



CONTRACT RENEWAL LETTER

Date: February 27, 2025
Contract #: UCPJMU5198
Service: Pharmacy Operations System
Renewal Period: 7/19/2025 to 7/18/2026
Renewal #: 7 of 9 One-Yr
Issued By: James Madison University
Colleen Johnson, Lead Commodity Contract Officer Ph: 540-568-3137
Fx: 540-568-7935

Contractor: Kalos, Inc.
Attn: Mark Lawrence
3418 SE 21st Street, Suite B
Topeka, KS 66607 Ph: 800-264-0068

Contract Administrator: Chris Ouren, University Health Center

Description of Renewal Notice:

In accordance with the renewal provision of the original contract all terms, conditions, and specifications of the original contract remain the same during the contract renewal period, along with any modifications that have been incorporated up until this point. The attached Kalos Fusion Statement of Work, dated February 27, 2025 is hereby added to the contract, revised pricing for the renewal term is attached.

All invoices shall be submitted within sixty days of contract renewal term expiration as well as for each subsequent contract renewal period. Any invoices submitted after the sixty day period will not be processed for payment.

Return one executed renewal notice to my attention within ten days.

Kalos, Inc.

By: Mark A. Lawrence

Mark A. Lawrence

Name (print)

General Counsel

3/3/2025

Title

Date Signed

James Madison University

By: Colleen Johnson

Colleen Johnson, CUPO

Name (print)

Lead Commodity Contract Officer

2/27/2025

Title

Date Signed



Renewal # 7

Contract #: UCPJMU5198

Contractor: Kalos, Inc.

Renewal Period: 7/19/2025 - 7/18/2026

Commodity: Pharmacy Operations System

Pricing Schedule

Wolters Kluwer Annual Subscription:	\$2,016.00
Annual Software Maintenance:	\$1,800.00
POS Annual Software Maintenance:	\$984.00
Medicat Interface Annual Maintenance:	\$600.00
<i>Service Dates 7/19/2025 - 7/18/2026</i>	
sub total	\$5,400.00
Surescripts (to be billed monthly as incurred):	\$0.20/ prescription
Text Messages Monthly Cost (to be billed monthly as incurred):	
1 – 300 texts:	20.00
301 – 1,000 texts:	50.00
1,001 – 2,000 texts:	75.00
2,001 – 3,000 texts:	100.00
Professional Services:	
	\$125/ hour
Fusion360: DSCSA ASN/EPICS Repository (per location)	\$1,320.00
<i>3 year initial term paid annually, Service Dates 01/01/2025 - 12/31/2028</i>	

*On-site Training (Includes all travel costs) : \$1,600.00/day

This Statement of Work (SOW) is incorporated into, amends, and is made a part of the Agreement executed between Kalos, Inc., a wholly owned subsidiary of Fusion Health (“**Fusion**”) and Commonwealth of Virginia, James Madison University (“**Client**”) having contract number UCPJMU5198 (the “**Agreement**”). This SOW outlines the work to be performed in migrating Client from ProPharm Web to ProPharm Windows.

Installation

The Client is expected to update their servers to the following versions or higher:

- Windows 2019 Standard Server
- SQL 2019 Standard (*Express version is **not** supported for Production data*)
- SQL Server Management Studio installed

The Client must provide Fusion with all reasonable and necessary access to the Client's servers throughout the implementation period.

Migration

Fusion will adopt a strategic approach to prioritize the conversion of critical tables in response to the ProPharm Web sunsetting and ProPharm Windows migration. By focusing on tables essential for script input, Fusion aims to accelerate Client migration, optimize resource allocation, and mitigate potential risks. This targeted approach will ensure a smoother transition, minimizing disruptions and delivering an efficient, controlled migration process for both Client and Fusion teams.

The following tables and their data will be converted from ProPharm Web to Windows.

Table Description	ProPharm Web Table	ProPharm Windows Table
Doctor File	Doctor	DOC
Doctor Comment File	DoctorNote	DAN
Patient File	Patient	PAT
Patient Third Party File	PatientPayer	P3P
Patient Comment File	PatientNote	PAN
Patient Allergy File	Allergy	PatientAllergy
Patient Disease	MedicalCondition	PatientMedicalCondition
Drug File	Drug	DRG
Drug Comment file	DrugNote	DGN
Pharmacist File (User)	User	USR
Tech File (User)	User	USR
Third Party Plan File	Insurance	THP

Please note: Fusion will NOT be migrating tables outside of what is listed above (this includes patient script history).

The Client will allow Fusion to access a copy of the database being migrated so that Fusion can download the data and bring it in-house to perform QA testing of the migration.

Once the migration occurs, users can access a read-only version of ProPharm Web to view side-by-side with ProPharm Windows while entering prescriptions. Fusion recommends manually entering the patient's relevant script history into ProPharm Windows to ensure accurate Medispan screening.

Application Configuration

Fusion will work with the Client to configure the ProPharm Windows application to align with the existing configuration in ProPharm Web. With Fusion's instruction, the Client will be responsible for participating in the initial setup and configuration of ProPharm Windows. Additionally, interfaces will be set up and configured to ensure consistency with current functionality. During the UAT phase, the Client is expected to thoroughly test all workflows to ensure they meet business requirements. Training sessions and UAT workshops will be provided to equip the Client with the knowledge and tools necessary to manage their own configurations post-go-live.

Training

Fusion will provide training demos and UAT Workshops to ensure that the Client has a complete understanding of the ProPharm Windows product and how to utilize the application within their pharmacy.

Before go-live, Fusion will provide the following training materials for user reference:

1. ProPharm Windows user guide
2. Common workflow 'quick guides'
3. Access to the ProPharm Windows training videos via Fusion's learning management system

	Fusion Responsibility	Client Responsibility
Training Sessions	Fusion will provide a minimum of 5 hours and up to 10 hours of remote training, delivered in two-hour sessions, to demonstrate the functionality of ProPharm Windows.	Client to hold all necessary staff accountable for attending the scheduled training.
UAT Workshops	Fusion will provide up to 7 one-hour remote sessions to answer questions, manage configurations, and walk users through the workflows and functionality of the application, specific to the Clients needs.	Client is expected to perform full user acceptance testing in the application prior to attending the workshops. Client users should come to the workshops prepared to ask specific questions regarding application functionality, workflows, and configuration.

Go-Live

The implementation of ProPharm Windows will take a minimum of 8 weeks. Therefore, no clients will go live with ProPharm Windows prior to April 1, 2025. As ProPharm Web is being phased out and multiple clients require migration to ProPharm Windows, Fusion will begin the initial stages of implementation immediately upon contract signing. By signing the attached contract, Clients agrees to begin collaborating with Fusion to prepare their systems as early as February 1, 2025. Fusion will control the scheduling of go-live dates to ensure a smooth implementation. While determining the final date, Fusion will consider the Client's preferred timeline when making this decision.

Week One: Fusion will provide five days of virtual support during the pharmacy's operational hours. A dedicated, all-day Microsoft Teams meeting will be established for Client users to join, allowing direct communication with Fusion Support staff to address and resolve any issues promptly.

Week Two: Fusion will host up to five one-hour "office hours" sessions, offering Client the opportunity to discuss any questions or issues that have emerged. These sessions will be scheduled in advance of the go-live date.

After the first two weeks post-go-live, Client is asked to direct all questions and issues to the Fusion Helpdesk by submitting a support ticket for assistance

Pricing Terms and Scope Adjustments

There will be no change to current contract pricing until the next annual invoice. Contract pricing for the next annual invoice will be as identified in the attached Proposal K-2584.

Any requests or requirements that fall outside the predefined scope or feature list outlined in this agreement, including but not limited to modifications, additional functionalities, or services not specified in the original scope, will be subject to a reassessment of scope and may incur additional charges. We reserve the right to adjust pricing based on the impact and complexity of such changes.

ProPharm Web Sunset Timeline

January 31, 2025

ProPharm Web clients are expected to notify Fusion of their decision to move to ProPharm Windows or seek another pharmacy vendor.

February 1, 2025

Preparation work for the migration to ProPharm Windows can begin.

October 1, 2025

ProPharm Web becomes *read-only*.

October 1, 2026

Access to ProPharm Web is terminated.

Miscellaneous Terms

1. **Fusion Staffing:** Unless stated otherwise in writing by Fusion, all Services will be performed remotely by Fusion.
2. **Relationship with Agreement:** This SOW shall be subject to the terms and conditions of the Agreement. The Parties understand that the Agreement is modified by this SOW. In the event of an irreconcilable conflict between this SOW and the Agreement, this SOW shall control.
3. **Performance of Services:** The details of the method and manner for the performance of the Services by Fusion shall be under its own sole control, Client being interested only in the results thereof. If Fusion's performance of its Services is prevented or delayed by any act or omission of Client or its agents, subcontractors, consultants or employees, Fusion shall not be deemed in breach of its obligations, withheld payment for Services provided, or otherwise liable for any costs, charges or losses sustained or incurred by Client. ALL SERVICES PROVIDED BY FUSION AND THE DELIVERABLES RESULTING THEREOF ARE PROVIDED AS IS.
4. **Client Agrees To:**
 1. Cooperate in all matters relating to the Services detailed herein;
 2. Provide, such access as may reasonably be requested by Fusion for the purposes of performing the Services;
 3. Respond promptly to any requests by Fusion to provide direction, information, approvals, authorizations, or decisions that are reasonably necessary for Fusion to perform Services;

4. Provide such materials and/or information as Fusion may request in order to carry out the Services, in a timely manner, and ensure that it is complete and accurate in all material respects;
5. Back up all data, files, and information prior to the performance of any Services and hereby assumes sole responsibility for any lost or altered data, files, or information.
5. **Relationship of Parties:** The relationship between the parties is that of independent contractors. Nothing contained in this SOW shall be construed as creating any agency, partnership, joint venture, or other forms of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever. It is also understood and agreed by both Parties that Fusion is under no obligation hereunder to proceed with or to complete any Services hereunder.
6. **Modifications:** SOW may only be modified in writing when signed by authorized representatives of both parties. This SOW must also be signed by the Client prior to any Services commencing.
7. **Change Orders:**
 1. Additional Services. Services not included in this SOW are out of scope and are subject to a separate price proposal to be issued by Fusion to the Client for review and approval.
 2. Requests for additional development, enhancements, or services that are outside the scope of this SOW shall be documented by Client and submitted to Fusion's assigned project manager. Fusion will assess the requested change and consider the prioritization, estimated work effort, cost, resource availability, and impact on the project completion timeline.

IN WITNESS WHEREOF, each of the undersigned has agreed to the terms and conditions herein and has caused this SOW to be duly executed as of the last signature date below (the "Effective Date").

Client Sign-Off.

By: Colleen Johnson

Name: Colleen Johnson

Title: Lead Commodity Contact Officer & PM

Date: 2/27/2025

Fusion Sign-Off.

By: Mark A. Lawrence

Name: Mark A. Lawrence

Title: General Counsel

Date: 3/3/2025

Note: Services will not be scheduled by Fusion until Fusion returns to Client a countersigned copy of this SOW. Commencement of Services is dependent upon Fusion resources allocation and availability at time of signing.



Proposal

Kalos Inc.
3518 SE 21st Street
Topeka KS 66607
United States


Date 02/27/2025
Proposal # K-2584
Project

Bill To
Attn: Accounts Payable
James Madison University
MSC 5712, 1031 S Main St, Mass ...
Harrisonburg VA 22807
United States

Description	Quantity	Amount
Annual PWIN Software Maintenance and Support Period Covered: 07/19/2025 - 07/18/2026		
Pro-Pharm Software Licensing, Maintenance and Support, and associated items including - POS Interface - Medicat Interface	1	3,384.00
Wolters Kluwer Medispan Database	1	2,016.00
CIPS - Surescripts - To Be Invoiced Monthly as Incurred at \$.20 per	1	0.00
Total		\$5,400.00

This quote is an approximation of charges and is not a guarantee of costs for services to be provided by Kalos. Quote is based on initial project information provided by the client and the actual cost may change once project elements are finalized. This quote serves as the minimum charge for the work to be performed. Should the work require more time than is estimated in this quote or should the scope of the work to be performed change, the invoice will be updated to reflect the quoted price plus any additional work. This quote is valid for thirty (30) days.

By signing this quote, the client understands and agrees to the terms and conditions detailed herein. And upon signature, the client authorizes Kalos to begin the work described in this quote and agrees to pay the total incurred invoice amount, upon completion. All special instructions and additions relative to this quote summary appear below and are accepted by the parties upon signature. All terms, products, and services requested by the client that are not listed in this quote are subject to additional charges or fees.

Signature:  Name: Colleen Johnson Date: 2/27/2025