Second Amendment to the Dental Wellness Plan PAHP Contract

This Amendment to Contract Number MED-19-007 is effective as of July 1, 2020, between the Iowa Department of Human Services (Agency) and MCNA (Contractor).

Section 1: Amendment to Contract Language
The Contract is amended as follows:

Revision 1. Contract Duration.

The Contract is extended from July 1, 2020 through June 30, 2021.

Revision 2. Section G.2.08 – G.2.09 which is currently marked as "Reserved" is amended to read as follows:

G.2.08 – G.2.09 *Care Coordination.* Contractor shall:

1. Make a best effort to conduct an initial screening of each enrollee's needs, within 90 days of the effective date of enrollment for all new enrollees.
2. Make subsequent attempts to conduct an initial screening of each enrollee's needs if the initial attempt to contact the enrollee is unsuccessful.

See the additional obligations as set forth in Section 4 § 438.208(b)(3).

Revision 3. The following clause is added to the Contract as Section GS.2.14 and entitled "Continuity of Care Policy."
GS.2.14 *Continuity of Care Policy.* The Contractor shall implement mechanisms to ensure the continuity of care of Enrolled Members transitioning in and out of the Contractor's enrollment pursuant to all requirements in 42 C.F.R. § 438.62. The Contractor must demonstrate the following components are implemented to ensure continuity of care during transitions:

1. The Enrolled Member has Access to services consistent with the Access they previously had and is permitted to retain their current Provider for 90 days if that Provider is enrolled in Iowa Medicaid.
2. The Enrolled Member is referred to appropriate Providers of services that are in the network.
3. The entity (Contractor or Agency) previously serving the Enrolled Member, fully and timely complies with requests for historical utilization data from the new entity in compliance with Federal and State law.
4. Consistent with Federal and State law, the Enrolled Member's new Provider(s) are able to obtain copies of the Enrolled Member's Medical Records, as appropriate.
5. Any other necessary procedures as specified by CMS to ensure continued Access to services to prevent serious detriment to the Enrolled Member's health or reduce the risk of hospitalization or institutionalization.

Possible transitions include but are not limited to: (i) initial program implementation; (ii) initial enrollment with the Contractor; (iii) transitions between Program Contractors during the first 90 Days of a Member's enrollment; and (iii) at any time for cause as described in the Section.

Revision 4. The following clause is added to the Contract as Section GS.2.15 and entitled "Prior Authorization."

GS.2.15. *Prior Authorization.* Contractor shall honor all existing authorizations for a minimum of 90 Days when an Enrolled Member transitions to the Contractor from another source of coverage, without regard to whether services are being provided by in-network or out-of-network Providers.

Contractor shall obtain Agency approval for policies and procedures to identify existing Prior Authorizations at the time of new Member enrollment. The Contractor shall implement and adhere to the Agency approved policies and procedures. Additionally, when an Enrolled Member transitions to another Program Contractor, the Contractor shall provide the receiving entity with information on any current service authorizations, utilization data and other applicable clinical information such as disease management or Care Coordination notes.

Revision 5: The following new Section GS.5.18 is added to the Contract, and the clause reads as follows:

GS.5.18. QAPI *Evaluation Submission.* Contractor shall submit the QAPI evaluation and supporting documentation required by Section G.5.17 annually by July 31.

Revision 6: Section H.1.04 of the Contract is amended to read as follows:

H.1.04 Contractor shall acknowledge receipt of each grievance and appeal of adverse benefit determinations in writing. See the additional obligations as set forth in Section 4 § 438.406(b)(1), and Section 4 § 438.228(a).

Revision 7: Section I.7.01 of the Contract is amended to read as follows:
In addition to the requirements of I-1 through and including I-6, the following are required by this Contract.

I.7.01 *Designation of SIU Manager.* The Contractor shall employ an SIU Manager. The Contractor shall:

1. ensure that the SIU Manager is dedicated to the Contractor's Iowa Medicaid product lines;
2. require that the qualifications of the SIU Manager are equal to those of the Agency Program Integrity Director; and
3. ensure that the SIU Manager responsibilities include:
   (a) directing the activities of Special Investigation Unit staff;

(b) attending meetings with the State, including meeting with the State as the State directs, but no less than meeting on a monthly basis;

(c) acting as a subject matter expert for Medicaid program integrity; and

(d) reducing or eliminating wasteful, fraudulent, or abusive healthcare billings and services.

Revision 8: Section I.7.02 of the Contract is amended to read as follows:
I.7.02 *SIU Staff.*

1. In addition to employing the SIU Manager, the Contractor shall employ one full-time dedicated SIU staff member for each 100,000 members assigned to the Contractor under this Contract.

2. The Contractor shall require the SIU staff to review and investigate Contractor's providers and members to identify fraud, waste, and abuse.

Revision 9. Special Contract Attachment 3.1 is amended by adding the following text as new subsection 3.1(C):

(C) Rate Sheet for Rating Period 7/1/20 through 6/30/21

Capitation Rates (12 month rates):

State of Iowa Department of Human Services SFY 2021 MCNA Dental Wellness Plan Capitation Rate Development Gross and Net Capitation Rates		
Rate Cell	**SFY 2021 Gross Rate**	**SFY 2021 Net Rate**
TANF 19-34 F	$ 17.59	$ 17.24
TANF 19-34 M	$ 14.95	$ 14.65
TANF 35-49 F	$ 19.26	$ 18.87
TANF 35-49 M	$ 16.57	$ 16.24
TANF 50+	$ 19.23	$ 18.85
Pregnant Women	$ 12.65	$ 12.40
Wellness Plan 19-34 F	$ 16.81	$ 16.47
Wellness Plan 19-34 M	$ 13.85	$ 13.57
Wellness Plan 35-49 F	$ 20.93	$ 20.51
Wellness Plan 35-49 M	$ 18.51	$ 18.14
Wellness Plan 50+	$ 23.56	$ 23.09
Community Duals <65	$ 24.00	$ 23.52
Community and LTSS Disabled	$ 18.38	$18.01
Community and LTSS Elderly	$ 12.14	$11.90

Notes
1. Net SFY 2021 capitation rate developed by applying a 2% withhold.

Medical Loss Ratio
The Medical Loss Ratio applicable to the rating period is as follows:

Date Range	Applicable MLR
7/1/2020 – 6/30/2021	88%

2% Withhold Payment Obligations:

#	Performance Measure	Required Contractual Standard	Withhold Payment Obligation	
1	**Access to Any Dental Services**	Within each Contract year, at least thirty-nine (39) percent of enrollees who have had continuous enrollment with the Contractor for at least six months shall have received at least one dental service.	Performance Level	Percentage of Withhold Payable
			36%	**35%**
2	**Access to Preventative Dental Services**	Of the enrollees who have had continuous enrollment with the Contractor for at least six months and have received at least one dental service, at least seventy-five (75) percent of those enrollees have a preventive exam within each Contract year.	Performance Level	Percentage of Withhold Payable
			75%	**25%** (only if PM #1 is met)
3	**Usual Source of Care**	Sixty-five (65) percent of enrollees who are eligible to receive a follow up preventive exam will return within six to twelve months of their initial exam within each Contract year.	Performance Level	Percentage of Withhold Payable
			65%	**15%** (only if PM #1 & #2 are met)
4	**Encounter Data**	Within ninety days (90) of the end of each quarter the Contractor's accepted encounter data shall match the Contractor's submitted financial information within ninety-eight percent (98%) using reporting criteria set forth in the financial reporting template.	Performance Level	Percentage of Withhold Payable
			98%	**25%**

The Agency will provide a risk corridor based on the Contractor's medical loss ratio (MLR) for the Contract period beginning July 1, 2020 through December 31, 2020.

Risk Corridor

Agency shall perform a settlement of the payments made by the Contractor to Agency or by Agency to the Contractor. The settlement is the calculated gain or loss determined when comparing the actual MLR developed from the emerging experience to the risk sharing corridor percentages in the table below. The actual MLR is calculated as the total adjusted dental expenditures divided by the total capitation revenue. The total capitation revenue excludes taxes and fees.

Adjusted medical expenditures shall be determined by Agency/Agency's-contracted actuaries based on encounter data and plan financial data submitted by the Contractor.

Adjusted medical expenditures only include services covered by the Agency and the Contractor. Adjusted medical expenditures will not include quality improvement expenses, case management expenses, or other administrative expenses.

The data used by the Agency and its actuaries for the reconciliation will be the routine encounter data. The Agency and the Contractor agree that to the extent there are differences between claims expenditures as reflected in the encounter data and the financial data submitted by the Contractor, the Agency and Contractor will confer and make a good faith effort to reconcile those differences before the calculation of the Final Settlement as described below in risk sharing Final Settlement.

The Risk Corridor Percentage is calculated as the total adjusted medical expenditures divided by the total capitation revenue. The total capitation revenue excludes applicable taxes/fees and Health Insurer Provider Tax (HIPF) for the July – December 2020 period. Total capitation revenue includes withholds earned by Contractor, but excludes any bonus or incentives earned by Contractor.

The Risk Sharing Corridor is defined as follows:

Risk Corridor Minimum Percentage	Risk Corridor Maximum	Contractor Share	Agency/Fed Share
0.0%	88.0%	0%	100%
88.0%	90.0%	100%	0%
90.0%	92.5%	100%	0%
92.5%	92.5% +	0%	100%

Within 230 days following the end of the contract period, the Contractor shall provide Agency with a complete and accurate report of actual medical expenditures, by category of service, for enrollees, based on claims incurred for the contract period including six (6)

months of claims run-out, and its best estimate of any claims incurred but not reported (IBNR) for claims run-out beyond six (6) months, and any applicable IBNR completion factors. The report will be a detailed claim-level record.

Prior to 9 months following contract period, Agency shall provide the Contractor with a Final Settlement under the risk share program for the contract period. Any balance due between Agency and the Contractor, as the case may be, will be paid within 60 days of receiving the final reconciliation from Agency.

For the July – December 2020 contract period, the capitation rates have been determined to be actuarially sound by an actuary that meets the qualifications and standards established by the American Academy of Actuaries and follows the practice standards established by the Actuarial Standards Board.

The Contractor may provide value-add services to enrollees that are in addition to those covered under the State plan. The cost of these services will be included within the medical expenditures portion of the risk corridor calculation.

Mid-Year Rate Review

The Agency will conduct a mid-year review using emerging data to reassess the SFY2021 capitation rates and rating assumptions to determine if updates are necessary for material changes that yield greater than 0.7% trend above the original implied trend net of efficiencies identified as appropriate by the Agency. The Agency agrees to update the rates prospectively, for the January 1, 2021 through June 30, 2021, Contract period, due to any of the following:

1. If the updated emerging trend identified for SFY2020 through updated MRT data and supporting encounter data on a Agency wide basis exceeds the assumed trend associated with the payment rate chosen by the Agency for the SFY2021 capitation rates in a material manner as defined above.
2. Emerging experience is materially worse than predicted due to unforeseeable or unaccounted for events outside the control of the Agency or the Contractor at the time of rate development. Examples may include, but are not limited to:
    a. Pharmacy unit cost increases (as measured by AWP, NADAC, or similar metric),
    b. Legislative, Agency (IME, DHS, CMS, etc.) taking action to loosen or remove prior authorization requirements, thereby increasing utilization,
    c. Changes to the membership eligibility, verification/re-verification requirements, or program changes disrupting the normal membership processes,
    d. Introduction of new therapies or pharmacological solutions (including technology) to low incidence populations (e.g. specialty

drugs) which may occur as a pharmacy or medical (J-code) benefit, or

e. Administrative requirements not considered elsewhere in the Contract.

3. Costs determined to be inappropriately allocated to the Iowa Medicaid program costs through an independent audit.
4. Inefficiencies in care identified through the Prometheus tool.

Mid-Year Performance Measure Review

The Agency will conduct a mid-year review of performance measures for SFY2021. This review will take into account member ability to access dental services due to the impact of COVID-19. Existing goals may be adjusted at this time based on outcome of this mid-year review.

Revision 10. Federal Funds. The following federal funds information is provided

Contract Payments include Federal Funds? Yes **The contractor for federal reporting purposes under this contract is:** Department of Health and Human Services/Centers for Medicare and Medicaid Services **DUNS :** 080277476 **The Name of the Pass-Through Entity:** Iowa Department of Human Services	
CFDA #: 93.778 **Grant Name:** Medical Assistance Program	**Federal Awarding Agency Name:** Department of Health and Human Services/Centers for Medicare and Medicare Services

Section 2: Ratification & Authorization

Except as expressly amended and supplemented herein, the Contract shall remain in full force and effect, and the parties hereby ratify and confirm the terms and conditions thereof. Each party to this Amendment represents and warrants to the other that it has the right, power, and authority to enter into and perform its obligations under this Amendment, and it has taken all requisite actions (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Amendment, and that this Amendment constitutes a legal, valid, and binding obligation.

Section 3: Execution

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment and have caused their duly authorized representatives to execute this Amendment.

Contractor, MCNA		**Agency, Iowa Department of Human Services**	
Signature of Authorized Representative: [signature]	Date: 7-23-20	Signature of Authorized Representative: [signature]	Date: 7.20.20
Printed Name: Shannon Turner		Printed Name: Kelly Garcia	

Title: Vice President of Operations	Title: Director