

Agreement
By and Among
Michigan Department of Community Health –
Medical Services Administration,
Comprehensive NeuroScience, Inc., and
Eli Lilly and Company

This agreement (the "Agreement"), effective as of September 1, 2004, is by and among Michigan Department of Community Health – Medical Services Administration ("Michigan Medicaid") located at 400 South Pine Street, Lansing, MI, 48933; Comprehensive NeuroScience, Inc. ("CNS") located in White Plains, New York; and Eli Lilly and Company ("Lilly") located in Indianapolis, IN 46285. This Agreement, among other things, sets forth a description of certain initiatives (the "Program Initiatives"). Michigan Medicaid hereby represents that it is the single state agency responsible for the administration of Medicaid in the State of Michigan.

A fundamental goal of Lilly's business is to promote excellence in patient healthcare. Similarly, Michigan Medicaid also believes in this goal. Lilly and Michigan Medicaid believe that the Program Initiatives should further this mutual goal by helping to ensure that patients obtain the most appropriate medicines that such patients may need based on the medical judgment of such patients' physicians. Therefore, this Agreement is being entered into solely for the purpose of attempting to further this aligned goal of the parties and has nothing to do with nor is it intended to obligate Michigan Medicaid in any way to provide Lilly with any form of preferential treatment for any Lilly product. Further, Michigan Medicaid retains full authority to take any action it may deem clinically appropriate in the management of all drugs on its formulary, without consideration to the financial support that Lilly provides directly to CNS under this Agreement. Based on this Agreement, the parties agree that Michigan Medicaid is not under any obligation whatsoever to include any drugs manufactured or distributed by Lilly or its affiliates on their Medicaid drug formularies.

The Program Initiatives shall solely focus on Medicaid patients within the state of Michigan. Therefore, cost reductions, if any, derived from the Program Initiatives should logically accrue to both Michigan Medicaid and the federal government in the same proportion as the Michigan Medicaid and federal government currently share Medicaid costs for the Medicaid patients within the state of Michigan.

Now, therefore, in consideration of the mutual promises set forth below, the parties hereby agree as follows:

A. Program Initiatives. The Program Initiatives consist of an Opportunity Analysis and a Behavioral Pharmacy Planning Management Program both more fully described herein including the attached Exhibit A and Exhibit B, respectively, which is hereby incorporated by reference in its entirety. The parties agree that no work will be performed under this Agreement until the later of either the effective date hereof or at such time that this Agreement is fully executed by all parties.

B. Responsibilities of Parties

- 1) Lilly Responsibilities. Lilly will provide certain funding that will be paid directly to CNS for CNS to carry out the Program Initiatives on behalf of Michigan Medicaid. Specifics regarding amount and timing of payment shall be subject to the mutual agreement of CNS and Lilly, however, under no circumstances shall such funding (i.e. payment) exceed One Million Eight Hundred Thousand Dollars (\$1,800,000) for the duration of the Program Initiatives (27 months).

- 2) CNS Responsibilities: CNS agrees to enter into a separate agreement with Michigan Medicaid for the performance of the agreed upon services to carry out the Program Initiatives consistent with the legal requirements of the state and in accordance with the terms of this Agreement (including, without limitation, the terms set forth in the separate master services agreement between Lilly and CNS that pertains to the services described herein).
- 3) Michigan Medicaid: Michigan Medicaid agrees to enter into and/or acknowledges that it currently has separate agreement with CNS for the performance of the agreed upon services to carry out the Program Initiative consistent with the legal requirements of the state in accordance with the terms of this Agreement.

C. Termination. Either party upon thirty (30) days written notice to the other party may terminate the Agreement, without cause.

D. Confidentiality. All parties agree that it will not disclose the contents and existence of this Agreement to any entity or person other than employees, consultants, or agents that have a need to know about this agreement and the terms hereof, except as required by (a) law, including but not limited to Michigan's Freedom of Information Act, MCL 15.231 *et seq.*; (b) court order; or (c) legal proceedings (for example, subpoenas or discovery requests). Michigan Medicaid will provide Lilly and CNS with copies of any requests received by the Department of Community Health under the Freedom of Information Act for copies of this Agreement or its terms until the expiration date of this Agreement.

E. Disclosure of Agreement and Publicity. Any press releases or other form of public dissemination through the media or otherwise require review and approval of both Lilly and Michigan Medicaid.

F. Content. CNS and Michigan Medicaid agree that they shall be responsible for the content of all information presented in connection with the Program Initiative.

G. Compliance with Law. The parties hereby each agree to comply with all applicable laws, including without limitation, all laws governing the privacy of individuals, in the conduct of the funded Program Initiatives.

H. Copy of Results. The parties agree to provide Lilly with a copy of any data or results that are prepared for publication or public dissemination (excluding any patient identifiable information) resulting from the Program Initiative.

I. Acknowledgement. The parties agree to acknowledge Lilly as a source of support in any publications or materials resulting from the Program Initiative.

J. Notification and Medicaid Best Price Exempt. Michigan Medicaid hereby agrees to promptly notify Centers for Medicare and Medicaid Services (CMS) in writing of the arrangement herein including providing CMS with a copy of this Agreement. It is the intent and understanding of the parties that the arrangement described herein is "best price" exempt and complies with all Medicaid laws and regulations. However, in the event that it is determined that the arrangement under this Agreement is not Medicaid "best price" exempt and as a result would require Lilly under state or federal law or regulation to reduce its prices to others (or pay discounts or rebates to others), then Lilly and Michigan Medicaid shall make all adjustments necessary to relieve Lilly of any such obligation.

In WITNESS WHEREOF, this Agreement has been duly executed and delivered as of the effective date set forth above.

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
- MEDICAL SERVICES ADMINISTRATION

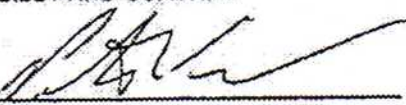
By: 
(Signature)

Name: Janet Olszewski

Title: Director, Michigan Department of
Community Health

Date: 9-1-04

ELI LILLY AND COMPANY

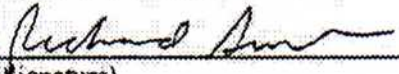
By: 
(Signature)

Name: Kate Witte

Title: Global Family Pharm

Date: 9-14-04

COMPREHENSIVE NEUROSCIENCE, INC.

By: 
(Signature)

Name: Richard Surles

Title: Senior Vice President

Date: 9-7-04