as more fully described in the Vision Plan Schedule Benefits, which may be amended from time to time but only in accordance with the terms hereof.

"BPA" shall mean the Application for Group Insurance and, which has been previously completed by the CHA and is attached hereto as Exhibit III and incorporated by reference as is fully set forth herein.

"Dependent" shall mean eligible participants, lawful spouse, same sex domestic partners and/or unmarried children from birth to the end of the month of his or her nineteenth (19th) birthday. Eligible children include natural or adopted children, children placed for adoption, stepchildren and foster children for which the CHA employee or spouse is the legal guardian. The term also includes any children under the age of twenty-three (23), who are registered students in full-time attendance in an accredited educational institution. Eligibility will also be extended to any child past the age of nineteen (19), who is handicapped and dependent on the CHA employee or spouse for support. Eligible domestic partners are partners of CHA employees, both employee and domestic partners are at least eighteen (18) years of age and the

same sex, who reside together and are responsible for each other's common welfare.

"Director of Procurement and Contracts" shall mean the Director of the CHA's Procurement and Contracts.

"Director of Human Resources" shall mean CHA's Director of Human Resources or designee.

"Davis' Annual Corporate Trend" shall mean the result of Davis' in-house actuarial analysis based upon its Corporate book of business.

"Davis' Standard Corporate Factors" shall mean factors that influence IBNR (Incurred but Not Reported) claims. These may include enrollment fluctuations, claim trends, benefit changes, changes in the legal environment, or any other eventuality that impacts the time payment of claims.

"Eligible Participant" shall mean those individuals who meet the eligibility requirements as set forth in the CHA Administrative Manual or any collective bargaining agreement(s) covering CHA employees, or as otherwise established by the CHA from time to time and are eligible to receive benefits as provided herein.

"Enrollee" shall mean an eligible participant and his/her dependent(s) or who meet the eligibility requirements to receive Benefits from Davis and whose names are included on the list provided by the CHA to Davis or pursuant to any collective bargaining agreement or otherwise established by the CHA, from time to time.

"Services" shall mean the Vision Plan required to be provided through Davis under this Agreement.

ARTICLE 2. DAVIS' DUTIES AND RESPONSIBILITIES

Section 2.01 Services to be Performed

A. Scope of Services

The Vision Plan Benefits, which Davis shall provide or make available under this Agreement, are those described in the Vision Plan Schedule of Benefits. Davis shall provide or make available the Benefits and Services in accordance with the Performance Standards set forth in Section 2.02 hereof.

B. Deliverables:

- 1) In carrying out its Services, Davis shall prepare or provide certain deliverables defined to include, but not limited to, enrollment packets, summaries of benefits, provider listings, such other collateral materials used for marketing and enrollment purposes, data, documents and reports required to be provided under this Agreement (collectively, "Deliverables") in a mutually agreeable format.

- 2) The CHA reserves the right to reject any and all Deliverables which in the reasonable judgment of the CHA do not adequately represent the intended level of completion or performance standard, do not include relevant information or data, or do not include all documents specified in this Agreement or reasonably necessary for the purposes for which the CHA made this Agreement with Davis or for which the Deliverable is intended, partial or incomplete Deliverables may be accepted for review only when required for a specific and well-defined purpose and when consented to in advance by the Director of Human Resources or his/her designee. Such partial or incomplete Deliverables may not be considered as satisfying the requirements of this Agreement and partial or incomplete Deliverables shall in no way relieve Davis of its commitments hereunder.

Section 2.02 Performance Requirements

Davis shall require that all contracting providers of the Vision Plan under this Agreement deliver such Services with the skill, care and diligence that is normally exercised in the provision of such Services to be provided under this Agreement. Davis shall meet the following Delivery Requirements as it performs its general duties and responsibilities, hereunder, which include but are not limited to the following:

A. Benefits

- 1) Davis shall make the Benefits set forth in the Vision Plan available to all CHA Vision Plan Enrollees through contracting providers which are optometrist or ophthalmologists.
- 2) The Providers shall be sufficient in number and reasonably accessible. Davis must assure that if an Enrollee selects a Provider, the Enrollee will be able to receive Vision Plan services through that Provider. Enrollees may be required to meet certain deductibles as described in the Vision Plan Schedule of Benefits and make co-payment(s) for certain services provided by Davis through the Provider. The co-payments shall be limited to the amounts set forth in the Vision Plan's Schedule of Benefits for Non-Panel Providers at the co-payment rates also set forth in the Schedule of Benefits.
- 3) Services and Benefits shall be provided through Davis to each Enrollee from the date of eligibility, as determined by the CHA, regardless of pre-existing conditions in accordance with the frequency and service limits as set forth in the Vision Plan's Schedule of Benefits.

B. Administrative Services

- (1) Determination of Eligibility

Davis shall create its own enrollment file of Enrollees from a computer tape and updating will be conducted monthly from a mutually agreeable format provided by the CHA on a monthly basis. These shall be the sole methods by which eligibility is determined.

(2) Operations

Davis shall provide continuous management information, programming and other required services to the CHA and provide all necessary administrative and information services to Enrollees required in the performance or the delivery of the Services or Benefits hereunder. The Services and Benefits to be administered and provided by Davis shall include, without limitation, the following:

a. Processing of claims, including:

- 1) Maintain a toll-free telephone number for Enrollee service requests.
- 2) Provide on-line service for Enrollee inquiries.
- 3) Issue authorizations to participating providers on behalf of eligible users.
- 4) No less than monthly payments to panel providers.
- 5) No less than monthly payments to laboratories.
- 6) No less than monthly payments to Enrollees for non-panel provider claims in accordance with the Administrative Summary. Davis shall ensure that the provisions of the Administrative Summary are consistent with the provisions of the Benefits.
- 7) Providing and reconciling payment reports.

b. Data entry and clerical processing, including:

- 1) Entering of claim forms.
- 2) Entering of panel provider payments.
- 3) Mailing checks when produced.
- 4) Processing all adjustments.
- 5) Reconcile of all unclaimed benefit checks with bank.

c. Management reporting, including:

- 1) Monthly billing statements.
- 2) Monthly Claim Experience Report.
- 3) Year-end audit reports.
- 4) Claim denial reports.
- 5) All other reports as reasonably requested by the CHA herein.

Section 2.03 Performance of Participating Providers

A. Participating Providers

Davis shall maintain a panel of private offices to provide eye examinations and

dispensing services to eligible members subject to the following terms and conditions:

- 1) The provider must participate in the Quality Assurance Program conducted by the Davis' Department of Professional Services, which includes review of the following: records, office procedures, instrumentation and mandated procedures.
- 2) The provider shall accept the professional fees paid by the plan as payment in full for covered services (except plan designed co-payments).
- 3) When applicable, the provider shall maintain Davis Frame Collection in each office for member selection.
- 4) It shall be the sole responsibility of Davis to verify that Panel Providers are in full compliance with this Agreement and the Vision Plan Schedule of Benefits.

B. Quality Assurance/Enrollee Satisfaction

Davis shall conduct, under the supervision and direction of its Department of Professional Services, a comprehensive program of quality assurance and member satisfaction including:

- 1) On-Site monitoring of panel provider offices, including record reviews.
- 2) On-Site monitoring of optical laboratory, including inspection of finished eyeglasses.
- 3) Computerized monitoring of individual provider practice modes.
- 4) Patient satisfaction mailing
- 5) Patient grievance resolution.
- 6) Provider assessment.
- 7) On-going liaison between all parties.
- 8) Reporting to all related parties.

C. Ensure Services Obtainable by Enrollees

Davis must ensure that Enrollees will be able to obtain Services through participating providers in accordance with the Schedule of Benefits. The Directory of participating providers may be amended from time to time in accordance with Section 2.14 herein. Davis warrants that all participating providers have met Davis' credential standards and have agreed to provide the Benefits in accordance with all applicable federal, state and local laws, statutes, rules and regulations.

D. Eligibility and Identification

Davis shall issue eligibility reports and identification cards for each Enrollee and Dependent, which shall be based on the list of Enrollees provided by the CHA to Davis in accordance with Section 2.04 herein. Providers shall determine an Enrollee's eligibility for Services based upon this certification of eligibility.

E. Accessibility for Enrollees

The participating providers shall be located throughout the City of Chicago and the

Greater Chicago Metropolitan Area in order to be accessible to all Enrollees. Accessible means that the distribution of providers throughout the aforesaid area shall be maintained as to sustain an adequate provider accessibility based on the number of Enrollees residing in a particular zip code.

F. Participation in Utilization Management and Quality Improvement Programs

All participating providers shall provide covered Services in accordance with the terms of the Schedule of Benefits. In addition, participating providers shall participate in Davis' utilization management and quality improvement programs including, but not limited to, pre-certification and notification requirements, concurrent appropriateness and medical necessity review, case management and peer review as designated by Davis.

G. Laboratory Services

Davis shall provide the services of its Central Laboratory(ies) according to the following terms and conditions:

- 1) Lenses shall meet the standards of ANSI Z80.1 and shall be fully acceptable to and approved by any government agency which might have jurisdiction.
- 2) Frames shall be provided by Davis' laboratories from a specific assortment of frames (also called the "Collection") hereinbefore agreed to, available at most participating provider offices. The Collection is subject to change from time to time.
- 3) Davis' laboratories shall, at no cost, tint as ordered, any plastic lens which it supplies in a single color solid or gradient to any density.
- 4) Davis' laboratories shall supply participating providers with the aforementioned Collection, at Davis' expense, where appropriate. .
- 5) The shipping of said order to the practitioners shall be at the sole expense of Davis and shipment shall be made, on the average of one (1) to three (3) business days after receipt of the order from the provider, in the case of single lenses. In all other cases, the average turnaround time shall be two (2) to five (5) business days.
- 6) All eyewear that is replaced due to doctor or dispenser error, shall be at the expense of Davis.
- 7) Davis will repair or replace any frame or lens (excluding scratched lenses) for a period of one (1) year from the date of delivery. This warranty will apply to any pair of eyeglasses totally provided by Davis through its participating providers, broken in normal use, and returned to the office from which dispensed.
- 8) Davis' laboratories shall maintain, at its expense, a toll free telephone line for use by the participating providers to place their prescriptive orders. .
- 9) Davis shall provide sufficient space and a lensometer to r review the quality of fabricated eyeglasses and shall allow review of stock while spectacle lenses are in the original manufacturer envelope.
- 10) Davis' laboratories shall not be required to provide any item not referred to in the Benefit Description.

Section 2.04 Eligibility and Enrollment

Davis shall, during the term of this Agreement, cause Benefits to be provided to all Enrollees pursuant to the Schedule of Benefits. Eligibility for such Benefits shall be determined solely on the basis of a listing (the "Data") that has been or will be provided to Davis by the CHA on a monthly basis. In the event that it appears to Davis that an error has been made in the Data provided by CHA to Davis, Davis shall correct the error after consultation with the CHA.

Both parties agree to allow each party time to review all materials developed by either party for distribution of information on the Vision Plan to the participants. The final copy of such materials shall be mutually agreed upon and shall adhere to the definitions of the Vision Plan as contained herein; provided that neither party shall unreasonably object to such materials.

Section 2.05 Claim Appeal Procedures

Davis shall offer toll-free and hot-line telephone numbers and any other customer service mechanism to insure satisfaction with all of Davis' Services and plan materials. All Enrollees' grievances shall be handled pursuant to a dispute resolution plan as per the Certificate of Coverage, annexed hereto.

Section 2.06 Benefit Administration and Confidentiality of Enrollee Records

- A. Davis shall be responsible for ensuring that Benefits are provided in accordance with the Schedule of Benefits. Davis shall maintain records of Benefits, and provide reports as reasonably requested, which reflect that Benefits have been administered in accordance with this Agreement.
- B. Davis agrees that all Enrollee records will be maintained and disclosed only in compliance with the provisions of any applicable state or federal regulation.

Section 2.07 Information and Promotional Materials

A. Enrollment

Davis shall prepare and deliver to the CHA for distribution to CHA employees, open enrollment, special enrollment and new employee information in a form and content acceptable to the Director of Human Resources. Davis shall prepare and use standardized enrollment forms, and other forms as may be required in the administration of the Benefits and Services as set forth in the Schedule of Benefits. Davis shall prepare and produce promotional materials, which the CHA deems necessary to communicate to CHA's Enrollees the Benefits and Services to be provided by Davis pursuant to this Agreement. Such materials shall be acceptable in form and content to the Director of Human Resources and shall be prepared, produced and delivered by Davis at its expense in such quantities as the Director of Human Resources may reasonably require.

Davis shall perform all tasks necessary to properly administer and market the program of Benefits and Services provided under this Agreement. Davis shall make appropriate

representatives available to answer all questions of CHA employees relating to Benefits and Services and enrollment procedures and, upon request of the Director of Human Resources, shall make appropriate representatives available to meet with CHA employees to discuss such matters.

B. Membership

Davis shall prepare and deliver to the CHA, for distribution to each Enrollee, Eye Care Plan and Eye Care Provider Directories and the Certificate of Coverage in a form and content reasonably acceptable to the Director of Human Resources. Such Certificate of Coverage shall provide a clear explanation of the Benefits and the appeal procedures available to the Enrollees. The Certificate of Coverage, Eye Care Provider Directories shall be distributed to Enrollees not less than fifteen (15) days prior to the effective date of Enrollees eligibility for Vision Care Services. Davis shall update the Eye Care Physicians Directories as needed. The updated Eye Care Provider Directories shall be made available upon the request of Enrollees or their Dependents.

The Director of Human Resources shall have the right to review and make reasonable changes to the informational, promotional and enrollment materials prepared by Davis pursuant to this Section.

Section 2.08 Key Personnel

Davis' personnel who will be providing services under this Agreement shall be under the supervision of appropriately trained personnel. Davis retains the right to substitute key personnel with reasonable cause, provided, however, that the CHA shall have the right to approve such staff changes, and said approval shall not be unreasonably withheld.

Section 2.09 Non-Discrimination

Davis shall comply with the Civil Rights Act of 1964, 42 U.S.C. sec. 2000 et seq. (1989), as amended. Attention is called to Exec. Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000(e) note, as amended by Exec. Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. sec. 6101-6106 (1989); Rehabilitation Act of 1973, 29 U.S.C. sec. 793-794 (1988); Fair Housing Amendments Act, 42 U.S.C. Sec. 3601 et seq. (1988); Americans with Disabilities Act of 1990, 42 U.S.C. §12101; and 41 C.F.R. Part 60 et seq. (1990).

Section 2.10 Ownership of Documents, Records and Reports

A. All reports, documents, materials or information in any form prepared, generated or created exclusively for the CHA, if any, or information prepared, provided to Davis under this Agreement is the property of the CHA. During the performance of its Services, Davis shall be responsible for any loss or damage to such reports, documents, materials or information while in Davis' possession and any such damaged reports, documents, materials or Deliverables information shall be restored at the expense of Davis.

B. Davis shall maintain its books, accounts, records, documents, and other evidence in

connection with the Services to be provided under this Agreement and adopt a system of accounting in accordance with generally accepted accounting principles and practices, to reflect properly all costs of whatever nature claimed to have been incurred and anticipated to be incurred or in connection with the performance of this Agreement. In addition, the Davis shall keep such books and records in a safe place and make them available for audit, examination, excerpt, and transcription to be conducted by the CHA, HUD, the Comptroller General of the United States or their duly authorized representatives, and allow inspection, copying and abstracting for at least five (5) years after the final payment is made in connection with this Agreement and all other pending matters are closed.

Section 2.11 Audit Requirement

The CHA retains an irrevocable right to independently or through a third party audit Davis' books and records pertaining to this Agreement and disallow any inappropriate billings after giving reasonable written notice to Davis.

Section 2.12 Confidentiality of Medical Records and Other Information

A. Medical Records

Pursuant to 410 ILCS 50/1 et. seq., Davis shall maintain and shall cause each participating provider to maintain as confidential all applicable medical records of Enrollees in the same manner that it protects the confidentiality of its own confidential information and in conformance with all applicable Federal, State, and local laws and regulations and industry wide professional standards.

Except as otherwise provided here or permitted under applicable law, information contained in an Enrollee's medical records shall be disclosed to third parties only upon the written consent of the Enrollee or parent or legal guardian, if Enrollee is a minor, who is the subject of such medical records.

B. Other Information

Davis agrees that all records, reports and documents prepared, assembled, received or encountered by the Insurer pursuant to this Agreement ("Confidential Information") are to remain confidential. Further, Davis agrees that the reports and documents shall not be made available to any individual or organization, other than the CHA, HUD or pursuant to a subpoena from a court of competent jurisdiction or administrative agency, without the prior written approval of the CHA.

In the event that Davis is presented with a request for documents by an administrative agency or with a subpoena regarding any records, data, or documents which may be in Davis' possession by reason of this Agreement, Davis shall immediately give notice to the CHA and to the CHA's General Counsel. The CHA shall have the opportunity to contest such process by any means available to it before such records or documents are submitted to a court or other third party, provided, however, that Davis shall not be obligated to withhold such delivery beyond

such time as may be ordered by a court or administrative agency with competent jurisdiction, unless the subpoena or request is quashed or the time to produce is otherwise extended.

Section 2.13 Subcontracts and Assignments

Davis shall not delegate all or any part of its obligations under this Agreement or any part hereof, unless otherwise provided for herein or without the express prior written approval of the CHA. The absence of such express prior written approval shall void the attempted delegation and shall be of no legal effect as to the Services or this Agreement.

Davis shall not transfer or assign any funds or claims due or which may become due under this Agreement without the prior written approval of the CHA. The attempted transfer or assignment of any contract funds or claims, either in whole or in part, or any interest therein, which shall be due or to become due to Davis without such prior written approval shall have no legal effect upon the CHA. The CHA expressly reserves the right to assign or otherwise transfer all or any part of its rights or interests hereunder, provided reasonable notice is given to Davis.

Section 2.14 Patents and Copyrights

The CHA reserves an exclusive, perpetual and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for CHA or HUD purposes, including, but not limited to, commercial exploitation: (a) the copyright or patent in any work exclusively developed or discovered under this Agreement and (b) any copyright or patent rights which Davis purchases exclusively with the funds awarded pursuant to this Agreement.

Section 2.15 Religious Activities

In connection with this Agreement, Davis agrees:

- A. That it shall not discriminate against any person on the basis of religion and shall not limit employment or give preference in employment to persons on the basis of religion.
- B. That it shall not discriminate against any person applying for Services on the basis of religion and shall not limit such Services or give preference to persons on the basis of religion.

Section 2.16 Drug-Free Workplace

Davis shall establish procedures and policies to promote a "Drug-Free Workplace." Further, Davis shall notify all employees of its policy for maintaining a "Drug-Free Workplace," and the penalties that may be imposed for drug abuse violations occurring in the workplace. Further, Davis shall notify the CHA if any of its employees are convicted of a criminal drug offense in the workplace no later than ten (10) days after such conviction.

Section 2.17 Contract Performance Review Committee

The authorized representative of CHA and Davis shall establish a contract performance

review committee (the "Review Committee") which shall meet no less frequently than quarterly thereafter to review management issues and other matters related to the smooth, orderly and efficient management and operation of this Agreement. At least three (3) days prior to each scheduled monthly or quarterly meeting of the Contract Performance Review Committee, or as otherwise agreed to by the parties, Davis shall submit a copy of its written Monthly Performance Report to each representative serving on the committee. Such Monthly Performance Reports shall contain information required by Section 2.02 through 2.06 thereof and such other information as the CHA and Davis agree is reasonably required or may be required by the terms of this Agreement. The CHA Chief Financial Officer, the Director of Human Resources, the Manager of Benefits, CHA's Benefits Consultant - Asch and Associates, and Davis' Vice President of Municipal and Labor Accounts for Illinois, or their respective designees, will be members of the contract Performance Review Committee. It shall be the duty of the Contract Performance Review Committee to (1) review the performance status of the services set forth in the Scope of Services and (2) resolve issues to obtain the performance objectives of this Agreement.

Section 2.18 Force Majeure

In the event of war, flood, riot, act of governmental authority in its sovereign capacity or act of God (collectively, "Force Majeure") during the term of this Agreement, neither the CHA nor Davis shall be liable to the other party for nonperformance and/or delays.

ARTICLE 3. TERM OF AGREEMENT

Section 3.01 Term of Agreement

This Agreement shall take effect as of January 1, 2011 and shall continue through December 31, 2011 or until the Agreement is terminated in accordance with its terms, whichever occurs first.

Section 3.02 Contract Extension Options

The CHA may extend this Agreement for one (1) additional one-year term under the same rates, terms and conditions as this original Agreement. The Agreement shall be modified to reflect the time extension in accordance with the provisions of Section 9.03 hereof.

Section 3.03 Timeliness of Performance

Davis shall use its best efforts to provide the services Vision Plan Benefits and all Deliverables within the time limits required under this or from time to time as required by the CHA's Department Human resources. Davis acknowledges that sometimes deadlines for the services are dictated by the requirements of agencies or events outside the control of the CHA, that failure by Davis to meet these deadlines when advised of same in writing may result in economic or other losses to the CHA and that in those circumstances, *'Time is of the Essence'*.

ARTICLE 4. FUNDING AND COMPENSATION

Section 4.01 Compensation and Method of Payment

The fixed premiums payable to Davis during the term of the Agreement for provision of the Schedule of Vision Benefits to CHA's enrollees and payments to Davis shall be as follows:

A. Monthly Premiums

The CHA hereby agrees to pay to Davis the following monthly premiums as full consideration for the Vision Plan Benefits to be provided to Enrollees under this Agreement:

Term 01/01/11 to 12/31/11	Rate Schedule	
	Employee Only	\$4.54/Monthly
	Employee + One	\$8.16/Monthly
	Family	\$12.71/Monthly
Option Term 01/01/12 to 12/31/12	Rate Schedule Same as above	

B. Payment Method

The CHA shall submit to Davis one week prior to the first (1st) of each month an updated eligibility listing, from which a determination of the number of eligible members will be made. By the tenth (10th) day of each month, Davis shall submit an invoice to the CHA for the total monthly premiums based on the current number of eligible members. CHA shall review and make its commercially reasonable effort to pay invoices within thirty (30) days of receipt of a properly submitted invoice ("Due Date"). Changes in enrollment will be sent to Davis prior to the next billing period. Davis, upon receiving the changes in enrollment adjustments will modify its records to reflect all changes made by the CHA.

In the event any payment has not been made in its entirety by the thirtieth (30th) day after the Due Date, Davis shall have the right to withhold delivery of Service Authorizations to Enrollees until Davis receives such payment in full. Additionally, in the event any such payment has not been made in its entirety by the thirtieth (30th) day after the Due Date, Davis may deliver a written default notice to the CHA to terminate the Agreement. Thereafter, the agreement shall terminate thirty days after receipt of the default notice unless payment of the unpaid invoice is received in full.

If the total membership in any month of the operation of the Vision Plan decreases by a percentage of fifteen percent (15%) or more of the previous month's membership, the parties agree that one of the following two options shall occur:

- i) Davis shall immediately provide a new capitated rate which shall become effective retroactive to the first day of the month in which the membership decrease occurred, and shall remain effective throughout the remainder of the term of the contract period.
- ii) In the event that the new capitated rate is not accepted by CHA, then the capitated price arrangement shall cease immediately and revert to a fee-for-service basis as

- indicated within this Agreement. The fee for service schedule currently in effect at that time for similar Davis clients in the same or closest geographic region.
- iii) It is understood that if this Agreement terminates prior to its anniversary or subsequent anniversary date, there will be Service Authorizations outstanding which are valid for forty (45) days from the date issued. Davis agrees to provide covered services pursuant to such Service Authorizations and CHA agrees to reimburse Davis on a fee for service basis for all covered services rendered pursuant to such Service Authorizations at the fee-for-service schedule currently in effect at the time of similar services within the same or closet geographic region.

Original invoices shall be prepared and forwarded to the Human Resource Department to the attention of the Manager of Benefits. All invoices must be signed, dated and refer to the CHA Contract Number.

C. Verification of Eligibility

It shall be the sole responsibility of Davis to verify that all providers of Benefits under this Agreement are in full compliance with this Agreement and the Schedules of Benefits. Davis shall base its determination of eligibility of Enrollees on the list provided by the CHA pursuant to Section 2.04 hereof.

D. No Payments for Improper Benefits

The CHA shall be credited for any overpayments for which premium payment has already been made, or any other premium payments to which Davis is not entitled under the terms of this Agreement. Davis shall not be entitled to any premium payment for a recipient who was not entitled to Benefits, unless such Benefits were furnished as a result of incorrect eligibility information provided by CHA to Davis.

Section 4.03 Reconciliation

- A. Reconciliation of premium payments made to Davis by the CHA versus amounts actually due from the CHA shall occur on a regular basis, but not less than quarterly. Davis shall provide the CHA with a written report detailing the results of each premium reconciliation.
- B. If within the period for which a reconciliation is performed, the total premiums due exceed the actual premiums paid, the CHA will pay the difference to Davis. The reconciliation for the quarter shall be completed within thirty (30) days from the end of such quarter.
- C. If within the period for which a reconciliation is performed, the premium payments made by the CHA exceed the actual premiums due, Davis shall, at CHA's option: (i) apply such excess premiums against any premiums which may be due Davis; (ii) reduce the next premium payment due Davis from the CHA by the amount of such excess premiums or (iii) Davis shall make an immediate cash payment to the CHA in an amount equal to

such excess premiums.

- D. In the event the CHA discovers that any monthly list of Enrollees contained the name of any ineligible Enrollee, the CHA shall be entitled to recover from Davis that portion of the premiums paid to Davis which is attributable to such Enrollee during the period of ineligibility for up to three months of such ineligibility. The amount of any such recovery shall be applied as a credit against the CHA's next monthly premium payment, or in the event that this Agreement has expired or been terminated, such amount shall be promptly remitted by Davis to the CHA.
- E. Upon the expiration or termination of this Agreement, Davis shall perform a final reconciliation of premiums paid by the CHA versus premiums actually due from the CHA, as provided in the Agreement. Davis shall promptly remit any overpayments made by the CHA to the CHA.

Section 4.04 Non-Appropriation

Funding for this Agreement is subject to the availability of Federal funds from HUD and approval of funding by the CHA's Board. Furthermore, in the event that no funds or insufficient funds are appropriated and budgeted or appropriated funds are rescinded by Congress in any fiscal period of the CHA for payments to be made under this Agreement, then the CHA may notify Davis of such occurrence and this Agreement shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. No payments shall be made or due to Davis under this Agreement beyond those amounts appropriated and budgeted by the CHA to fund payments hereunder.

ARTICLE 5. DISPUTES

In the event of a dispute between the CHA and Davis involving this Agreement, both parties will attempt to negotiate a resolution. If the parties cannot resolve the dispute through negotiation, either party shall, unless otherwise set forth herein, submit the dispute in writing to CHA's Director of Procurement and Contracts ("Director") who shall, with reasonable promptness, render a decision concerning the dispute submitted. Unless Davis, within thirty (30) days after receipt of the decision, shall notify the Director in writing that it takes exception to the decision, the decision of the Director shall be final and binding. Provided the Insurer has given written notice within the time stated and has brought suit against the CHA not later than one year after Davis has received notice of the decision of the Director, then the decision of the Director shall not be final and the dispute shall be determined on the merits by a court of competent jurisdiction.

ARTICLE 6. RISK MANAGEMENT

Section 6.01 Insurance

Prior to the commencement of this Agreement, Davis agrees to procure and maintain at all times during the term of this Agreement, the types of insurance specified below in order to

protect the CHA from the acts, omissions and negligence of Davis, its officers, officials, subcontractors, joint ventures, partners, agents or employees. The insurance carriers used by Davis must be authorized to conduct business in the State of Illinois and shall have a BEST Rating of not less than an "A". The insurance provided shall cover all operations under the Agreement, whether performed by Davis or by its subcontractors, joint ventures, partners, agents, officers or employees.

1. The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Occupational Disease Insurance

Workers Compensation and Occupation Disease Insurance shall be in accordance with the laws of the State of Illinois (Statutory) Coverage A, and Employer's Liability, Coverage B, shall be in an amount of not less than \$500,000/\$500,000/\$500,000.

b) Commercial Liability Insurance (Primary and Excess)

The Commercial Liability Insurance provided is to have limits of not less than One Million Dollars (\$1,000,000) per occurrence with an Aggregate of not less than Two Million Dollars (\$2,000,000) (i.e. \$1,000,000/\$2,000,000). In addition to the stipulations outlined above, the insurance policy is to include coverage for Contractual Liability, Products-Completed Operations, and Personal & Advertising Injury and will also cover injury to officers, employees, agents, subcontractors, invitees and guests and their personal property. The CHA is to be endorsed as an additional insured on the Davis' policy and such insurance will be endorsed as primary and non-contributory with any other insurance available to the CHA.

c) Automobile Liability Insurance (Primary and Excess)

When any motor vehicles (owned, non-owned and hired) are used in connection with the Services to be performed, the Manager shall provide Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000) per occurrence CSL, for bodily injury and property damage. The CHA is to be endorsed as an additional insured on the Davis' policy and such insurance will be endorsed as primary and non-contributory with any other insurance available to the CHA.

d) Valuable Papers Insurance

When any media, data and documents are produced or used under this Agreement, Valuable Papers Insurance shall be maintained in an amount to insure against any loss whatsoever, and with the limits sufficient to pay for the recreation and reconstruction of such.

e) Self Insurance

Davis or its subcontractors may self insure for any and all liabilities which may occur pursuant to this Agreement if the self-insurance program complies with at least the requirements as stipulated in the insurance provisions above.

2. Related Requirements

Davis shall advise all insurers of the contract provisions regarding insurance. The failure of Davis to notify insurers of the contract provisions shall not relieve Davis from its insurance obligations under this contract. Non-fulfillment of the insurance provisions shall constitute a breach of the contract and the CHA retains the right to withhold premium payments until proper evidence of insurance is provided.

Davis shall furnish the Chicago Housing Authority, Department of Procurements and Contracts, 60 E. Van Buren St., 13th Floor, Chicago, IL 60605, original Certificates of Insurance evidencing the required coverage to be in force on the Effective Date Agreement. In addition, copies of the endorsement(s) adding the CHA to Davis' policy as an additional insured will be required.

Renewal Certificates of Insurance, requested endorsements, or such similar evidence is to be received by the Department of Procurements and Contracts prior to expiration of insurance coverage. At the CHA's option, non-compliance will result in one or more of the following actions: (1) The CHA will purchase insurance on behalf of Davis and will charge back all costs to Davis; (2) Davis will be immediately removed from the CHA's property and the Agreement revoked; (3) all payments due Davis will be held until Davis has complied with this Agreement; or (4) Davis will be assessed Five Hundred Dollars (\$500) for every day of non-compliance. The receipt of any Certificate of insurance does not constitute agreement by the CHA that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with the requirements of this Agreement. The insurance policies shall provide for thirty (30) days written notice to be given to the CHA in the event coverage is substantially changed, canceled or non-renewed.

If the required insurance is underwritten on a claims made basis, the retroactive date shall be prior to or coincident with the date of this Agreement and the Certificate of Insurance shall state the coverage is "claims made" and also the Retroactive Date. Davis shall maintain coverage for the duration of this Agreement. Any extended reporting period premium (tail coverage) shall be paid by Davis. Davis shall provide to the CHA, annually, a certified copy of the insurance policies obtained pursuant hereto. It is further agreed that Davis shall provide the CHA a thirty (30) days notice in the event of the occurrence of any of the following conditions: aggregate erosion in advance of the Retroactive Date, cancellation and/or non renewal.

Davis shall require all subcontractors to carry the insurance required herein or Davis may provide the coverage for any or all of its subcontractors, and if so, the evidence of insurance submitted shall so stipulate and adhere to the same requirements and conditions

as outlined in Section 6.01(A) above. Evidence of such coverage must be submitted to CHA. Davis expressly understands and agrees that any insurance programs maintained by the CHA shall apply in excess of and will not contribute to insurance provided by Davis under this Agreement.

Section 6.02 Indemnification

Davis agrees to protect, defend, indemnify, keep, save, and hold harmless the CHA, its officers, officials, employees, agents and contractors from and against any and all liabilities, losses, penalties, damages, settlements, environmental liability, costs, charges, professional fees or other expenses (including reasonable attorneys fees in connection with any legal proceeding and/or appeal) or liabilities of every kind, nature and character arising out of or relating to any and all actual or alleged claims, liens, demands, obligations, actions, suits, judgments or settlements, proceedings or causes of action of every kind, nature and character (collectively, "Claims") in connection with or arising directly or indirectly from Davis' performance of this Agreement, or proximately caused by the acts or omissions of Davis, its officers, officials, agents, employees and subcontractors, including, but not limited to, the enforcement of the indemnification provision. Without limiting the foregoing, any and all such Claims relating to personal injury, death, damage to property, defects in material or workmanship, actual or alleged infringement of any patent, trademark, copyright or of any other tangible or intangible personal or property right, or any actual or alleged violation of any applicable statute, ordinance, order, rule or regulation or decree of any court, shall be included in the indemnity hereunder. Davis further agrees to investigate, handle, respond to, provide defense for and defend all suits for any and all Claims, at its sole expense and agrees to bear all other costs and expenses related thereto, even if the Claims are considered groundless, false or fraudulent.

The CHA shall have the right, at its option and at Davis' expense, to participate in the defense of any suit, without relieving Davis of any of its obligations under this indemnity provision. Davis expressly understands and agrees that the requirements set forth in this indemnity provision to protect, defend, indemnify, keep, save and hold the CHA free and harmless are separate from and not limited by Davis' obligation to obtain and maintain insurance pursuant to any other section of this Agreement. The indemnities set forth in this section shall survive the expiration or termination of that Contract.

ARTICLE 7. EVENTS OF DEFAULT, REMEDIES, TERMINATION ,RIGHT TO OFFSET, SUSPENSION

Section 7.01 Events of Default Defined

The following shall constitute events of default:

- A. Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Davis to the CHA.
- B. Davis' material failure to perform any of its obligations under this Agreement including, but not limited to, the following:

1. Failure to provide the Services and Benefits with sufficient personnel and equipment or with sufficient material to ensure the performance of the Services or due to a reason or circumstance within Davis' reasonable control; or
 2. Failure to arrange for the performance of the Vision Services in a manner satisfactory to the CHA, or inability to have the Vision Services satisfactorily performed as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors on behalf of Insured; or
 3. Failure to promptly re-perform within a reasonable time Services/Deliverables that are erroneous or unsatisfactory to the CHA; or
 4. Discontinuance of the Services for reasons or circumstances not beyond Davis' reasonable control; or
 5. Failure to meet the performance standards and comply with a material term of this Agreement, including, but not limited to, the provisions concerning compliance with HUD regulations, insurance and nondiscrimination; or
 6. Any other acts specifically and expressly stated in this Agreement as constituting an event of default.
- C. Any change in majority ownership or majority control of Davis without the prior written approval of the CHA, which shall not be unreasonably withheld.
- D. Davis' default under any other agreement it may presently have or may enter into with the CHA during the life of this Agreement.

Section 7.02 Remedies

The occurrence of any event of default which Davis fails to cure within thirty (30) calendar days after receipt of reasonable notice given by the CHA in accordance with the terms of this Agreement and specifying the event of default or, if such event of default cannot be reasonably cured within thirty (30) calendar days after notice and if Davis has failed, in the sole reasonable opinion of the CHA, to commence and continue diligent efforts to cure, the CHA may declare Davis in default and invoke any or all of the following remedies:

- A. The right to terminate this Agreement as to any or all of the Services yet to be performed effective at a time specified by the CHA.
- B. Pursue any and all remedies, legal or equitable, available to the CHA under the law.
- C. The right to withhold all or any part of Davis' compensation, which is subject to dispute until the dispute is resolved.
- D. The right to deem Davis non-responsible in future contracts to be awarded by the CHA.

- E. The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy shall be cumulative and shall be in addition to any other remedies, existing now or hereafter, at law, in equity or by statute.

Section 7.03 Termination for Convenience

The CHA may terminate for convenience all or any portion of the Services to be performed under this Agreement, at any time by giving a thirty (30) days notice in writing from the CHA to Davis when the Agreement may be deemed to be no longer in the best interests of the CHA. If the CHA elects to terminate the Agreement, all Services to be performed hereunder shall cease effective ten (10) days after the date of receipt of the notice in accordance with ARTICLE 10 of this Agreement if no date is given or upon the effective date stated in the notice.

If the CHA's election to terminate this Agreement for default pursuant to Section 7.01 hereof is determined in a court of competent jurisdiction to have been wrongful, then in that case, the termination shall be deemed a termination for convenience pursuant to this Section 7.03.

Section 7.04 No Damages for Delay

Davis agrees that it shall make no claims against the CHA for damages, charges, interests, additional costs or fees incurred by reason of delays caused by the CHA in Davis' performance of its obligations under this Agreement. Davis' only remedy for CHA's delays shall be an extension of time.

ARTICLE 8. SPECIAL CONDITIONS

Section 8.01 Warranties and Representations

In connection with the execution of this Agreement, Davis warrants and represents:

- A. That it is financially solvent; that it and each of its employees, agents, and contracting providers at any tier are competent to perform the Services required under this Agreement; and that Davis is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated herein; and
- B. That no officer, agent or employee of the CHA is employed by Davis or has a financial interest directly or indirectly in this Agreement or the compensation to be paid hereunder except as may be permitted in writing by the CHA and HUD and that no payment, gratuity or offer of employment shall be made in connection with this Agreement by or on behalf of Davis to any officer or employee of the CHA; and
- C. That Davis shall not knowingly use the services of any ineligible Physicians or Hospitals for any purpose in the performance of its Services under this Agreement; and

- D. That Davis and its contracting providers are not in default at the time of the execution of this Agreement, or deemed by the CHA's Director of Procurement and Contracts to have, within the last five (5) years of the initial date of this Agreement, been found to be in default on any contract awarded by the CHA; and
- E. That Davis has carefully examined and analyzed the provisions and requirements of this Agreement; that it understands the nature of the Services required and that from its own analysis it has satisfied itself as to the nature of all things needed for the performance of this Agreement, and all other matters which in any way may affect this Agreement or its performance; and that the time available to it for such examination, analysis and preparation was adequate; and
- F. That the Agreement is feasible of performance in accordance with all of its provisions and requirements and that Davis can and shall perform, or cause to be performed, the Services in strict accordance with the provisions and requirements of this Agreement; and
- G. That, except only for those representations, statements, or promises expressly contained in this Agreement, and any exhibits attached hereto and incorporated by reference herein, no representation, statement or promise, oral or in writing, or of any kind whatsoever, by the CHA, its officials, officers, agents, or employees, has induced Davis to enter into this Agreement or has been relied upon by Davis; and
- H. That Davis and, to the best of its knowledge, its subcontractors are not in violation of the provisions of 18 U.S.C. § 666 (a)(2) and other Federal criminal laws applicable to public contracts funded with federal government funds; the Illinois Criminal Code, 720 ILCS 5/33E-1 et seq. (1989), as amended; and CHA's Ethics Policy, as amended; and
- I. That Davis acknowledges that the CHA, in its selection of Davis to perform the Services hereunder, materially relied upon Davis' Proposal and that the aforesaid proposal (and included information) was accurate at the time it was made; that no material changes in it have been nor will be made, based upon disclosure to the CHA, without the express written consent of the CHA; and
- J. Davis understands and agrees that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination of this Agreement.

Section 8.02 Business Documents and Contractor's Affidavit

Davis shall provide copies of its latest articles of incorporation, by-laws and resolutions, or partnership or joint venture agreements, as applicable, and evidence of its authority to do business in the State of Illinois including without limitation, registrations of assumed names or limited partnerships.

Davis shall execute before a notary public a Contractor's Affidavit to be attached hereto

as Exhibit V and incorporated by reference as if fully set forth herein.

Section 8.04 Conflict of Interest and Anti-Lobbying

A. No member of the governing body of the CHA or other units of government and no other officer, official, employee or agent of the CHA or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement pertains, shall have any personal interest, direct, or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and or CHA employee shall be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

Additionally, pursuant to the conflict of interest requirements in OMB Circular A-102 and 24 CFR §85.36(b)(3), no person who is an employee, agent, officer, or appointed official of the CHA and who exercises or has exercised any functions or responsibilities with respect to CHA or HUD assisted activities, or who is in a position to participate in a decision making process or gain inside information with regard to such CHA and HUD activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those whom he or she has family or business ties, during his or her tenure or for one year thereafter.

B. Furthermore, Davis represents that it is and will remain in compliance with federal restrictions on lobbying set forth in Section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal year 1990, 31 U.S.C. §1352, and related rules and regulations set forth at 54 Fed. Reg. 52,309 ff. (1989), as amended.

Section 8.05 Non-Liability of Public Officials

No official, officer, employee or agent of the CHA shall be charged personally by Davis, or by any assignee or subcontractor of Davis, with any liability or expenses of defense or be held personally liable to Davis under any term or provision of this Agreement, because of the CHA's execution or attempted execution of this Agreement, or because of any breach hereof.

Section 8.06 Independent Contractor

Davis shall perform under this Agreement as an independent contractor to the CHA and not as a representative, employee, agent, or partner of the CHA.

ARTICLE 9. GENERAL CONDITIONS

Section 9.01 Entire Agreement

This Agreement is comprised of this Agreement and the Exhibits attached hereto and incorporated herein and shall constitute the entire agreement between the parties with respect to the subject matter hereof. As to inconsistencies between the terms and conditions of this Agreement and the terms and conditions of the Policy and Certificate of Coverage issued by the

Insurer to the CHA with respect to the benefits to be provided under the Agreement, which have been incorporated by reference, the express terms and conditions of the Policy and Certificate of Insurance shall be controlling over the terms and conditions of the Agreement.

Section 9.02 Counterparts

This Agreement is comprised of several identical counterparts, each to be fully executed by the parties and each to be deemed an original having identical legal effect.

Section 9.03 Amendments

No changes, amendments, modifications, or discharge of this Agreement, or any part thereof, shall be valid unless in writing and signed by the authorized agent of Davis and by the Chief Executive Officer of the CHA (or respective successor and assign). The CHA shall incur no liability for any additional Services and Benefits without a written and signed amendment to this Agreement pursuant to this Section.

Whenever in this Agreement Davis is required to obtain prior written approval, the effect of any approval which may be granted pursuant to Davis' request shall be prospective only from the later of the date approval was requested or the date on which the action for which the approval was sought is to begin. In no event may approval apply retroactively to a date before the approval was requested.

Section 9.04 Compliance with all Laws/Government Orders

- A. Davis shall at all times observe and comply with all applicable laws, ordinances, rules, regulations and executive orders of the federal, state and local government, now existing or hereinafter in effect, which may in any manner affect the performance of this Agreement. Provision(s) required by law, ordinances, rules, regulations, or executive orders to be inserted shall be deemed inserted whether or not they appear in this Agreement or, upon application by either party, this Agreement shall forthwith be amended to literally make such insertion; however, in no event shall the failure to insert such provision(s) prevent the enforcement of this Agreement.
- B. Davis shall take such actions as may be necessary to comply promptly with any and all governmental orders imposed by any duly constituted government authority whether imposed by federal, state, county or municipal authority.

Section 9.05 Compliance with HUD Regulations

Davis shall comply with all applicable provisions of HUD Regulations, and all state and local laws, ordinances and executive orders including, but not limited to, the Uniform Administrative Requirements contained in 24 C.F.R. Section 85.1 et seq., (1993), as amended; Title VI of the Civil Rights Act of 1967 (42 U.S.C. 2000d et seq.); Fair Housing Act (42 U.S.C. 3601-20 et seq.); Executive Order 11063, as amended by Executive Order 12259; Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.); Rehabilitation Act of 1973 (29 U.S.C. 794); Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5); Contract Work Hours and Safety

Standards Act (40 U.S.C. 327 et seq.); National Environmental Policy Act of 1969 (24 C.F.R. Part 58); Clean Air Act (42 U.S.C. § 7401/et seq.); Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), as amended; Executive Order 11246, as amended by Executive Orders 12086 and 11375; Executive Order 12372; Copeland "Anti-Kickback" Act (18 U.S.C. § 874 and 40 U.S.C. § 276); Byrd "Anti-Lobbying" Amendment (31 U.S.C. § 1352); and Debarment and Suspension (Executive Orders 12549 and 12689). Additionally, Davis shall comply with the applicable provisions of OMB Circulars A-133, A-102, A-122, A-110 and A-87, as amended, succeeded or revised; and the Mandatory Standards and Policies relating to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with Energy Policy and Conservation Act (Pub. L 94-163, 89 Stat. 871).

Section 9.06 Governing Law

This Agreement shall be governed as to performance and interpretation in accordance with Federal laws and the laws of the State of Illinois including the Illinois Code of Civil Procedures, the Federal Rules of Civil Procedures, the local rules of the Circuit Court of Cook County, and the local rules governing U.S. District Court for the Northern District of Illinois. Davis hereby irrevocably submits itself to the original jurisdiction of those courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this Agreement.

Section 9.07 Severability and Interpretation

If any provisions of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions hereof or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections contained in this Agreement shall not affect the remaining portions of this Agreement or any part thereof.

Section 9.08 Assigns

All of the terms and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted transferees and assigns.

Section 9.09 Cooperation

Davis agrees at all times to cooperate fully with the CHA and to act in the CHA's best interests. If this Agreement is terminated for any reason, or if it is to expire on its own terms, Davis shall make every effort to assure an orderly transition to another provider for uninterrupted provision of Services during any transition period, and shall otherwise comply with the reasonable requests and requirements of the CHA in connection with the termination or expiration of this Agreement.

Section 9.10 Waiver

Whenever under this Agreement the CHA, by a proper authority, waives Davis' performance in any respect or waives a requirement or condition to either the CHA or Davis' performance, the waiver so granted, whether express or implied, shall only apply to the particular instance and shall not be deemed a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver shall be construed as a modification of the Agreement regardless of the number of times the CHA may have waived the performance, requirement or condition.

Section 9.11 Deemed Inclusion

Provisions required by law, ordinances, rules, regulations or executive orders to be included in this Agreement are deemed inserted in this Agreement whether or not they appear in the Agreement or, upon application of either party, the Agreement shall be amended to make this insertion; however, in no event shall the failure to insert the required provisions before or after the Agreement is signed prevent its enforcement.

ARTICLE 10. COMMUNICATION AND NOTICES

Section 10.01 Communication Between the Parties

All communication including required reports and submissions between Davis and CHA shall be through the CHA's Director of Human Resources or his/her designee. No verbal communication between the parties shall change any of the terms and conditions of this Agreement.

Section 10.02 Notices

Any notices sent to Davis shall be mailed by certified mail return receipt requested, postage prepaid to:

Davis Vision, Inc.
159 Express Street
Plainview, NY 11803
Attention: Legal Counsel

Notices sent to the CHA shall be mailed by certified mail return receipt requested, postage prepaid to:

Chicago Housing Authority
60 E. Van Buren St., 10th Floor
Chicago, Illinois 60605
Attn: Director, Human Resources

With copies sent to:

Office of the General Counsel
Chicago Housing Authority
60 E. Van Buren St., 12th Floor
Chicago, Illinois 60605
Attention: General Counsel

ARTICLE 11. AUTHORITY

Section 11.01 CHA's Authority


Execution of this Agreement by the CHA is pursuant to the United States Housing Act of 1937, 42 U.S.C. §1437 et seq.; regulations promulgated by HUD, and the Illinois Housing Authorities Act, 310 ILCS 10/1 et seq., as amended, and other applicable laws, regulations and ordinances.

Section 11.02 Davis' and Insurer's Authority

Execution of this Agreement by Davis and Insurer is authorized by a resolution of their respective Board of Directors, if a corporation, and the signature(s) of each person signing on behalf of Davis and Insurer has been made with complete and full authority to commit Insurer and Davis to all terms and conditions of this Agreement, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

IN WITNESS WHEREOF, the CHA, Insurer, and Davis have executed this Agreement as of the date first written above.

CHICAGO HOUSING AUTHORITY

By: 
Valerie L. Hawthorne-Berry
Director of Procurements and Contracts

Date: 2/18/11

DAVIS VISION, INC.

By: 
Authorized Signer

Title: Sr. Vice Pres. Client Management & Product Development

Print Name: Dale Paushari

Date: January 12, 2011

HM LIFE INSURANCE COMPANY

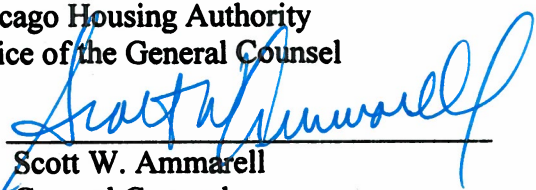
By: 
Authorized Signer

Title: Privacy Officer

Print Name: Robert L. Fawcett

Date: 1/21/11

Approved as to Form and Legality
Chicago Housing Authority
Office of the General Counsel

By: 
Scott W. Ammarell
General Counsel

Date: 2/15/11

EXHIBIT I

VISION PLAN SCHEDULE OF BENEFITS

BENEFITS DESCRIPTION

Eligible Members (defined as employee, spouse, dependent), shall be entitled to routine vision services on the following frequency:

Eye examination with dilation (when professionally indicated):	Annual
Frame:	Biennial
Spectacle Lenses:	Biennial
Contact Lenses (in lieu of eyeglasses):	Biennial

Benefits will refresh on the anniversary of the last date of service.

DAVIS will issue authorizations to Participating Providers on behalf of eligible Members for benefit utilization. Authorizations are valid for forty-five (45) days. The plan Collection shall be made available only at a Participating Provider's office. The benefit may be split between eye examination and materials (frame and lenses) and between in-network and out-of-network locations.

The Central Laboratory shall provide lenses and frames that are first quality and free of defects, including:

1. Choice of glass or plastic lenses in single vision, bifocal or trifocal.
2. Selection from a highly stylized, standardized frame selection (Designer).
3. All materials verified as first quality.
4. All ranges of prescriptions, including post cataract lenses.
5. Oversize lenses.
6. Fashion tinting of plastic lenses.
7. Gradient tints.
8. Glass – Grey #3 prescription sunglasses.

The following basic member copayments apply:

1. Eye Examination	\$ 0.00
2. Frame Copayment	\$ 0.00
3. Spectacle Lenses Copayment	\$ 0.00
4. Contact Lenses	\$ 0.00

The following services are optional and available at the time of service with the following Member payment:

OPTIONS	MEMBER PAYMENT
Designer Frame	\$ 15.00
Premier Frame	\$ 35.00
Progressive Addition Lenses – Standard ¹	\$ 50.00
Progressive Addition Lenses – Premium ¹	\$ 90.00
Photochromic Lenses	\$ 20.00
Scratch Resistant Coating	\$ 20.00
Anti Reflective Coating - Standard	\$ 35.00
Anti Reflective Coating - Premier	\$ 48.00
Anti Reflective Coating - Ultra	\$ 60.00
Hi-Index Lenses	\$ 55.00
Polarized Lenses	\$ 75.00
Polycarbonate Lenses ²	\$ 30.00
Plastic Photosensitive Lenses	\$ 65.00
Ultraviolet Coating	\$ 12.00
Intermediate Vision Lenses	\$ 30.00
Blended Segment Lenses	\$ 20.00

INDEMNITY REIMBURSEMENTS³

Eye Examination	Up to \$ 25.00
Frames	Up to \$ 30.00
Single Vision Lenses	Up to \$ 30.00
Bifocal Lenses	Up to \$ 40.00

¹ If patient is unable to adapt to progressive addition lenses, conventional bifocals will be provided, however, any copayment paid will not be refunded.

² A \$30.00 copayment is required when members select polycarbonates. No copayment is necessary for prescriptions of +/- 6.00 or if prescribed for children and/or monocular members.

³ Any use will be considered a full use of the benefit, even if the reimbursement does not reach the maximum amount. Indemnity reimbursements are first dollar and do not have a deductible.

Trifocal Lenses	Up to \$ 60.00
Lenticular Lenses	Up to \$ 80.00
Contact Lenses	Up to \$ 50.00

MEMBER ALLOWANCES⁴ AT PARTICIPATING PROVIDER OFFICES

Frames (Retail Credit)	Up to \$ 100.00 plus 20% off overage
Contact Lenses	Up to \$ 105.00 plus 15% off overage
Medically Necessary Contact Lenses (<i>prior approval needed</i>)	Paid in Full

CONTACT LENS FORMULARY⁵

Type	Lens	Manufacturer
D	Soflens 38 (6 Pk)	Bausch & Lomb®
D	Clear Site (1-Day 30 Pack)	Cooper/OSI
D	Focus Dailies - 30 Pk	CIBA Vision®
D	Cooper Clear FW	Cooper/OSI
D	Biomedics XC (Silicon Hydrogel)	Cooper/OSI
D	Encore Premium	Cooper/OSI
D	Acuvue	Johnson & Johnson
D	Acuvue 2	Johnson & Johnson
D	Acuvue Advance	Johnson & Johnson
D	1-Day Acuvue	Johnson & Johnson
D	Biomedics 38	Cooper/OSI
D	Biomedics 55	Cooper/OSI
D	Freshlook LT	CIBA Vision®
PR	Purevision (Silicon Hydrogel)	Bausch & Lomb®
PR	Proclear Compatibles	Cooper/OSI
PR	Frequency 38	Cooper/OSI
PR	Frequency 55	Cooper/OSI
DW	Cooper Clear DW	Cooper/OSI
DW	Z4 Sofblue	Cooper/OSI
DW	Z6 Sofblue	Cooper/OSI
DW	Silver 07	Cooper/OSI

⁴ Effective 1/1/2011, Benefit Enhancement – Contact Lens and follow-up; Standard Contacts Fit and follow-up are covered in full; Specialty Contact's Fit and follow-up are covered up to \$60, then 15% discount off balance.

*Member allowances are available in lieu of plan materials at a participating provider office, are first dollar, and do not have a copayment.

⁵ Available at all participating independent provider offices. All contacts in Formulary are Single-Vision Spherical lenses. Formulary subject to change.

The above list may be updated from time to time without prior notice. Certain contact lenses may be available with a copayment and that copayment may vary by lens type based on plan design) and for the dispensing amount.

KEY: D - Disposable DW - Daily Wear PR - Planned Replacement

Laser Vision Correction Discount –

Eligible Members may receive a discount of up to twenty-five percent (25%) off providers' usual and customary fee or a minimum of five percent (5%) off any advertised special for either PRK or conventional LASIK laser vision correction from the laser vision correction network. Alternatively, some facilities may offer a flat rate, which equates to these comparable discount levels. Providers offering Flying spot (or other emerging technologies of laser vision correction) may be available at similar discounts, however the usual and customary fee may be higher than PRK or conventional LASIK laser vision correction.

Members are responsible to pay all fees directly to the provider or facility. DAVIS does not assume any financial responsibility to the member for the access to these discounts. DAVIS will not reimburse a Member if a Member is dissatisfied with the discount obtained, therefore Members should determine the level of discount available and its acceptability prior to receiving services.

To access this discount program, Members will use their member identification number to access the Davis Vision Website or Interactive Voice Response Unit (IVR) to obtain a confirmation. Once the Website or IVR is accessed, Member shall follow the prompted steps to obtain said confirmation.

CLIENT agrees to allow DAVIS to review all materials developed by the CLIENT for the laser vision correction plan prior to distribution to Members. Such materials shall include announcement letters and Member informational literature. CLIENT agrees that the final copy of such materials shall be mutually agreed upon.

The United States Food and Drug Administration (FDA) is responsible for the regulation and approval of lasers for use in the surgical treatment of refractive errors. Currently, no lasers are approved by the FDA for use in performing either PRK or conventional LASIK laser vision correction on patients under the age of eighteen (18). Therefore, DAVIS will not issue a confirmation number for Laser Vision Correction for any Member under the age of eighteen (18).

Low Vision –

Low vision is a significant loss of vision but not total blindness. Ophthalmologists and optometrists specializing in low vision care can evaluate and prescribe optical devices, and

provide training and instruction to maximize the remaining usable vision for members with low vision. After prior approval by Davis Vision, covered low vision services (both in- or out-of-network) will include:

One comprehensive Low Vision Evaluation every 5 years, with a maximum charge of \$300. This examination, sometimes called a functional vision assessment, can determine distance and clarity of vision, the size of readable print, the existence of blind spots or tunnel vision, depth perception, eye-hand coordination, problems perceiving contrast, and lighting requirements for optimum vision.

Maximum Low Vision Aid allowance of \$600 with a lifetime maximum of \$1,200 such as high-power spectacles, magnifiers and telescopes. These devices are utilized to improve the levels of sight, reduce problems of glare, or increase contrast perception, based on the individual's visual goals.

Follow-up care – four visits in any 5-year period, with a maximum charge of \$100 each visit

EXHIBIT I

VISION PLAN SCHEDULE OF BENEFITS

BENEFITS DESCRIPTION

Eligible Members (defined as employee, spouse, dependent), shall be entitled to routine vision services on the following frequency:

Eye examination with dilation (when professionally indicated):	Annual
Frame:	Biennial
Spectacle Lenses:	Biennial
Contact Lenses (in lieu of eyeglasses):	Biennial

Benefits will refresh on the anniversary of the last date of service.

DAVIS will issue authorizations to Participating Providers on behalf of eligible Members for benefit utilization. Authorizations are valid for forty-five (45) days. The plan Collection shall be made available only at a Participating Provider's office. The benefit may be split between eye examination and materials (frame and lenses) and between in-network and out-of-network locations.

The Central Laboratory shall provide lenses and frames that are first quality and free of defects, including:

1. Choice of glass or plastic lenses in single vision, bifocal or trifocal.
2. Selection from a highly stylized, standardized frame selection (Designer).
3. All materials verified as first quality.
4. All ranges of prescriptions, including post cataract lenses.
5. Oversize lenses.
6. Fashion tinting of plastic lenses.
7. Gradient tints.
8. Glass – Grey #3 prescription sunglasses.

The following basic member copayments apply:

1. Eye Examination	\$ 0.00
2. Frame Copayment	\$ 0.00
3. Spectacle Lenses Copayment	\$ 0.00
4. Contact Lenses	\$ 0.00

The following services are optional and available at the time of service with the following Member payment:

OPTIONS

MEMBER PAYMENT

Designer Frame	\$ 15.00
Premier Frame	\$ 35.00
Progressive Addition Lenses – Standard ¹	\$ 50.00
Progressive Addition Lenses – Premium ¹	\$ 90.00
Photochromic Lenses	\$ 20.00
Scratch Resistant Coating	\$ 20.00
Anti Reflective Coating - Standard	\$ 35.00
Anti Reflective Coating - Premier	\$ 48.00
Anti Reflective Coating - Ultra	\$ 60.00
Hi-Index Lenses	\$ 55.00
Polarized Lenses	\$ 75.00
Polycarbonate Lenses ²	\$ 30.00
Plastic Photosensitive Lenses	\$ 65.00
Ultraviolet Coating	\$ 12.00
Intermediate Vision Lenses	\$ 30.00
Blended Segment Lenses	\$ 20.00

INDEMNITY REIMBURSEMENTS³

Eye Examination	Up to \$ 25.00
Frames	Up to \$ 30.00
Single Vision Lenses	Up to \$ 30.00
Bifocal Lenses	Up to \$ 40.00

¹ If patient is unable to adapt to progressive addition lenses, conventional bifocals will be provided, however, any copayment paid will not be refunded.

² A \$30.00 copayment is required when members select polycarbonates. No copayment is necessary for prescriptions of +/- 6.00 or if prescribed for children and/or monocular members.

³ Any use will be considered a full use of the benefit, even if the reimbursement does not reach the maximum amount. Indemnity reimbursements are first dollar and do not have a deductible.

Trifocal Lenses	Up to \$ 60.00
Lenticular Lenses	Up to \$ 80.00
Contact Lenses	Up to \$ 50.00

MEMBER ALLOWANCES⁴ AT PARTICIPATING PROVIDER OFFICES

Frames (Retail Credit)	Up to \$ 100.00 plus 20% off overage
Contact Lenses	Up to \$ 105.00 plus 15% off overage
Medically Necessary Contact Lenses (<i>prior approval needed</i>)	Paid in Full

CONTACT LENS FORMULARY⁵

Type	Lens	Manufacturer
D	Soflens 38 (6 Pk)	Bausch & Lomb®
D	Clear Site (1-Day 30 Pack)	Cooper/OSI
D	Focus Dailies - 30 Pk	CIBA Vision®
D	Cooper Clear FW	Cooper/OSI
D	Biomedics XC (Silicon Hydrogel)	Cooper/OSI
D	Encore Premium	Cooper/OSI
D	Acuvue	Johnson & Johnson
D	Acuvue 2	Johnson & Johnson
D	Acuvue Advance	Johnson & Johnson
D	1-Day Acuvue	Johnson & Johnson
D	Biomedics 38	Cooper/OSI
D	Biomedics 55	Cooper/OSI
D	Freshlook LT	CIBA Vision®
PR	Purevision (Silicon Hydrogel)	Bausch & Lomb®
PR	Proclear Compatibles	Cooper/OSI
PR	Frequency 38	Cooper/OSI
PR	Frequency 55	Cooper/OSI
DW	Cooper Clear DW	Cooper/OSI
DW	Z4 Sofblue	Cooper/OSI
DW	Z6 Sofblue	Cooper/OSI
DW	Silver 07	Cooper/OSI

⁴ Effective 1/1/2011, Benefit Enhancement – Contact Lens and follow-up; Standard Contacts Fit and follow-up are covered in full; Specialty Contact's Fit and follow-up are covered up to \$60, then 15% discount off balance.

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KEY: D - Disposable DW - Daily Wear PR - Planned Replacement

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Low vision is a significant loss of vision but not total blindness. Ophthalmologists and optometrists specializing in low vision care can evaluate and prescribe optical devices, and

provide training and instruction to maximize the remaining usable vision for members with low vision. After prior approval by Davis Vision, covered low vision services (both in- or out-of-network) will include:

One comprehensive Low Vision Evaluation every 5 years, with a maximum charge of \$300. This examination, sometimes called a functional vision assessment, can determine distance and clarity of vision, the size of readable print, the existence of blind spots or tunnel vision, depth perception, eye-hand coordination, problems perceiving contrast, and lighting requirements for optimum vision.

Maximum Low Vision Aid allowance of \$600 with a lifetime maximum of \$1,200 such as high-power spectacles, magnifiers and telescopes. These devices are utilized to improve the levels of sight, reduce problems of glare, or increase contrast perception, based on the individual's visual goals.

Follow-up care – four visits in any 5-year period, with a maximum charge of \$100 each visit

EXHIBIT II
CERTIFICATE OF INSURANCE COVERAGE

EXHIBIT III
APPLICATION FOR GROUP COVERAGE

This document has been previously completed by the CHA and is still applicable to this Agreement.

IMPORTANT NOTICE NO. 8

Each Member who is
insured under Group Policy 500147
issued to Chicago Housing Authority as Policyholder.

Effective January 1, 2011, your Group Vision Care Insurance Certificate has been amended to read as follows:

1. The In-Network Benefits within Part 3B has been amended to read as follows:

B. IN-NETWORK BENEFITS

	<u>Copayment*</u>
Eye Examination	\$0.00
Materials	
Lenses	\$0.00
Frames	\$0.00**
Contact Lenses	
Single Tier	\$0.00
Fitting/Evaluation	\$0.00
Other Types	None***

* Does not apply to Optional In-Network items or Covered Expenses received from an Out-of-Network Provider.

** Frames other than Davis Vision's Designer or Premier Collection will be paid up to a maximum of \$100.00. An additional 20% discount shall be given on any amounts over \$100.00. The balance, if any, is the Covered Person's responsibility.

*** Contact lenses other than Single Tier will be paid up to a maximum of \$105.00. An additional 15% discount shall be given on any amounts over \$105.00. The balance, if any, is the Covered Person's responsibility. The Contact lens fitting and evaluation for Specialty contact lenses will be paid up to a maximum of \$60.00 plus a discount of 15% off any amount over \$60.00. The balance, if any, is the Covered Person's responsibility.

Plan Level

Fashion Plan Eyewear from Davis Vision's Fashion Collection. In-Network Providers will have a complete tower of Davis Vision's frame collection. In addition, you and your Covered Dependents may also select any of the Optional In-Network Items shown below, including frames from Davis Vision's Designer or Premier Collection. All Optional In-Network items are subject to the applicable Copayment.

<u>Optional Items</u>	<u>Copayment</u>
Designer Frames	\$15.00
Premier Frames	\$35.00
Progressive Addition Lenses	
Standard	\$50.00
Premium	\$90.00
Photochromic Glass Lenses	\$20.00
Scratch Resistant Treatment	\$20.00

Anti Reflective Coating	
Standard	\$35.00
Premium	\$48.00
Ultra	\$60.00
Blended Segment Lenses	\$20.00
Ultraviolet Coating	\$12.00
Polycarbonate Lenses	\$30.00 *
Hi-Index Lenses	\$55.00
Plastic Photosensitive Lenses	\$65.00
Intermediate Vision Lenses	\$30.00
Polarized Lenses	\$75.00

*** no copayment for children or monocular patients**

This change is effective January 1, 2011. However, if you are Disabled on December 31, 2010, any increase in your Insurance will be delayed until the first day after you complete one full day of Active Work as a Member.

Please attach this notice to your Certificate.

HM Life Insurance Company

Information about Low Vision Services:

You and your covered dependents are entitled to a comprehensive low vision evaluation once every five years and low vision aids up to the plan maximum. Up to four follow-up care visits will be covered during the five year period.

Information about Laser Vision Correction Services:

Davis Vision provides you and your eligible dependents with the opportunity to receive Laser Vision Correction Services at discounts of up to 25% off a participating providers normal charges, or 5% off any advertised special (please note that some providers have flat fees equivalent to these discounts). Please check the discount available to you with the participating provider. For more information, please visit us at www.davisvision.com or call 1-800-999-5431.

Mail Order Contact Lenses:



Free membership and access to a mail order replacement contact lens service, LENS 123, providing a fast and convenient way to purchase replacement contact lenses at significant savings. For more information, please call 1-800-LENS-123 (1-800-536-7123) or visit the LENS 123 website at www.LENS123.com.

Warranty Information:

One-year eyeglass breakage warranty included at no additional cost

All plan eyeglasses come with a breakage warranty for repair or replacement of the frame and/or lenses for a period of one year from the date of delivery. The warranty applies to all plan covered eyeglasses, i.e. spectacle lenses, Davis Vision Collection frames and national retailer frames (where our exclusive Collection is not displayed).

Are there any exclusions?

The following items are not covered by this vision program:

- Medical treatment of eye disease or injury.
- Vision therapy.
- Special lens designs or coatings, other than those previously described.
- Replacement of lost eyewear.
- Non-prescription (plano) lenses.
- Contact lenses and eyeglasses in the same benefit cycle.
- Services not performed by licensed personnel.
- Two pairs of eyeglasses in lieu of a bifocal.

For more information, please visit Davis Vision's website at www.davisvision.com or call Davis Vision at 1-800-999-5431 to:

- Learn more about your benefits
 - Locate a Davis Vision provider
 - Verify eligibility
 - Print an enrollment confirmation
 - Request an out-of-network provider reimbursement form
 - Contact a Member Service Representative.
- Member Service Representatives are available:

- Monday through Friday, 8:00 AM to 11:00 PM, Eastern Time.
 - Saturday, 9:00 AM to 4:00 PM, Eastern Time, and;
 - Sunday, 12:00 PM to 4:00 PM, Eastern Time.
- Participants who use a TTY (Teletypewriter) because of a hearing or speech disability may access TTY services by calling 1-800-523-2847.

Your rights as a patient:

Davis Vision recognizes that all patients have specific rights, including but not limited to:

- The right to complete information about their healthcare options and consequences.
 - The right to participate in all treatment decisions.
 - The right to dignity, privacy, confidentiality and non-discrimination.
 - The right to complain or appeal any decision.
- Patients also have the responsibility:
- To provide complete and accurate information.
 - To follow care instructions.

For a complete copy of Your Rights and Responsibilities As a Patient, please visit Davis Vision's website at www.davisvision.com or call 1-800-999-5431.

"All insured products are underwritten by either HMM Life Insurance Company or HMM Life Insurance Company of New York."

Vision Care Plan Benefit Description

Sponsored by, and administered on behalf of the employees and dependents of

Chicago Housing Authority

For information prior to enrolling visit Davis Vision's Website at: www.davisvision.com, select the member option and enter client

code 7518 or call 1-877-923-2847 (toll free).
Once enrolled, please visit Davis Vision's website: www.davisvision.com, or call 1-800-999-5431 with questions

DAVISVISION®
SEE LIFE

Chicago Housing Authority is pleased to provide this information about your vision care plan administered by Davis Vision, Inc., a leading national administrator of vision care programs. Eligibility for vision care benefits is determined by the same rules that apply to your health care benefits.

How do I receive services from a provider in the network?

- Call the network provider of your choice and schedule an appointment.
- Identify yourself as a Davis Vision and Chicago Housing Authority member or dependent.
- Provide the office with the member's ID number and the name and date of birth of any covered dependent needing services.

It's that easy! The provider's office will verify your eligibility for services, and claim forms or ID cards are not required!

Who are the network providers?

They are licensed providers in both private practice and retail locations who are extensively reviewed and credentialized to ensure that stringent standards for quality service are maintained. Please access Davis Vision's website at www.davisvision.com and utilize the "Find a Doctor" feature, or call 1-800-999-5431 to access the Interactive Voice Response (IVR) Unit, which will supply you with the names and addresses of the network providers nearest you.

What are the plan benefits, frequencies and costs?

EYE EXAMINATIONS Every 12 months, including dilation as professionally indicated.

In-Network Copayment \$0

Out-of-Network Reimbursed up to \$25

EYEGLASSES

Frame Every 24 months

Spectacle Lenses Every 12 months

In-Network Copayment \$0

You may choose any Fashion level frame from Davis Vision's Frame Collection, covered in full. Or, if you select another frame in the network provider's office, a \$100 credit, plus a 20% discount* off any average will be applied. This credit would also apply at retail locations that do not carry the Frame Collection. Members are responsible for the amount over \$100. For more information on lenses, please see "What lenses/coatings are included?"

Out-of-Network Reimbursed up to \$30 for frames, up to \$30 for single vision lenses, up to \$40 for bifocals, up to \$60 for trifocals, up to \$80 for bifocal (post-cataract) lenses.

CONTACT LENSES

In-Network Copayment Every 12 months

In-Network Copayment \$0

In lieu of eyeglasses, you may select contact lenses. Any contact lenses from Davis Vision's Contact Lens Collection will be covered in full per the number indicated below. If you select contact lenses, your evaluation, fitting and follow up care will also be covered.

Davis Vision Contact Lens Collection (includes evaluation, fitting, follow-up):

Standard/Daily Wear One pair of lenses

Disposable Four boxes/multi-packs

Planned Replacement Two boxes/multi-packs

In lieu of the Davis Vision contact lenses collection, members may use an \$105 allowance, plus a 15% discount* off any average toward the provider's own supply, if selecting standard soft contact lenses you are entitled to an evaluation/fitting. For specialty contact lenses, a \$40 allowance, plus a 15% discount* off any average will be applied toward the evaluation/fitting.

Medically necessary contact lenses will be covered in full with prior approval.

Out-of-Network Reimbursed up to \$50 for elective contact lenses.

Please note: Contact lenses can be worn by most people. Once the contact lens option is selected and the lenses are fitted, they may not be exchanged for eyeglasses.

* Discount does not apply at participating Wal-Mart or Sam's Club locations.

What lenses/coatings are included?

- Plastic or glass single vision, bifocal or trifocal lenses, in any prescription range.
- Glass gray #3 prescription lenses.
- Oversize lenses.
- Post-cataract lenses.
- Tinting of plastic lenses.
- Polycarbonate lenses for dependent children, monocular patients and patients with prescriptions +/- 6.00 diopters or greater.

Are there any optional frames, lens types or coatings available?

Yes, you can pay the low, discounted fixed fees indicated (in addition to your basic copayment) and receive these exciting optional items:

- \$15 for a Premier frame from the "Collection".
- \$35 for a Premier frame from the "Collection".
- \$30 for polycarbonate lenses.
- \$20 for scratch-resistant coating.
- \$20 for glass photochromic lenses.
- \$20 for blended invisible bifocals.
- \$12 for ultraviolet (UV) coating.
- \$30 for intermediate vision lenses.
- \$35 for standard ARC (anti-reflective coating). Premium ARC is \$48. Ultra ARC is \$60.
- \$75 for polarized lenses.
- \$45 for plastic photochromic lenses.
- \$55 for high-index (thinner and lighter) lenses.
- \$50 for standard progressive addition multifocal lenses. Premium progressive addition multifocal lenses are \$90**.

** Progressive addition multifocals can be worn by most people. Conventional bifocals will be supplied at no additional cost for anyone who is unable to adapt to progressive addition lenses; however, the copayment will not be refunded.

When will I receive my eyewear?

Generally, your eyewear will be delivered to your provider from the laboratory within five business days. More delivery time may be needed when out-of-stock frames, anti-reflective coating, specialized prescriptions or a participating provider's frame is selected.

What about out-of-network provider benefits?

You may receive services from an out-of-network provider, although you will receive the greatest value and maximize your benefit dollars if you select a provider who participates in the network. If you choose an out-of-network provider, you must pay the provider directly for all charges and then submit a claim for reimbursement to:

Vision Care Processing Unit
P.O. Box 1525
Latham, NY 12110

Only one claim per service may be submitted for reimbursement each benefit cycle. To request claim forms, please visit the Davis Vision Web site at www.davisvision.com or call 1-800-999-5431.

May I use the benefit at different times?

You may "split" your benefits by receiving your eye examination and eyeglasses (or contact lenses) on different dates or through different provider locations, if desired. However, complete eyeglasses must be obtained at one time, from one provider. Continuity of care will best be maintained when all available services are obtained at one time from either a network or an out-of-network provider. To maximize your benefit value we recommend that all services be obtained from a network provider.

GROUP POLICY AMENDMENT NO. 8

Attached to and made a part of Group Policy 500147
issued to Chicago Housing Authority as Policyholder.

It is agreed that the Group Vision Care Insurance Policy 500147 issued to Chicago Housing Authority is amended as follows:

1. With respect to the Premium Rates attached to the Policy Data Page is amended to read as follows:

Premium Rate

Employee Only	\$4.54 per month
Employee & One	\$8.16 per month
Family (includes Employee)	\$12.71 per month

2. The In-Network Benefits within Part 3B of Section One is amended to read as follows:

B. IN-NETWORK BENEFITS

	<u>Copayment*</u>
Eye Examination	\$0.00
Materials	
Lenses	\$0.00
Frames	\$0.00**
Contact Lenses	
Single Tier	\$0.00
Fitting/Evaluation	\$0.00
Other Types	None***

* Does not apply to Optional In-Network items or Covered Expenses received from an Out-of-Network Provider.

** Frames other than Davis Vision's Designer or Premier Collection will be paid up to a maximum of \$100.00. An additional 20% discount shall be given on any amounts over \$100.00. The balance, if any, is the Covered Person's responsibility.

*** Contact lenses other than Single Tier will be paid up to a maximum of \$105.00. An additional 15% discount shall be given on any amounts over \$105.00. The balance, if any, is the Covered Person's responsibility. The Contact lens fitting and evaluation for Specialty contact lenses will be paid up to a maximum of \$60.00 plus a discount of 15% off any amount over \$60.00. The balance, if any, is the Covered Person's responsibility.

Plan Level

Fashion Plan Eyewear from Davis Vision's Fashion Collection. In-Network Providers will have a complete tower of Davis Vision's frame collection. In addition, you and your Covered Dependents may also select any of the Optional In-Network Items shown below, including frames from Davis Vision's Designer or Premier Collection. All Optional In-Network items are subject to the applicable Copayment.

<u>Optional Items</u>	<u>Copayment</u>
Designer Frames	\$15.00
Premier Frames	\$35.00
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Standard	\$50.00
Premium	\$90.00
Photochromic Glass Lenses	\$20.00
Scratch Resistant Treatment	\$20.00
Anti Reflective Coating	
Standard	\$35.00
Premium	\$48.00
Ultra	\$60.00
Blended Segment Lenses	\$20.00
Ultraviolet Coating	\$12.00
Polycarbonate Lenses	\$30.00 *
Hi-Index Lenses	\$55.00
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Intermediate Vision Lenses	\$30.00
Polarized Lenses	\$75.00

* no copayment for children or monocular patients

This change is effective January 1, 2011. However, if any Member is Disabled on December 31, 2010, any increase in his or her Insurance will be delayed until the first day after the Member completes one full day of Active Work as a Member.

HM Life Insurance Company

By



President

EXHIBIT II
CERTIFICATE OF INSURANCE COVERAGE

EXHIBIT III

APPLICATION FOR GROUP COVERAGE

This document has been previously completed by the CHA and is still applicable to this Agreement.

EXHIBIT IV
CONTRACTOR'S AFFIDAVIT