

AMENDMENT NO. 1 TO B22512

Contract Start Date: <u>January 1, 2009</u>	Total Contract Amount: <u>Per Member/Per Month</u>
Original Contract Expiration Date: <u>December 31, 2008</u>	Original Contract Amount: <u>Per Member/Per Month</u>
Current Contract Expiration Date: <u>September 30, 2009</u>	Previous Amendment(s) Total: <u>N/A</u>
Requested Contract Expiration Date: <u>No Change</u>	Amendment Amount: <u>N/A</u>

This amendment is by and between the State of Minnesota, through its Commissioner of the Department of Human Services ("STATE") and **Medica**, Managed Care Organization ("MCO"), identified as Contract No. **B22512** for Medical Assistance, General Assistance Medical Care and MinnesotaCare medical care programs; and;

WHEREAS, the STATE, pursuant to Laws of Minnesota 2003, 1st Special Session, Chapter 14, Article 6, Section 65, may seek and implement a demonstration project (herein known as the Demonstration to Maintain Independence and Employment, or DMIE). DMIE is designed to serve approximately 1,500 employed people with a serious mental illness that could lead to a long term disability, to provide them with health care benefits and employment supports to allow them to maintain their independence and employment; and

WHEREAS, the STATE, pursuant to Minnesota Statutes Section(s) 256.01, subd. 2(1)(f) is empowered to enter into contracts related to human services activities and programs; and Minnesotans with severe mental illness (SMI) are employed in a variety of settings; and many of these employed individuals do not have or are at risk of losing access to the appropriate health care to slow the progression of their conditions; and many of these working Minnesotans also lack employment supports that enable them to manage their conditions while remaining employed; and the absence of such needed supports places many Minnesotans with a SMI at risk for deteriorating mental health, to the point where they are no longer able to work and are forced to apply for Social Security benefits in order to receive adequate health care.

WHEREAS, the STATE published a Request for Proposal seeking Managed Care Organizations (MCOs) who currently hold a contract with the STATE for Minnesota Health Care Programs; and

WHEREAS, the STATE is in need of provision of health care services coordinated with Employment Assistance Service Entities (EASE) services and Peer Support/Wellness Recovery Action Plan (WRAP) services; and

WHEREAS, the MCO represents that it is duly qualified and willing to perform or provide for the services set forth herein;

Therefore, the parties agree that:

REVISION 1. Article 1. Overview is amended as follows:

Article 1. Overview. This Agreement applies to the health benefits the MCO shall provide through the Prepaid Medical Assistance, Prepaid General Assistance Medical Care and MinnesotaCare programs for persons eligible for Medical Assistance under the age of sixty-five (65), and all eligible persons in General Assistance Medical Care (GAMC), and MinnesotaCare, and the Demonstration to Maintain Independence and Employment (DMIE). The Medical Assistance, General Assistance Medical Care

and MinnesotaCare, and Demonstration to Maintain Independence and Employment medical care programs are public health benefits programs intended to provide Enrollees with access to cost-effective health care options.

All articles of this Contract apply to all programs, unless otherwise noted. All references to "days" in the Contract mean calendar days unless otherwise specified in the Contract (e.g. "business days")

REVISION 2. Article 2 Definitions is amended to include new Sections as follows:

Section 2.31.A. Employee Assistance Program (EAP), for DMIE, means the vendor(s) who is contracted with the MCO and responsible for providing, primarily telephonically with limited face-to-face contact, individual support, problem recognition and conflict resolution strategies, in order to reduce workplace stress and maintain wellness and employment. The EAP will provide up to three face-to-face consultation encounters per issue per year to DMIE Enrollees.

Section 2.31.B. Employment Assistance & Support Entities (EASE), for DMIE, means the vendor(s) who is contracted with the MCO and responsible for delivering, primarily face-to-face, employment related assistance and support services to high risk DMIE Enrollees as determined through DMIE assessment protocols.

Section 2.38.A. Grace Period, for DMIE, means the one month period of continued eligibility following non-payment of the premium by the DMIE Enrollee, or the four month period of continued eligibility for DMIE Enrollees who lose their employment but continue to pay a \$10 monthly premium.

Section 2.111 WEN: Wellness & Employment Navigator, for DMIE, means a bachelor level individual who provides each DMIE Enrollee with an initial face-to-face interview to identify the employment assistance services required by the DMIE Enrollee, to collect baseline information on the DMIE Enrollee's employment, health, and wellness status, and to provide ongoing support and referral services as outlined in Section I.(C) of the Grant Contract.

Section 2.112 WRAP: Peer Supports for Wellness Recovery Action Planning, for DMIE, means the vendor(s) who is contracted with the MCO and responsible for delivering optional peer support services to interested DMIE Enrollees including but not limited to: building a support system; understanding wellness tools; such as diet, exercise, sleep, etc.; managing potential illness triggers; and peer support group discussions about recovery strategies.

Section 2.113 WES Plan: Wellness & Employment Success Plan, for DMIE, means the plan developed by the WEN in conjunction with each DMIE Enrollee and other care providers as appropriate that highlights the individual's job-related strengths and weaknesses, as well as strategies for achieving job-related goals.

REVISION 3. Article 3.1.1(A) Service Area is amended as follows:

A. **Service Area.** Only those eligible persons who are enrolled in Medical Assistance, GAMC and MinnesotaCare, and DMIE residing within the County(ies) of the State of Minnesota identified in Appendix I – MCO Service Areas shall be eligible for enrollment.

REVISION 4. Article 3.1.1 Eligibility is amended to add Section 3.1.1(F) as follows:

(F) Eligibility Determinations for DMIE. The STATE shall determine eligibility for DMIE. In order to be eligible for DMIE, an individual must meet the following criteria at the time of Enrollment:

- (1) Be employed at least forty (40) hours per month;
- (2) Earn at least the currently prevailing Federal minimum wage;
- (3) Be at least eighteen (18) but no older than sixty (60) at the time of enrollment;
- (4) Have countable assets less than \$20,000;
- (5) Be certified as having a serious mental illness;
- (6) Not be receiving Social Security disability benefits (including 1619(a) and 1619(b) status) nor certified disabled by the State Medical Review Team (SMRT); and
- (7) Be willing to pay a monthly premium if required.

REVISION 5. Article 3.1.2(E) Period of Enrollment is amended as follows:

(E) Period of Enrollment. Each Recipient enrolled in the MCO pursuant to this Contract shall be enrolled for twelve (12) months following the effective date of coverage, subject to the exceptions in this Section. This Section does not apply to DMIE Enrollees.

REVISION 6. Article 3.1.2(G) Enrollee Change of MCO is amended as follows:

(G) Enrollee Change of MCO. Enrollees may change to a different MCO during the open enrollment period, and as required under Minnesota Rules, Part 9500.1453, subparts 5 and 7, and 42 CFR § 438. This Section does not apply to DMIE Enrollees.

REVISION 7. Article 3.1.2(J) Open Enrollment is amended as follows:

(J) Open Enrollment. The MCO shall enroll any eligible Recipients during any open enrollment period required by the STATE. This Section does not apply to DMIE Enrollees.

REVISION 8. Article 3.1.2 Enrollment is amended to include a new Section 3.1.2(Q) as follows:

(Q) Voluntary DMIE Enrollment. Enrollment in the MCO for DMIE shall be voluntary.

REVISION 9. Section 3.2.5(A)(1) (Certificate of Coverage requirements) is amended to include a new Section (s) as follows:

(s) For DMIE, a description of all services covered by the WEN, EAP, EASE and WRAP, how the MCO coordinates with those services, and how the Enrollee can access them. This information can be included in an Addendum to the MCO's COC.

REVISION 10. Section 3.2.5(C)(1) Primary Care Network List is amended to include a new Section (j) as follows:

(j) For DMIE, a list of EASE, WEN, and WRAP providers, with location and phone number. This can be provided as an Addendum to the MCO's PCNL.

REVISION 11. Section 3.2.5(C) Primary Care Network List is amended to include a new Section (6) as follows:

(6) For DMIE, the MCO is required to participate in the training offered by the STATE to the MCO, and offer training to its employees participating in the project, as more fully described in Contract Number S461.

REVISION 12. Section 3.2.6(C) Significant Events is amended as follows:

(C) Network Stability. The MCO shall provide the same network of Providers for all Enrollees covered under this Contract, except that the MCO is allowed to have additional Providers for DMIE Enrollees.

REVISION 13. Section 3.4.1(A) Termination by STATE is amended as follows.

(A) The Enrollee becomes ineligible for Medical Assistance, GAMC, ~~or MinnesotaCare,~~ or DMIE.

REVISION 14. Section 3.5.2 Other Reporting Requirements is amended to include a new Section (T) as follows:

(T) For DMIE, the MCO shall submit additional reporting, as required by the STATE and as mutually agreed upon between the parties.

REVISION 15. Section 4.1 Payment of Capitation is amended as follows:

Section 4.1. Payment of Capitation. Except as noted below in section 4.1.1, on the STATE's first warrant date or the 14th day of each month, whichever is earlier, the STATE agrees to pay the MCO the following rates as specified in Appendices II-A, II-B, II-C, per month, and for DMIE, \$836.09 per month, per Recipient enrolled with the MCO, as full compensation for medical goods and services provided hereunder in that month. The MCO shall only be responsible for claims incurred on services rendered to DMIE Enrollees on or before September 30, 2009. Any services received by DMIE Enrollees after that date are not covered under this Contract and the MCO shall have no liability with regard to those claims. For the Capitation Payment for those Enrollees who have been reinstated, the STATE agrees to pay the MCO on the next available warrant.

REVISION 16. Section 4.1.11 Actuarially Sound Payments. All payments for which the State receives Title XIX Federal Financial Participation under this contract, including risk adjusted payments and any risk sharing methodologies, must be actuarially sound pursuant to 42 CFR § 438.6(c).

REVISION 17. Section 4.4 Premiums and Copayments is amended to include a new Section 4.4.6 as follows:

Section 4.4.6 DMIE Enrollees must make copayments for the following services:

(A) Non-emergency use of the emergency room (\$6 per visit). Copayments shall be limited to one per day per Provider.

(B) Prescription drugs (\$3 per prescription for brand name drugs, \$1 per prescription for generic drugs, with a maximum of \$7 per month; except that no copay is required for anti-psychotic drugs).

REVISION 18. Section 5.2.3 Termination for Cause is amended to include a new Section (D) as follows:

(D) CMS Suspension or Termination of the DMIE Project. If CMS suspends or terminates the DMIE grant for any reason, the STATE will immediately notify the MCO of the termination and any Amendment to the Contract related to the DMIE grant will terminate as of the effective date on the notice from CMS.

REVISION 19. Article 6. Benefit Design and Administration is amended as follows:

Article 6. Benefit Design and Administration. All terms of Article 6 apply to Medical Assistance, GAMC, MinnesotaCare, and MinnesotaCare/Medical Assistance, and DMIE Enrollees, unless otherwise stated.

REVISION 20. Section 6.1 Medical Assistance and MinnesotaCare/Medical Assistance Covered Services is amended as follows:

Section 6.1. Medical Assistance, and MinnesotaCare/Medical Assistance, and DMIE Covered Services. The MCO shall provide, or arrange to have provided to Medical Assistance, and MinnesotaCare/Medical Assistance, and DMIE Enrollees comprehensive preventive, diagnostic, therapeutic and rehabilitative health care services as defined in Minnesota Statutes, Section 256B.0625 and Minnesota Rules, Parts 9505.0170 to 9505.0475. Except for Sections 6.1.26 and 6.1.31, or as otherwise specified in the Contract, these services shall be provided to the extent that the above law and rules were in effect on the Effective Date of this Contract. Sections 6.1.26 and 6.1.31 shall be provided to the extent that the above law and rules are in effect.

Pursuant to section 6.8.1, all covered benefits, except for services mandated by state or federal law, are subject to determination by the MCO of Medical Necessity, as defined in Article 2. For purposes of this Section mandated services do not include the benefits described in Minnesota Statutes, Chapters 256B, 256D, and 256L. Covered services shall include but are not limited to, the following:

REVISION 21. Section 6.1.3(C) Care Management Services is amended as follows:

(C) A method for coordinating the medical needs of an Enrollee with his/her social service needs. This may involve working with Local Agency social service staff or with the various community resources in the county. Coordination with the Local Agency social service staff will be required when the Enrollee is in need of the following services: 1) case management for SPMI or SED for the time period of January 1, 2009 through June 30, 2009, 2) pre-petition screening, preadmission screening or Home and Community-Based services, 3) Child protection, 4) court ordered treatment, 5) developmental disabilities, 6) assessment of medical barriers to employment, or 7) a STATE medical review team or social security disability determination. It may also involve working with Local Agency social service staff or county attorney staff for Enrollees who are the victims or perpetrators in criminal cases. If the MCO determines that an assessment is required in order for the Enrollee to receive these services, the MCO is responsible for payment of the assessments, unless the requested assessment has been paid for by a MCO within the previous one hundred and eighty (180) days. For DMIE, the MCO agrees to use

the protocols established by the STATE for coordinating with EASE and WRAP providers, mental health targeted case management (MH-TCM) and Adult Rehabilitative Mental Health Services (ARMHS) Services Providers as described in Minnesota Statutes, Section 256B.0623. MH-TCM will be delivered through a fee-for-service system from January 1, 2009 through June 30, 2009.

REVISION 22. Section 6.1.3(E) Care Management Services is amended as follows:

(E) Capacity to implement, when indicated, Care Management functions such as individual needs assessment, including screening for special needs (e.g. mental health and/or chemical dependency problems, mental retardation, high risk health problems, difficulty living independently, functional problems, language or comprehension barriers); individual treatment plan development; establishment of treatment objectives; treatment follow-up; monitoring of outcomes; or revision of treatment plan. The MCO shall coordinate with Local Agency human service agencies for assessment and evaluation related to judicial proceedings. For DMIE, the MCO shall also assure that assessments for employment are completed, and information from the diagnostic assessment and the comprehensive initial assessment to measure the Enrollee's initial health and employment status are shared upon request with EAP, EASE and WRAP providers.

REVISION 23. Section 6.1.3 Care Management Services is amended to include a new Section J, as follows:

(J) For DMIE, procedures to assure that the DMIE Enrollee follows all the requirements dictated by the Research Protocol.

REVISION 24. Section 6.6 Common Carrier Transportation Services is amended as follows:

Section 6.6.1 General. In addition to the medical transportation services described in Section 6.1.19, and except for the services described in Section 6.6.2, the MCO shall provide Common Carrier Transportation to its Medical Assistance, and GAMC, and DMIE Enrollees for the purpose of obtaining covered health care services. The STATE will provide Common Carrier Transportation services to MinnesotaCare/Medical Assistance Enrollees.

REVISION 25. Section 6.1.20 Mental Health Services is amended as to include a new Section (E) as follows:

(E) The MCO shall cover mental health services for DMIE Enrollees on the same timetable established for the MCO's other health care products. However, the parties agree that the rates established under this Contract already incorporate the planned addition of those services.

REVISION 26. Section 6.19 Client Education is amended as follows:

Section 6.19 Client Education. The MCO will ensure that Enrollees, including DMIE Enrollees, are advised of the appropriate use of health care and the contributions they can make to the maintenance of their own health. DMIE Enrollees will be provided with information on building support systems, understanding wellness tools (diet, exercise, sleep, etc.), and the effective use of coping strategies for managing potential illness triggers.

REVISION 27. Section 6.23 Services Received at Indian Health Service and 638 Facilities/Providers is amended to read as follows:

Section 6.23. Services Received at Indian Health Service and 638 Facilities/Providers. American Indian Medical Assistance/GAMC, and MinnesotaCare, and DMIE Recipients, living on or off a reservation, will have direct out-of-network access to Indian Health Service (IHS) facilities and facilities operated by a tribe or tribal organization under funding authorized by 25 U.S.C., §§ 450f to 450n, or title III of the Indian Self-Determination Act, Public Law Number 93-638 (Section 638 Facilities or Providers), for services that would otherwise be covered under Minnesota Statutes, § 256B.0625, even if such facilities are not Participating Providers. The MCO shall not require any Service Authorization or impose any condition for an American Indian to access services at such facilities.

REVISION 28. Section 6.23.1 Referrals from IHS and 638 Providers is amended as follows:

Section 6.23.1. Referrals from IHS and 638 Providers. When a physician in a facility described in Section 6.23 refers an American Indian PMAP/PGAMC, or MinnesotaCare, or DMIE Enrollee to a Participating Provider for services covered under this Contract, the MCO shall not require the Enrollee to see a Primary Care Provider prior to the referral. The Participating Provider to whom the IHS or 638 physician refers the Enrollee may determine that services are not Medically Necessary or not covered.

REVISION 29. Section 6.23.2 Payment for IHS and Tribal Services is amended as follows:

6.23.2. Payment for IHS and 638 Facility Services. The STATE shall pay facilities described in section 6.23 directly on a fee-for-service basis for services provided to American Indian PMAP/PGAMC, and MinnesotaCare, and DMIE Enrollees. The STATE shall send an electronic report of the American Indians enrolled in the MCO on a monthly basis, as part of the enrollment data, using the most complete and accurate means available to the STATE. The STATE shall provide the MCO with a statement of encounters by Enrollees electronically, on a quarterly basis, by the 15th day of the month following the end of the calendar quarter, which shall describe the date of service, the Recipient, and the diagnosis code.

REVISION 30. Section 6.25.2(E) Transition Services: Mental Health Services is amended as follows:

(E) Mental Health Services. At the time of initial enrollment in PMAP or DMIE, the MCO shall consider the individual Enrollee's prior use of mental health services and to develop a transitional plan to assist the Enrollee in changing mental health Providers, should this be necessary, and to develop a plan to assure the need for continuity of care for any individual or family who is receiving ongoing mental health services. The MCO shall also develop a transitional plan for Children who have previously been excluded from PMAP because they have been involved in the Child protection system, placed in foster care, diagnosed with SED, or placed in a juvenile corrections facility. While excluded from PMAP, a treatment regimen may be initiated for those Children who are assessed as having behavioral or other mental health problems. However, because the duration of the exclusion from PMAP will vary from one Child to the next, some of these Children may be enrolled in the MCO before their treatment program is completed. As part of this transition plan, the MCO should have a process to assure proper communication and coordination between the Local Agency social services agency and the MCO regarding the specific needs of each Child.

REVISION 31. Section 14.4.3 Use of Information is amended to include a new Section 14.4.3 as follows:

Section 14.4.3 Data Sharing for DMIE. One of the requirements for DMIE Enrollees to participate in DMIE is to allow the STATE, the MCO, the WEN, the WRAP, the EASE and the independent evaluator the ability to share data about the DMIE Enrollee. The STATE authorizes the MCO to enter into data sharing, business associate or any other agreements necessary to allow such data sharing.

REVISION 32. Appendix I: MCO PMAP, PGAMC, and MinnesotaCare Service Areas is amended as follows:

Appendix I MCO PMAP, PGAMC, and MinnesotaCare, and DMIE Service Areas

DMIE Counties:

Anoka, Dakota, Hennepin, Ramsey, St. Louis, Pine, Carlton, and Lake

EXCEPT AS AMENDED HEREIN, THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND ALL PREVIOUS AMENDMENTS REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, the parties hereto have executed this contract amendment. This contract amendment is hereby accepted and considered binding in accordance with the terms outlined in the preceding statements.

APPROVED:

Medica

**STATE OF MINNESOTA
DEPARTMENT OF HUMAN SERVICES**

(Two corporate officers must execute)

By: [Signature]

By: [Signature]

Title: Assistant Commissioner

Title: VP Gen

Date: 12/19/08

Date: 12/19/08

and

By: [Signature]

Title: SVP

Date: 12-18-08

