CONTRACT AMENDMENT NO. 3

Original Contract Number 2016MEDMCO001
Amendment No. 2016MEDMCO001A3

1. PARTIES

This Amendment to the above-referenced Original Contract (hereinafter called the "Contract") is entered into by and between Denver Health and Hospital Authority dba Denver Health Medicaid Choice, a body corporate and political subdivision of the State of Colorado, 777 Bannock Street, Denver, CO, 80204, hereinafter called "Contractor"), and the STATE OF COLORADO, acting by and through the Department of Health Care Policy and Financing, 1570 Grant Street, Denver, Colorado 80203 (hereinafter called "Department" or "State.")

2. EFFECTIVE DATE AND ENFORCEABILITY

This Amendment shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "Effective Date.") The Department shall not be liable to pay or reimburse Contractor for any performance hereunder, including, but not limited to, costs or expenses incurred, or be bound by any provision hereof prior to the Effective Date.

3. FACTUAL RECITALS

The Parties entered into the Contract to have Denver Health and Hospital Authority perform as a Managed Care Entity for the Department. The purpose of this Amendment is to update language and the rates table to reflect the increase in the rate of Hepititis C medication as well as the Date of Death rates adjustment.

4. CONSIDERATION

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Amendment.

5. LIMITS OF EFFECT

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments thereto, if any, remain in full force and effect except as specifically modified herein.

6. MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

A. Exhibit A, Statement of Work, Section 2.0, Contractor and Service Requirements, Subsection 2.4, Covered Services, Subsection 2.4.4, Coverage of Specific Services and Responsibilities, Paragraph 2.4.4.11, Coverage of Hepatitis-C Therapies, is hereby added as follows:

2.4.4.11 Coverage of Hepatitis-C Therapies

2.4.4.11.1. The Contractor shall provide coverage for Members in accordance with the Department's criteria, outlined in the pharmacy billing manual.

2.4.4.11.1.1. Hepatitis-C therapies for Members shall include high-cost, Hepatitis-C drugs found in the therapeutic classes W5Y, W0A, W0B, W0D, and W0E along with the supplementary drugs used in conjunction with the high-cost drugs found in therapeutic class W5G (the "Therapies" or "Therapy").

B. Exhibit A, Statement of Work, Section 4.0, Reimbursement, Subsection 4.8, Reimbursement for Hepatitis-C Therapies, is hereby added as follows:

4.8 REIMBURSEMENT FOR HEPATITIS-C THERAPIES

4.8.1. The Department shall reimburse the Contractor for the Therapies, described in Exhibit B, Covered Services, the lesser of the Contractor's paid amount or the fee-for-service rates.

4.8.2. The Contractor shall use the MMIS to submit encounter claims to the Department for all Therapies and treatments provided to Members.

4.8.3. Prior to the implementation of interChange, the Contractor shall submit a flat file to the Department containing all Therapy encounter claims submitted to the MMIS on a quarterly basis, such flat file being formally submitted to the Department no later than thirty (30) days after the end of each quarter. This Section 4.8 shall become effective as of October 1st, 2016, and shall terminate on the date of successful implementation of the interChange.

4.8.3.1. The flat file submitted by the Contractor will contain the Contractor's paid amount as well as the Transaction Control Number for each corresponding submitted encounter claim.

4.8.3.2. The Department will have thirty (30) days after Contractor's submission of the flat file to validate the accuracy of the encounter data based on the MMIS submissions. The Department shall submit documentation of the proposed reimbursement to the Contractor, pursuant to the terms of 42 CFR 447.362, based on the lesser of the paid amounts submitted in the flat file or the fee-for-service rates present in the MMIS encounter claims on the State's most current published fee schedules.

4.8.3.3. If the Contractor objects to the Department's validation results of the claims data, the Contractor must submit written objection and analysis (the "**Objection**") to the Department within ten (10) business days of receipt of the proposed reimbursement. Within ten (10) days from the receipt and review of the Objection, the Department will provide a final determination based on the review and analysis contained in the Objection.

4.8.3.4. The Department shall provide written notice of such findings if either party owes sums based on the final determination, and will either assess, or reimburse the Contractor accordingly. The owing party shall make payment of sums owed within thirty (30) days from the date of such written notice.

4.8.4. Post implementation of the interChange, the Contractor shall submit a flat file to the Department containing all Therapy encounter claims submitted to the MMIS on a quarterly basis, such a flat file being formally submitted to the Department no later than thirty (30) days after the end of each quarter.

4.8.4.1. The Department will have thirty (30) days after the Contractor's submission of the flat file to validate the accuracy of the encounter data based on MMIS submissions. The Department shall submit documentation of the proposed reimbursement to the

Contractor, pursuant to the terms of 42 CFR 447.362, based on the lesser of the paid amounts or the fee-for-service rates present in the MMIS encounter claims on the State's most current published fee schedules.

4.8.4.2. If the Contractor objects to the Department's validation results of the claims data, the Contractor must submit the Objection to the Department within ten (10) business days of receipt of the proposed reimbursement. Within ten (10) days from the receipt and review of the Objection, the Department will provide a final determination based on the review and analysis contained in the Objection.

4.8.4.3. The Department shall provide written notice of such findings if either party owes sums based on the final determination, and will either assess, or reimburse the Contractor accordingly. The owing party shall make payment of sums owed within thirty (30) days from the date of such written notice.

4.8.5. Thirty (30) days after the close of the state fiscal year, the Department shall begin the process of reconciling all claims relating to the Therapies submitted for the previous state fiscal year. The Contractor shall submit a flat file containing any claims relating to the Therapies not previously reconciled under the above sections 2.3 and 2.4 within thirty (30) days. The Department will reconcile the submitted encounters in the MMIS against the flat files provided by the Contractor in order to ensure completeness. Any encounter claims relating to the Therapies not previously reconciled or reimbursed will be included in the following reconciliation; any claims not adjudicated in the MMIS, but found in the flat file, will not be reimbursed. The Department shall complete the reconciliation and submit the results to the Contractor no later than ninety (90) days after the close of the previous state fiscal year.

4.8.5.1. If the Contractor wishes to object to the Department's reconciliation results, the Contractor must submit the Objection to the Department within ten (10) business days from the receipt of the Department's results.

4.8.5.2. The Department will provide a final determination on the reconciliation results within ten (10) business days after the receipt and review of the Objection.

4.8.5.3. The Department shall provide written notice of such findings based on the final determination, and if necessary, will reimburse the Contractor accordingly. The Department shall make payment of any sums owed within thirty (30) days from the date of such written notice.

C. Exhibit B1, Rates, is hereby deleted in its entirety and replaced with Exhibit B2, Rates, attached hereto and incorporated by reference into the Contract. All references within the Contract to Exhibit B1 shall be deemed to reference Exhibit B2.

D. The following definition of Hepatitis-C Therapies is hereby added to Exhibit D1- Covered Services, the Section titled Covered Services as follows:

Hepatitis-C Therapies

Hepatitis-C Therapies for Members shall include high-cost, Hepatitis-C drugs found in the therapeutic classes W5Y, W0A, W0B, W0D, and W0E along with the supplementary drugs used in conjunction with the high-cost drugs found in therapeutic class W5G.

7. START DATE

This Amendment shall take effect on March 15, 2017. This Amendment shall terminate on the earlier of June 30, 2017, or the termination of the Contract for any reason unless specifically modified by a future amendment.

8. ORDER OF PRECEDENCE

Except for the Special Provisions and the HIPAA Business Associates Addendum, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The most recent version of the Special Provisions incorporated into the Contract or any amendment shall always control other provisions in the Contract or any amendments.

9. AVAILABLE FUNDS

Financial obligations of the state payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise made available to the Department by the federal government, state government and/or grantor.

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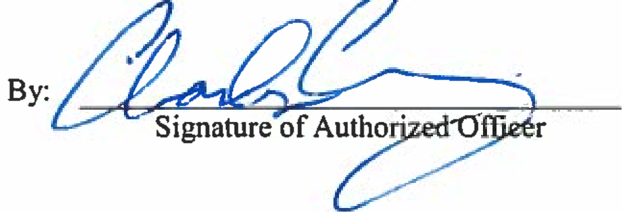
THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

CONTRACTOR:
Denver Health and Hospital Authority dba Denver Health Medicaid Choice, a body corporate and political subdivision of the State of Colorado, 777 Bannock Street, Denver, CO, 80204,

By: 
Signature of Authorized Officer

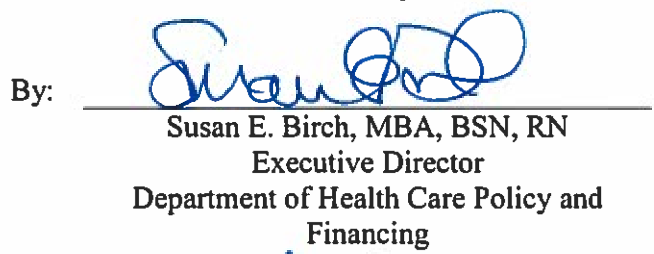
Date: March 6, 2017

Charlie Crevling
Printed Name of Authorized Officer

Executive Director,
Denver Health & Hospital Authority
Printed Title of Authorized Officer

STATE OF COLORADO:

John W. Hickenlooper, Governor

By: 
Susan E. Birch, MBA, BSN, RN
Executive Director
Department of Health Care Policy and Financing

Date: 3/7/17

LEGAL REVIEW:
Cynthia H. Coffman, Attorney General

By: ______________________

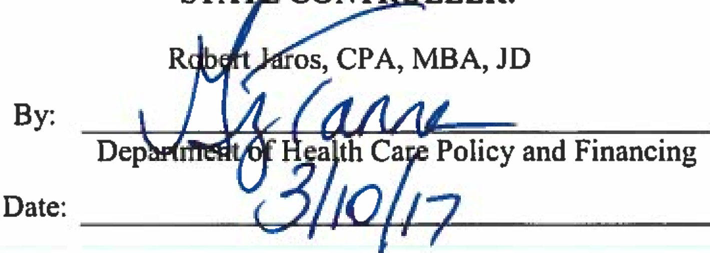
Date: ______________________

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

STATE CONTROLLER:

Robert Jaros, CPA, MBA, JD

By: 
Department of Health Care Policy and Financing

Date: 3/10/17

EXHIBIT B2 – RATES

SFY2016-2017 DHHA Capitation Rate

Eligibility Category	DOD Correction Rate, July 1, 2016 – Sept. 30, 2016[1]	SFY17 Capitation Rate, Revised Oct. 1, 2016 – June 30, 2017[2]
AFDC-A-F	$248.03	$246.75
AFDC-A-M	$175.20	$175.20
BCKC-A	$646.12	$646.12
CHILD-C	$87.06	$87.06
CHILD-U	$295.77	$295.77
FC	$224.55	$224.55
OAP-A	$240.96	$239.74
OAP-B/AND - N	$816.08	$816.08
OAP-B/AND - T	$116.02	$116.02
MAGI childless adults (formerly AwDC)	$351.67	$351.67
AFDC Expansion Adults - F	$182.48	$182.48
AFDC Expansion Adults - M	$142.72	$131.69
Delivery	$6,179.04	$6,179.04

[1] The second column is the Date of Death adjustment to the rates and concerns the period of July 1, 2016, to September 30, 2016.

[2] The third column is the revised capitation rates, with Hepatitis-C incorporated, and concerns the period of October 1, 2016, to June 30, 2017.