EXHIBIT 2

PERFORMANCE MEASURES AND LIQUIDATED DAMAGES

The Supplier will be held accountable for the achievement of certain performance measures in successfully delivering services under this Contract. The following Performance Measures categories shall be used to measure Supplier’s performance and delivery of services.

These Performance Outcomes and Standards have been deemed most crucial to the success of the overall desired service delivery. The Supplier shall ensure that the stated performance outcomes are standards (level of achievement) are met. When such standards are not met, liquidated damages shall be assessed by the State.

The State’s Contract Manager will provide written notice to the Supplier’s Representative of all liquidated damages assessed, accompanied by detail sufficient for justification of assessment. The Supplier may issue a credit in the amount of damage due on the next monthly invoice of the effected entity, or in the alternative, the Supplier shall forward a cashier’s check, money order, or company check to the Contract Manager, payable to the State in the appropriate amount, within ten (10) days of receipt of a written notice of demand for damages due.

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| Performance Measures | Monitoring Methodology | Liquidated Damages |
| On-time Deliveries | The supplier shall deliver pharmaceuticals (new and refill) ordered prior to the established cut off time Central Standard Time (CST) to the Medical Service Unit within 24 hours or the next business day. Specifically, routine delivery of ordered drugs shall occur a minimum of (5) five days a week, , Monday through Friday, between 8:00 A.M. and 6:00 P.M. CST excluding holidays proclaimed by the Governor of the State of Oklahoma.  | For any failure by the Supplier to meet any performance standard, project task, project deliverable date or timeframes specified herein, the State may require the Supplier to pay liquidated damages of $1,000 per business day per affected facility until such task, deliverable or performance standard or timeframe for each and every business day thereafter until such task, deliverable or performance standard is completed, rectified and accepted by the state. The State will notify the Supplier of the first instance of failure to meet one or more defined standards and request a corrective action plan. The State will set a date for submission of the plan. If the State does not receive the plan by the due date and no extension has been granted, the State may, at its sole discretion, invoke the appropriate remedy per this schedule. |
| Product Availability | The supplier shall insure that prescription drugs, including injectable, compounded intravenous solutions, and over-the-counter medications, formulary and non-formulary are obtainable by DOC through this contract, in accordance with applicable DOC policies and procedures pertaining to pharmacy services. The supplier shall fill orders for and maintain adequate levels of stock medications, as transmitted by correctional centers. All medications dispensed by the supplier for stock shall have expiration dates of not less than one year and shall be labeled accordingly. The supplier shall assist each ordering correctional center to maintain adequate levels of its stock, including the provision of separate utilization reports of stock medications.  |
| Interface with EHR | The supplier shall provide a structured interface with DOC Electronic Health Records (EHR) system for ordering pharmaceuticals electronically.  The interface would be in both directions (orders going to the suppliers and results coming in). The Supplier shall exchange data with the EHR via a standard HL7 interface in near real time.  The interfaces with the pharmaceutical supplier would be incoming and outgoing – allowing orders for prescription order to be transmitted to the supplier from the EHR and for receipt of prescription orders to be transmitted into the EHR from the pharmaceutical supplier by the no later than July 1, 2014. The supplier shall provide any additional one-time and annual service fees for integration of orders with the EHR system as may be required by the EHR system supplier.   |
| Return or Disposition of unused medications | The supplier shall provide a system for return of unused (discontinued or no longer prescribed) pharmaceuticals whereby full (cost of drug) credit shall be given to each Medical Service Unit for all unused medications. The expense of shipping unused pharmaceuticals shall be the responsibility of the supplier. The supplier shall dispose of unused/expired narcotics or scheduled medications in a manner that is consistent with DOC policy, state and federal rules and regulations pertaining to the practice of pharmacy in Oklahoma. The supplier shall arrange and pay for all reverse distribution expenses.  |
| Other Contract Requirements | The supplier shall work collaboratively with DOC in the collection and reporting of data pertaining to the utilization and cost of medications. Required monthly reports shall be posted on the supplier’s website for secure password access no later than the fifth working day of the following month and available by email if requested. |
| End of Contract Requirements | At the end of the agreement period, if the supplier is not awarded the new contract, all applicable files shall be transmitted to new successful supplier within 30 days of DOC written request |