CONTRACT AMENDMENT NO. 2

Original Contract Routing Number 3211-0168, CMS 30364 Amendment No. 1, Contract Routing Number 12-42114, CMS 42114

1. **PARTIES**

This Amendment to the above-referenced Original Contract (hereinafter called the "Contract") is entered into by and between Rocky Mountain Health Maintenance Organization, Inc., 6251 Greenwood Plaza Boulevard, Greenwood Village, Colorado, 80111, (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 for the Contractor to act as a Regional Care Collaborative Organization for the Department in Region #1, as that region is defined in Exhibit A-1, Statement of Work. The purpose of this Amendment is to extend the term of the Contract, update the Statement of Work to adjust the Contractor's duties, amend the HIPAA Business Associate Addendum to update the Additional Terms section, and replace Exhibit F with changes reflected in Exhibit F-1.

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. Section 5, Term and Early Termination, Subsection A, Initial Term-Work Commencement, is hereby deleted in its entirety and replaced with the following:

A. The Parties' respective performances under this Contract shall commence on the the Effective Date. This Contract shall expire on June 30, 2013, unless sooner terminated or further extended as specified elsewhere herein.

B. HIPAA Business Associate Addendum, Attachment A, Section 6, Additional Terms, is hereby deleted in its entirety and replaced with the following:

The Contractor shall notify the Department, in writing, thirty (30) days prior to executing a contract with a subcontractor which meets the definition of business associate under HIPAA. The contract with the subcontractor shall include the provision of a business associate agreement (BAA) which outlines the necessary safeguards that the subcontractor must have in place to protect confidentiality, integrity and availability of Department PHI. The Department retains the right to request a copy of the subcontractor's information security plan at any time.

The Contractor is expected to coordinate care and services with BHOs, SEPs, and any other business associate of the Department that is contracted with the State to provide health care services, support services, case management, and/or care coordination to Medicaid recipients as part of the ACC. The Contractor is expected to share data with these entities necessary to perform comprehensive care coordination as outlined in the Contract. Only the minimum dataset necessary to effectuate the task or goals may be shared with these entities.

C. Exhibit A-1, Section 3.2, Client Contact Responsibilities, Subsection 3.2.3, is hereby deleted in its entirety and replaced with the following:

3.2.3. The Contractor shall assist any RCCO member who contacts the Contractor, including RCCO members not in the Contractor's region who need assistance with contacting his/her PCMP and/or RCCO. The Department will provide data to the RCCO on all ACC members for this purpose. If the member does not have a PCMP, the Contractor shall assist the client in identifying a PCMP and making that selection with the enrollment broker.

D. Exhibit A-1, Section 6.4, Care Coordination, Subsection 6.4.3.2.2.1, is hereby deleted in its entirety and replaced with the following:

6.4.3.2.2.1 The Contractor shall provide training related to special populations and barriers to care they may encounter due to socio-economic, cultural or disability status to all of its new clinical staff members. The Contractor shall provide updated training to all staff members as needed to address changes in training, to address issues that arise in relation to special populations or as requested by the Department.

E. Exhibit A-1, Section 7.2, Expansion Phase Performance Metrics, Subsection 7.2.2, is hereby deleted in its entirety and replaced with the following:

- 7.2.2. The Department will use three performance targets to measure the Contractor during the first year of the Expansion Phase. The three performance targets will be Emergency Room Visits per 1,000 Full Time Enrollees (FTEs), Hospital Readmissions per 1,000 FTEs, and Outpatient Service Utilization of MRIs and CT Scans per 1,000 FTEs. The performance target goals will be the same as those described in the Section 9.2, Incentive Payments. The baseline for all performance targets listed in the following table shall be calculated based on the most recently available twelve (12) month period by the Department utilizing methodology that is fully disclosed to the Contractor in advance, with opportunity for consideration of comments submitted by the Contractor prior to finalization of the methodology by the Department.
- F. Exhibit A-1, Section 7.4, Feedback and Innovation, Subsection 7.4.1.6.1 and Subsection 7.4.1.6.2. are hereby deleted in their entirety and replaced with the following:
 - 7.4.6.1 DELIVERABLE: Posted meeting minutes, meeting information for upcoming meetings, and the name and direct phone number of a contact person on the Contractor's website.
 - 7.4.6.2 DUE: Ten (10) business days from the date of the meeting.
- G. Exhibit A-1, Section 9.2, Incentive Payment Program, Subsection 9.2.2.1, Incentive Payment Table, is hereby deleted in its entirety and replaced with the following:

Measurement Area	Performance Target Percentage Improvement	Total Incentive Payment
A. Emergency Room Visits per 1,000 Full Time Enrollees (FTEs)	Level 1 Target: Total Emergency Room Visits reduced at least 1.0% and less than 5.0% below baseline Level 2 Target: Total Emergency Room Visits reduced between 5.0% or more below baseline	Level 1 Target: 66% of the Full Amount Level 2 Target: 100% of the Full Amount Full Amount: \$0.33 PMPM
B. Hospital Re-admissions per 1,000 FTEs	Level 1 Target: Total Hospital Re- admissions reduced at least 1.0% and less than 5.0% below baseline Level 2 Target: Total Hospital Re- admissions reduced between 5.0% or more below baseline	Level 1 Target: 66% of the Full Amount Level 2 Target: 100% of the Full Amount Full Amount: \$0.33 PMPM
C. Outpatient Service Utilization of MRIs and CT scans per 1,000 FTEs	<u>Level 1 Target</u> : Total Outpatient Service Utilization of MRIs and CT scans reduced at least 1.0% and less	Level 1 Target: 66% of the Full Amount

9.2.2.1. Incentive Payment Table

than 5.0% below baseline	Level 2 Target: 100% of the Full Amount
<u>Level 2 Target</u> : Total Outpatient Service Utilization of MRIs and CT scans reduced between 5.0% or more below baseline	Full Amount: \$0.33 PMPM

H. Exhibit F, Care Coordination Levels, is hereby deleted in its entirety and replaced with Exhibit F-1, Care Coordination Levels.

3. **START DATE**

This Amendment shall take effect on the later of its Effective Date or July 1, 2012.

4. **ORDER OF PRECEDENCE**

Except for the Special Provisions 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.

5. **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: Rocky Mountain Health Maintenance Organization, Inc.

By: By: Signature of Authorized Officer

STATE OF COLORADO:

John W. Hickenlooper, Governor

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

Date: Date: of Authorized Officer Vice Presider roment le of Authorized Officer By:

LEGAL REVIEW: John W. Suthers, Attorney General

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:
	David L McDermott, CPA
By:	Mylance
	Department of Health Care Policy and Financing
Date:	6/21/12
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EXHIBIT F-1 CARE COORDINATION LEVELS

Level 1 – Preventative Care, Wellness Care

Members receive a call to help establish a primary care physician (PCP) or practice. Members receive reminders for annual and preventative care screenings.

Level 2 - Well-controlled disease process; Member with good self-management skills

Single, well-managed chronic disease and support for the Member to continue to self-manage their disease process.

Level 3a – Moderately well-managed Disease Process (controlled and uncontrolled periods, referrals to specialists not required)

Includes more robust support for the Member to self-manage their disease process. This may include community classes, Care Coordinator phone calls, or consults with ancillary professionals (i.e. a nutritionist) in practice settings.

Level 3b – Moderately managed Disease Process (controlled and uncontrolled periods and referrals to specialists required)

Includes more robust support for the Member to self-manage their disease process as in Level 3a, as well as active engagement with the Member and their providers to coordinate care among all providers.

Level 4 - Complex Outpatient Care Coordination - Poorly controlled disease process

Typically, Members at this level will have multiple morbidities and have multiple barriers accessing the appropriate care, in the appropriate place and time. Locally based Care Coordinators will build trust-based patient-centered relationships to facilitate the Member's ability to effectively navigate the health care system and facilitate the numerous providers and Care Coordinators in contact with the Member to effectively care for the Member. Care Coordinators focus on the immediate needs of the Member. Activities may include home visits, accompanying Members to appointments, helping the Member access financial and social programs, and other activities as needed.

Level 5 – Transitions of Care

Transition of Care - In the course of an acute exacerbation of an illness, a Member might receive care from a PCMP or specialist in an outpatient setting, then transition to a hospital admission before moving on to yet another care team at a skilled nursing facility. Finally, the Member might return home, where he or she would receive care from a Home Health nurse. Each of these shifts from care providers and settings is defined as a care transition and local Care Coordinators will work with the Member to manage these transitions.