

AMENDMENT NO. 1 TO B-36000

Contract Start Date:	January 1, 2010	Total Contract Amount:	Per Member/Per Month
Original Contract Expiration Date:	December 31, 2010	Original Contract Amount:	Per Member/Per Month
Current Contract Expiration Date:	December 31, 2010	Previous Amendment(s) Total:	N/A
Requested Contract Expiration Date:	December 31, 2010	Amendment Amount:	N/A

This amendment is by and between the State of Minnesota, through its Commissioner of the Department of Human Services (“STATE”) and **HealthPartners, Inc.**, Managed Care Organization (“MCO”), identified as Contract No. **B-36000** to further the Minnesota Medical Assistance Program for the provision of prepaid medical and remedial services pursuant to Title XIX of the Social Security Act; and

WHEREAS, the Legislature has required changes in the rates paid to MCOs and in certain benefits; and

WHEREAS, the STATE and the MCO have agreed to amend the 2010 MSHO and MSC+ contract to include these legislative changes.

Therefore, the parties agree that the contract identified above shall be modified as follows:

REVISION 1. Non-administrative rate reduction. For services rendered on or after September 1, 2010, Medical Assistance rates are reduced by three percent (3%) of the contract rate attributable to non-administrative services. This rate reduction applies to all non-administrative services, except Medicare cost-sharing for dual eligible enrollees, and is included in the rate tables attached as Appendix II-A1. There is no separate administrative component included in the NF and EW add-on rates for seniors. A full 3% reduction will be applied to these rates and is included in the rate tables attached as Appendix 1A.

The citation is Minnesota Laws, Special Session Ch. 1, Article 25, Section 3, subd. 6 (b).

REVISION 2. Non-primary care physician and professional services ratable reduction.

Effective October 1, 2010, contract rates paid to managed care plans and county-based purchasing plans for non-primary care physician and professional services are reduced seven percent (7.0%), which is included in the rate tables attached as Appendix IIA1. The reduction does not apply to physical therapy services, occupational therapy services, speech pathology and related services, and services provided by psychiatrists and advanced practice nurses with a specialty in mental health, nor Medicare cost-sharing.

The citation is Minnesota Laws, Special Session Ch. 1, Article 16, Section 25; amending MS § 256B.76, Subd. 1 (d).

REVISION 3. Rate increase for certain basic care services. Effective October 1, 2010, contract rates for physical therapy, occupational therapy, and speech language pathology and related services are effectively increased by reducing the ratable reduction applied to these services from 6.5 percent to 4.5 percent for Medical Assistance which is included in the rate tables attached as Appendix II-A1. Medicare cost-sharing is not included in this change.

The citation is Minnesota Laws Special Session, Ch. 1, Article 16, Section 28; amending MS § 256B.766.

REVISION 4. Inpatient ratable reduction. The inpatient ratable reduction of 1.9% is extended through June 30, 2011, included in the rate tables attached as Appendix II-A1. Facilities operated by the Indian Health Service and Indian tribes have been excluded from this reduction.

The citation is Minnesota Laws, Chapter 200, Article 1, Section 2; amending MS § 256.969, subd. 3a (f) and (g).

REVISION 5. Section 7.13.2, first paragraph, is deleted in its entirety and amended to read:

Critical Access Dental Payment. Effective April 1, 2010, the Medical Assistance critical access dental payment will be suspended until June 30, 2010. No payments will be issued for the Medical Assistance critical access dental payments for dental services provided from April 1, 2010 through June 30, 2010. After June 30, 2010, critical access dental payments must be made as described in this section.

The citation is Minnesota Laws 2010, First Special Session Ch. 1, Article 15, Sec. 11; amending MS § 256B.76, Subd. 4.

REVISION 6. Article 6.1.10 (A)(6) is deleted in its entirety and amended effective September 1, 2010 as follows:

(6) panoramic x-rays, limited to one every five years except (1) when medically necessary for the diagnosis and follow-up of oral and maxillofacial pathology and trauma or (2) once every two years for patients who cannot cooperate for intraoral film due to a developmental disability or medical condition that does not allow for intraoral film placement;

The citation is Minnesota Laws 2010, Ch. 310, art 7, sec. 1 Amending MS § 256B.0625, subd. 9.


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.


Signature page follows.

APPROVED:

**STATE OF MINNESOTA
DEPARTMENT OF HUMAN SERVICES**

By: 
Title: Medical Director
Date: 8/30/10

HealthPartners, Inc.
(Two corporate officers must execute)

By: 
Title: EVP & CAO
Date: 8/27/10

and

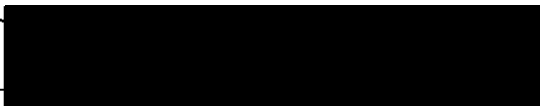
By: 
Title: SVP Gov't / Community Relations
Date: 8/27/10

Exhibit 1A

**Minnesota Senior Health Options and Minnesota Senior Care Plus Programs
Nursing Facility Add-On Rates (PMPM)
180-Day Benefit Period**

September 2010 to December 2010 Contract Period

Medicare Population

Area	Males			Females		
	65-74	75-84	85+	65-74	75-84	85+
Metro	\$43.26	\$100.11	\$165.58	\$33.19	\$97.87	\$155.60
Non Metro	\$49.24	\$113.96	\$188.48	\$37.78	\$111.41	\$177.12

Non-Medicare Population

Area	Males			Females		
	65-74	75-84	85+	65-74	75-84	85+
Metro	\$28.94	\$66.97	\$110.77	\$22.20	\$65.48	\$104.10
Non Metro	\$32.94	\$76.24	\$126.10	\$25.27	\$74.53	\$118.50

This material assumes that the reader is familiar with Minnesota's Medicaid long term care and acute care programs, their benefits, eligibility, administration and other factors. The material was prepared solely to provide assistance to the Minnesota Department of Human Services in setting rates for the MSHO, MSC+, and CBP programs. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety.

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8/5/2010

Exhibit 1A

**Minnesota Senior Health Options and Minnesota Senior Care Plus Programs
Elderly Waiver Add-On Rates (PMPM)**

September 2010 to December 2010 Contract Period

Area	Males			Females		
	65-74	75-84	85+	65-74	75-84	85+
Metro	\$939.67	\$1,020.88	\$1,049.30	\$1,004.79	\$1,054.87	\$1,546.99
Non Metro	\$1,218.54	\$1,069.69	\$1,254.98	\$937.20	\$1,103.14	\$1,365.82

This material assumes that the reader is familiar with Minnesota's Medicaid long term care and acute care programs, their benefits, eligibility, administration and other factors. The material was prepared solely to provide assistance to the Minnesota Department of Human Services in setting rates for the MSHO, MSC+, and CBP programs. It may not be appropriate for other purposes. Milliman does not intend to benefit and assumes no duty or liability to other parties who receive this work. This material should only be reviewed in its entirety.

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8/5/2010

**Appendix II-A1: Capitation Payment Rates
HealthPartners - Hennepin
SeniorCare/MSHO Rates CY 2010**

Age	Sex	SeniorCare				MSHO	
		CY 2010 Rate w MERC	CY 2010 Rate-MERC	MERC Carve Out	Plan Payment with 2.5% RR	CY 2010 Rate with Addback	Plan Payment with 2.5% RR
AGED INSTITUTIONALIZED							
65 - 74	F	\$577.61	\$537.66	\$39.95	\$524.33	\$552.66	\$538.95
75 - 84	F	\$423.52	\$394.23	\$29.29	\$384.45	\$405.23	\$395.18
85 +	F	\$308.68	\$287.34	\$21.34	\$280.21	\$295.36	\$288.03
All Ages - Non A	F	\$2,157.70	\$2,008.48	\$149.22	\$1,958.67	N/A	N/A
65 - 74	M	\$573.11	\$533.48	\$39.63	\$520.25	\$548.36	\$534.76
75 - 84	M	\$474.69	\$441.86	\$32.83	\$430.90	\$454.19	\$442.93
85 +	M	\$401.11	\$373.37	\$27.74	\$364.11	\$383.79	\$374.27
All Ages - Non A	M	\$2,157.33	\$2,008.14	\$149.19	\$1,958.34	N/A	N/A
AGED NON-INSTITUTIONALIZED							
65 - 74	F	\$740.85	\$689.62	\$51.23	\$672.52	\$708.86	\$691.28
75 +	F	\$850.69	\$791.86	\$58.83	\$772.22	\$813.95	\$793.76
All Ages - Non A	F	\$1,989.08	\$1,851.52	\$137.56	\$1,805.60	N/A	N/A
65 - 74	M	\$693.72	\$645.74	\$47.98	\$629.73	\$663.76	\$647.30
75 +	M	\$890.16	\$828.60	\$61.56	\$808.05	\$851.72	\$830.60
All Ages - Non A	M	\$2,014.83	\$1,875.50	\$139.33	\$1,828.99	N/A	N/A

* The rates shown here reflect a withhold of 9.5% per Section 4.16 of the Contract. All or part of these withheld funds may be paid back to the plan if performance targets in the contract are met.

**Appendix II-A1: Capitation Payment Rates
HealthPartners - Ramsey
SeniorCare/MSHO Rates CY 2010**

Age	Sex	SeniorCare				MSHO	
		CY 2010 Rate w MERC	CY 2010 Rate-MERC	MERC Carve Out	Plan Payment with 2.5% RR	CY 2010 Rate with Addback	Plan Payment with 2.5% RR
AGED INSTITUTIONALIZED							
65 - 74	F	\$640.79	\$626.65	\$14.14	\$611.11	\$644.13	\$628.16
75 - 84	F	\$468.82	\$458.48	\$10.34	\$447.11	\$471.27	\$459.58
85 +	F	\$341.10	\$333.58	\$7.52	\$325.31	\$342.89	\$334.39
All Ages - Non N	F	\$2,410.71	\$2,357.55	\$53.16	\$2,299.08	N/A	N/A
65 - 74	M	\$635.38	\$621.37	\$14.01	\$605.96	\$638.71	\$622.87
75 - 84	M	\$525.36	\$513.78	\$11.58	\$501.04	\$528.11	\$515.01
85 +	M	\$443.51	\$433.73	\$9.78	\$422.97	\$445.83	\$434.77
All Ages - Non N	M	\$2,410.93	\$2,357.76	\$53.17	\$2,299.29	N/A	N/A
AGED NON-INSTITUTIONALIZED							
65 - 74	F	\$818.69	\$800.63	\$18.06	\$780.77	\$822.97	\$802.56
75 +	F	\$941.58	\$920.82	\$20.76	\$897.98	\$946.51	\$923.04
All Ages - Non N	F	\$2,202.66	\$2,154.09	\$48.57	\$2,100.67	N/A	N/A
65 - 74	M	\$765.99	\$749.10	\$16.89	\$730.52	\$770.00	\$750.90
75 +	M	\$986.36	\$964.60	\$21.76	\$940.68	\$991.51	\$966.92
All Ages - Non N	M	\$2,225.54	\$2,176.46	\$49.08	\$2,122.48	N/A	N/A

* The rates shown here reflect a withhold of 9.5% per Section 4.16 of the Contract. All or part of these withheld funds may be paid back to the plan if performance targets in the contract are met.

**Appendix II-A1: Capitation Payment Rates
HealthPartners - Core Metro
SeniorCare/MSHO Rates CY 2010**

Age	Sex	SeniorCare				MSHO	
		CY 2010 Rate w MERC	CY 2010 Rate-MERC	MERC Carve Out	Plan Payment with 2.5% RR	CY 2010 Rate with Addback	Plan Payment with 2.5% RR
AGED INSTITUTIONALIZED							
65 - 74	F	\$498.03	\$487.05	\$10.98	\$474.97	\$500.64	\$488.22
75 - 84	F	\$365.29	\$357.24	\$8.05	\$348.38	\$367.21	\$358.10
85 +	F	\$266.29	\$260.42	\$5.87	\$253.96	\$267.69	\$261.05
All Ages - Non I	F	\$1,855.77	\$1,814.84	\$40.93	\$1,769.83	N/A	N/A
65 - 74	M	\$494.15	\$483.25	\$10.90	\$471.27	\$496.73	\$484.41
75 - 84	M	\$409.48	\$400.45	\$9.03	\$390.52	\$411.62	\$401.41
85 +	M	\$346.10	\$338.47	\$7.63	\$330.08	\$347.91	\$339.28
All Ages - Non I	M	\$1,855.51	\$1,814.59	\$40.92	\$1,769.59	N/A	N/A
AGED NON-INSTITUTIONALIZED							
65 - 74	F	\$639.27	\$625.17	\$14.10	\$609.67	\$642.61	\$626.67
75 +	F	\$733.72	\$717.54	\$16.18	\$699.74	\$737.56	\$719.27
All Ages - Non I	F	\$1,715.48	\$1,677.65	\$37.83	\$1,636.04	N/A	N/A
65 - 74	M	\$598.79	\$585.59	\$13.20	\$571.07	\$601.93	\$587.00
75 +	M	\$767.56	\$750.63	\$16.93	\$732.01	\$771.57	\$752.43
All Ages - Non I	M	\$1,738.83	\$1,700.49	\$38.34	\$1,658.32	N/A	N/A

* The rates shown here reflect a withhold of 9.5% per Section 4.16 of the Contract. All or part of these withheld funds may be paid back to the plan if performance targets in the contract are met.

**Appendix II-A1: Capitation Payment Rates
HealthPartners - NW Metro
SeniorCare/MSHO Rates CY 2010**

Age	Sex	SeniorCare				MSHO	
		CY 2010 Rate w MERC	CY 2010 Rate-MERC	MERC Carve Out	Plan Payment with 2.5% RR	CY 2010 Rate with Addback	Plan Payment with 2.5% RR
AGED INSTITUTIONALIZED							
65 - 74	F	\$495.85	\$487.10	\$8.75	\$475.02	\$500.69	\$488.27
75 - 84	F	\$363.64	\$357.22	\$6.42	\$348.36	\$367.19	\$358.08
85 +	F	\$265.10	\$260.42	\$4.68	\$253.96	\$267.69	\$261.05
All Ages - Non H	F	\$1,847.39	\$1,814.79	\$32.60	\$1,769.78	N/A	N/A
65 - 74	M	\$491.98	\$483.30	\$8.68	\$471.31	\$496.78	\$484.46
75 - 84	M	\$407.65	\$400.46	\$7.19	\$390.53	\$411.63	\$401.42
85 +	M	\$344.56	\$338.48	\$6.08	\$330.09	\$347.92	\$339.29
All Ages - Non H	M	\$1,847.14	\$1,814.53	\$32.61	\$1,769.53	N/A	N/A
AGED NON-INSTITUTIONALIZED							
65 - 74	F	\$636.47	\$625.23	\$11.24	\$609.72	\$642.67	\$626.73
75 +	F	\$730.48	\$717.59	\$12.89	\$699.79	\$737.61	\$719.32
All Ages - Non H	F	\$1,707.69	\$1,677.55	\$30.14	\$1,635.95	N/A	N/A
65 - 74	M	\$596.12	\$585.60	\$10.52	\$571.08	\$601.94	\$587.01
75 +	M	\$764.18	\$750.70	\$13.48	\$732.08	\$771.64	\$752.50
All Ages - Non H	M	\$1,731.45	\$1,700.89	\$30.56	\$1,658.71	N/A	N/A

* The rates shown here reflect a withhold of 9.5% per Section 4.16 of the Contract. All or part of these withheld funds may be paid back to the plan if performance targets in the contract are met.

**Appendix II-A1: Capitation Payment Rates
HealthPartners - Carver
SeniorCare/MSHO Rates CY 2010**

Age	Sex	SeniorCare				MSHO	
		CY 2010 Rate w MERC	CY 2010 Rate-MERC	MERC Carve Out	Plan Payment with 2.5% RR	CY 2010 Rate with Addback	Plan Payment with 2.5% RR
AGED INSTITUTIONALIZED							
65 - 74	F	\$403.20	\$394.31	\$8.89	\$384.53	\$405.31	\$395.26
75 - 84	F	\$296.50	\$289.96	\$6.54	\$282.77	\$298.05	\$290.66
85 +	F	\$216.48	\$211.71	\$4.77	\$206.46	\$217.62	\$212.22
All Ages - Non N	F	\$1,489.39	\$1,456.55	\$32.84	\$1,420.43	N/A	N/A
65 - 74	M	\$400.32	\$391.50	\$8.82	\$381.79	\$402.42	\$392.44
75 - 84	M	\$332.49	\$325.16	\$7.33	\$317.10	\$334.23	\$325.94
85 +	M	\$281.19	\$274.99	\$6.20	\$268.17	\$282.66	\$275.65
All Ages - Non N	M	\$1,489.43	\$1,456.58	\$32.85	\$1,420.46	N/A	N/A
AGED NON-INSTITUTIONALIZED							
65 - 74	F	\$519.75	\$508.28	\$11.47	\$495.67	\$522.46	\$509.50
75 +	F	\$595.48	\$582.34	\$13.14	\$567.90	\$598.59	\$583.74
All Ages - Non N	F	\$1,391.81	\$1,361.11	\$30.70	\$1,327.35	N/A	N/A
65 - 74	M	\$487.12	\$476.38	\$10.74	\$464.57	\$489.67	\$477.53
75 +	M	\$622.30	\$608.58	\$13.72	\$593.49	\$625.56	\$610.05
All Ages - Non N	M	\$1,415.20	\$1,383.99	\$31.21	\$1,349.67	N/A	N/A

* The rates shown here reflect a withhold of 9.5% per Section 4.16 of the Contract. All or part of these withhold funds may be paid back to the plan if performance targets in the contract are met.

**Appendix II-A1: Capitation Payment Rates
HealthPartners - NC Regional
SeniorCare/MSHO Rates CY 2010**

Age	Sex	SeniorCare				MSHO	
		CY 2010 Rate w MERC	CY 2010 Rate-MERC	MERC Carve Out	Plan Payment with 2.5% RR	CY 2010 Rate with Addback	Plan Payment with 2.5% RR
AGED INSTITUTIONALIZED							
65 - 74	F	\$404.57	\$397.43	\$7.14	\$387.57	\$408.52	\$398.39
75 - 84	F	\$297.35	\$292.10	\$5.25	\$284.86	\$300.25	\$292.80
85 +	F	\$217.08	\$213.25	\$3.83	\$207.96	\$219.20	\$213.76
All Ages - Non II	F	\$1,496.95	\$1,470.53	\$26.42	\$1,434.06	N/A	N/A
65 - 74	M	\$401.56	\$394.47	\$7.09	\$384.69	\$405.48	\$395.42
75 - 84	M	\$333.39	\$327.50	\$5.89	\$319.38	\$336.64	\$328.29
85 +	M	\$282.02	\$277.04	\$4.98	\$270.17	\$284.77	\$277.71
All Ages - Non II	M	\$1,496.93	\$1,470.51	\$26.42	\$1,434.04	N/A	N/A
AGED NON-INSTITUTIONALIZED							
65 - 74	F	\$521.06	\$511.87	\$9.19	\$499.18	\$526.15	\$513.10
75 +	F	\$597.40	\$586.85	\$10.55	\$572.30	\$603.22	\$588.26
All Ages - Non II	F	\$1,395.76	\$1,371.13	\$24.63	\$1,337.13	N/A	N/A
65 - 74	M	\$488.41	\$479.79	\$8.62	\$467.89	\$493.18	\$480.95
75 +	M	\$624.24	\$613.22	\$11.02	\$598.01	\$630.33	\$614.70
All Ages - Non II	M	\$1,418.59	\$1,393.55	\$25.04	\$1,358.99	N/A	N/A

* The rates shown here reflect a withhold of 9.5% per Section 4.16 of the Contract. All or part of these withheld funds may be paid back to the plan if performance targets in the contract are met.

**Appendix II-A1: Capitation Payment Rates
HealthPartners - SW Regional
SeniorCare/MSHO Rates CY 2010**

Age	Sex	SeniorCare				MSHO	
		CY 2010 Rate w MERC	CY 2010 Rate-MERC	MERC Carve Out	Plan Payment with 2.5% RR	CY 2010 Rate with Addback	Plan Payment with 2.5% RR
AGED INSTITUTIONALIZED							
65 - 74	F	\$404.15	\$397.02	\$7.13	\$387.17	\$408.10	\$397.98
75 - 84	F	\$297.23	\$291.98	\$5.25	\$284.74	\$300.13	\$292.69
85 +	F	\$217.03	\$213.20	\$3.83	\$207.91	\$219.15	\$213.71
All Ages - Non A	F	\$1,491.89	\$1,465.56	\$26.33	\$1,429.21	N/A	N/A
65 - 74	M	\$401.13	\$394.05	\$7.08	\$384.28	\$405.04	\$394.99
75 - 84	M	\$333.32	\$327.44	\$5.88	\$319.32	\$336.58	\$328.23
85 +	M	\$281.93	\$276.95	\$4.98	\$270.08	\$284.68	\$277.62
All Ages - Non A	M	\$1,491.83	\$1,465.50	\$26.33	\$1,429.15	N/A	N/A
AGED NON-INSTITUTIONALIZED							
65 - 74	F	\$520.96	\$511.76	\$9.20	\$499.07	\$526.04	\$512.99
75 +	F	\$596.98	\$586.44	\$10.54	\$571.90	\$602.80	\$587.85
All Ages - Non A	F	\$1,395.12	\$1,370.49	\$24.63	\$1,336.50	N/A	N/A
65 - 74	M	\$488.47	\$479.85	\$8.62	\$467.95	\$493.24	\$481.01
75 +	M	\$623.62	\$612.62	\$11.00	\$597.43	\$629.71	\$614.09
All Ages - Non A	M	\$1,418.86	\$1,393.82	\$25.04	\$1,359.25	N/A	N/A

* The rates shown here reflect a withhold of 9.5% per Section 4.16 of the Contract. All or part of these withheld funds may be paid back to the plan if performance targets in the contract are met.