

AMENDMENT NO. 1 TO B- 36011

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 **UCare Minnesota**, Managed Care Organization ("MCO"), identified as Contract No. B-36011 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 Minnesota Disability Health Options 2010 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 1.

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 1. 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.

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 1.

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 1. 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. **Article 6.I.12(A)** is deleted in its entirety and amended effective September 1, 2010 as follows:

Medical assistance covers medically necessary dental services for children and pregnant women. The following guidelines apply:

(A) posterior fillings are paid at the amalgam rate; (B) application of sealants is covered once every five years per permanent molar for children only; and (C) application of fluoride varnish is covered once every six months. (D) orthodontia is covered for children only.

Article 6.I.12 (B)(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: 

Name: Brian Osberg

Title: Medicaid Director

Date: 8/26/10

**UCare Minnesota
(Two corporate officers must execute)**

By: 

Name: Nancy Feldman

Title: President & CEO

Date: 8/20/10

and

By: 

Name: Beth Monsrud

Title: CFO

Date: 8/20/2010

Appendix I
MnDHO
September 2010 Through December 2010 Rate Components Per Member Per Month (PMPM)
All Amounts Include 1% Payroll Tax Loading

Community	Char	Cdr	Rate Code	A		B		C		D		E		F		G		H		I		J		K		L		M		Total Member Share						
				From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To	From App. 20	To		From App. 20	To				
MnDHO	Cdr	Cdr	Cdr	Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68				
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68			
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68		
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68		
MnDHO	Cdr	Cdr	Cdr	Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68			
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68		
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	
MnDHO	Cdr	Cdr	Cdr	Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68			
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68
				Acute Care Rate	5421.84	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68	514.68

*1) For the 11 base case (MCO) rates, the LTC Base Rate Adjustment amounts in column K for (G1.1.D) + (G2) + E

This material concerns the number of Member with Minnesota Medical program, their benefits, eligibility, administration and other issues. The material was prepared solely to provide assistance to the state of Minnesota in making rates for replacement programs. It may not be applicable for other purposes. All amounts are based on health and access to-day or (today) on other factors who provide the work. This material should only be reviewed in a summary.

MILITMAN

8/25/10