First Amendment to the Dental Wellness Plan PAHP Contract

This First Amendment to Contract Number MED-19-007 is effective as of July 1, 2019, between the Iowa Department of Human Services (Agency) and MCNA (Contractor).

Section 1: Extension of Contract.

The Agency hereby extends the Contract through its first optional extension period. The new end date of the Contract is June 30, 2020.

Section 2: Amendment to the Contract Language.

The Contract is amended as follows:

Revision 1: The "Security & Privacy Office Data Confirmation Number" cell in the Contract Information section of the Contract's Declaration and Execution pages is amended to read as follows:

Security & Privacy Office Data Confirmation Number: ISOP-18-7

Revision 2: Section 1.2.1.4 of the Contract is amended to read as follows:

1.2.1.4 Addressing Deficiencies. To the extent that Deficiencies are identified in the Contractor's performance and notwithstanding other remedies available under this Contract, the Agency may require the Contractor to develop and comply with a plan acceptable to the Agency to resolve the Deficiencies. Failure to meet performance targets shall subject the Contractor to noncompliance remedies as noted in Special Contract Attachment 3.7.

Revision 3: Section 1.2.1.5.2.1 of the Contract is amended to read as follows:

1.2.1.5.2.1 Capitation Rate Payments.
The Agency will pay the Contractor on a monthly basis using the capitation payment methodology for enrollees assigned to Contractor. Capitation rates applicable to each Contract term are set forth in the Capitation Rates table in the Special Contract Attachment Section 3.1. The capitation payment will constitute payment in full for the Contractor's coverage of the enrollees assigned to Contractor as listed in the monthly HIPAA 820 capitation file. Retroactive adjustments to reflect the actual cost of covered services are prohibited.

The Agency will pay any Contractor health insurer fee that may be owed pursuant to Section 9010 of the Affordable Care Act on a retrospective basis upon receipt of information regarding the amount of the fee paid by the Contractor for the premium earned under the terms of this Contract. The retrospective payment will include an adjustment for related income taxes and other adjustments, including tax credits. The Contractor shall submit any requested documentation to the Agency regarding the amount of the fee. A corporate officer for the Contractor shall attest to the accuracy of the documentation.

Contractor shall on a monthly basis reconcile the monthly HIPAA 820 capitation file with the Contractor's enrollment records. Any discrepancies found between the monthly HIPAA 820

capitation file and the Contractor's enrollment records shall be reported to the Agency within sixty (60) calendar days from the end of the quarter. No adjustment to the capitation payment shall be made for any discrepancies reported after the sixty (60) calendar day period other than as required to avoid Contractor retention of payment in excess of those permitted in the relevant rate table applicable to each Contract period.

The parties agree to work diligently and in good faith to establish and agree to capitation rates before the expiration of any rate period. If the parties are unable to establish new annual capitation rates for a subsequent rate period due to delays or disagreements, the Agency or Contractor may terminate the Contract upon ninety (90) days written notice from expiration of the current rate period and contract amendment term or, if notice is given after the expiration of the current rate period, ninety (90) days written notice from the date of the notice. Upon agreement to the capitation rates, the Agency will perform a reconciliation between the capitation rates paid and the newly agreed upon rates for the rate period. Any discrepancy will be reconciled through the capitation rate payment process.

By agreeing to the rates offered to Contractor through the Contract amendment process, Contractor irrevocably and unconditionally releases, acquits, and forever discharges the State of Iowa, the Agency, and all of the Agency's officers, directors, employees, agents, and attorneys, from any and all liability whatsoever from any and all claims, demands and causes of action of every nature whatsoever that Contractor may have or may ever claim to have now existing or hereafter arising that relate to or arise out of any assertion regarding the actuarial soundness of the agreed rates.

Revision 4: Section 1.2.1.5.2.3 is amended to read as follows:

1.2.1.5.2.3 Withhold

The Agency will withhold a portion of the approved capitation payments from Contractor within each Contract period in accordance with the 2% Withhold Payment Obligations table in the Special Contract Attachment Section 3.1 applicable to the specific Contract term. The withheld amount shall be two percent (2%) of the monthly capitation payment. The Contractor will be eligible to receive some or all of the withheld funds based on the Contractor's performance in the areas outlined in the applicable 2% Withhold Payment Obligations table. These performance standards require the Contractor to exceed the minimum performance standard required for Contract compliance and incentivize the Contractor to perform at a higher level in areas determined by the Agency to be critical for a successful program. The Contractor shall submit information to the Agency, in the format and timeframe specified by the Agency, with respect to each performance measure. Any data received after the required submission date will not be eligible for an incentive payment. Incentive payments will be payable in the form of release of funds withheld.

Revision 5: Section 1.3.A.2.4 of the Contract is amended to read as follows:

A.2.4 12-Month Enrollment Period

Unless this Contract is terminated earlier, the enrollee will remain enrolled with the Contractor for a period of twelve (12) months as long as the enrollee remains eligible for the DWP, but subject to the right of disenrollment as specified in this Contract and subject to the enrollee's right of choice when applicable.

Revision 6: Section 1.3.A.2.10 of the Contract is amended to read as follows:

A.2.10 Covered Services

Contractor shall provide coverage of all services required by this Contract. The Agency shall provide the Contractor with ninety (90) Days' advanced written notice preceding any change in covered services under this Contact unless such change is pursuant to a legislative, or regulatory mandate, in which event, the Agency shall use best efforts to provide reasonable notice to the Contractor. In the event the Agency provides less than ninety (90) Days' advanced written notice to the Contractor, the Contractor shall comply with the change in covered services within ninety (90) Days from the date the notice is given. Contractor shall not avoid costs for services covered in this Contract by referring enrollees to publicly supported dental care resources in accordance with 42 C.F.R. § 457.950(a)(4).

The Contractor shall provide or arrange for the provision of:

a. Dentally necessary services, and
b. Orthodontic services as required by Iowa Admin. Code r. 441-78.4(8)(c).

Revision 7: Section 1.3.A.2.11 of the Contract is amended to read as follows:

A.2.11 Prior Authorizations

The Contractor shall require prior authorization of all dental codes as outlined in Section 3.6 by IME prior to the services being performed. The prior authorization requires that the service is medically necessary through sufficient clinical information provided by the dentist. Any additional prior authorization obligations imposed by the Contractor must first be approved by the Agency. The Contractor must complete 100% of dental prior authorizations within 14 days for standard review and 72 hours for expedited.

Revision 8: Section 1.3.A.2.13 of the Contract is amended to read as follows:

A.2.13 Enrollee Engagement

Contractor shall ensure the provision of enrollee engagement by utilizing partners to work with providers and enrollees to promote successful compliance with treatment plans and use of preventive care. This will include educating enrollees about good oral hygiene, prevention and maintenance of teeth and gums. The Contractor will work with key community service organizations including the Department of Public Health, to provide resources for community partners so they can assist in education and awareness activities at the local level and support enrollee education and compliance, including linking enrollees with participating dental providers.

Contractor shall establish a process for ongoing care facilitation and coordination with the enrollee's physical health care to ensure patient-centeredness. Contractor's Care facilitation plan must be submitted to the Agency within 30 days after the beginning of each fiscal year. The plan shall include information detailing how the Contractor will develop member education activities that increase beneficiary awareness and access to Healthy Behavior Services.

Revision 9: Section 1.3.A.4 of the Contract is amended to read as follows:

A.4 Enrollee Education and Outreach

The Contractor shall manage population health by focusing on restoring basic functionality for all enrollees and improving the oral health of enrollees over time through education, enrollee engagement and community support by such means as, but not limited to:

a. Increasing use of preventive services versus restorative services;
b. Educate enrollees on appropriate utilization of preventive dental services to maintain oral health;
c. Educate enrollee incentives of completing of healthy behaviors;
d. Utilizing community resources and health and dental providers to educate enrollees of the importance of oral health care and treatment.
e. Promote completion of Healthy Behaviors:

Upon enrollment, educate members on the Healthy Behavior requirement by means other than referencing the member manual.

i) Consider incentivizing members who complete Healthy Behaviors.
ii) Provide targeted outreach to members (prior to the end of their enrollment period) who have not fulfilled the Healthy Behavior requirements and assist them with completing requirements.
iii) Provide a targeted outreach to members on Basic benefits and educate them on how to earn back Full benefits.

Revision 10: Section 1.3.A.5 of the Contract is amended to read as follows:

A.5 Benefits

Full Dental Benefits: Section 3.2 identifies the services available to a member in the Full benefit level. All enrollees have access to Full benefits during their first year of DWP enrollment. The Contractor shall provide comprehensive dental services to members eligible for Full dental benefits, as in compliance with all obligations of this Contract. An Annual Benefit Maximum (ABM) of $1,000 applies to members receiving Full dental benefits.

Healthy Behavior Services: Section 3.3 identifies those services that qualify as a Healthy Behavior. For enrollees to maintain access to Full benefits in their second year of enrollment without a premium obligation, enrollees must complete the required healthy behaviors during their first enrollment year. These healthy behaviors include completion of an oral health self-assessment and preventive dental exam. Enrollees who do not complete the required healthy behaviors annually will have a premium obligation.

Basic Dental Benefits: Section 3.4 identifies services available to a member who are in the Basic benefit level. Enrollees will have access to limited services offered through the Basic dental package.

ABM Excluded Services: Section 3.5 identifies those services that are *always* excluded from a member's ABM; however, the service needs to be available to the member (based on whether the member is eligible for Full or Basic Benefits).

Prior Authorization Services: Section 3.6 identifies service(s) that require a prior authorization.

EPSDT Guidelines: Additionally, enrollees under 21 years of age will continue to be eligible for medically necessary dental services in accordance with federal EPSDT requirements. DWP members aged 19 and 20 years of age will not be subjected to the $1,000 ABM or dental premiums.

Revision 11: Section 1.3.A.9 of the Contract is amended to read as follows:

As of September 1, 2018, DWP Enrollees are limited to an Annual Benefit Maximum (ABM) of $1,000 per state fiscal year (July 1-June 30). The $1,000 ABM will not apply to preventive, diagnostic, emergency, anesthesia in conjunction with oral surgery approved codes, and fabrication of denture services. A list of excluded ABM services can be found in Section 3.5.

If a member reaches the $1,000 ABM and receives additional services that are not excluded services from the ABM, the member is responsible for payment of services.

Enrollees with a premium obligation who fail to make ongoing monthly premium payments will be eligible for Basic dental benefits only. At a minimum, basic benefits include limited preventive, stabilization, and emergent services (services that relieve significant pain or relieve acute infection). See Section 3.4 for a list of Basic benefits.

Revision 12. New Section 1.3.DS.1.01 is added to the Contract immediately below Section 1.3.D.1.01, and the new section reads as follows:

DS.1.01 Contractor determines reimbursement rates to dental providers for services rendered. However, rates shall not exceed the Medicaid Fee for Service (FFS) reimbursement rate above 105% on average. Annual capitation rates will be determined using the most current FFS reimbursement. The Contractor assumes any risk for reimbursement to providers over the FFS rate.

Revision 13: New Section 1.3.DS.1.02 is added to the Contract immediately below Section 1.3.DS.1.01, and the new section reads as follows:

DS1.02 The MLR will be calculated in aggregate across all cohorts.

Revision 14: Sections 1.3.G.2.08 and 1.3.G.2.09 are deleted and marked "*Reserved – Not applicable to a dental-only PAHP.*"

Revision 15: New Section 1.3.HS.3.01 is added to the Contract immediately below Section 1.3.H.3.01, and the new section reads as follows:

HS.3.01 In the event that the Agency takes action impacting a member's entitlement to medical assistance, the Agency will mail a notice to the member at least 10 days before the date of action in accordance with state and federal legal obligations.

Revision 16: Section 1.3.I.7.03 of the Contract is amended to read as follows:

I.7.03 *Program Integrity Activity Reporting*

1. Monthly Reporting. In addition to any reporting required by the federal regulations, including 42 C.F.R. § 438.608(d)(3), the Contractor shall provide the Agency with a

monthly Program Integrity Activity Report outlining the Contractor's program integrity activities for the previous calendar month. To the extent that the federal regulations require reporting less frequently than the provisions in this Contract, the reporting requirements of this Contract are in addition to the less frequent reporting requirements under the federal regulations.

In the monthly Program Integrity Activity Report, the Contractor shall provide the information requested by the Agency, in the format requested by the Agency, including, but not limited to:

(a) A list of the Contractor's program integrity related activities for the month.

(b) Identification of the Contractor's progress in meeting the program integrity goals and objectives of the Contractor's program integrity work plan.

(c) Identification of the recoupment totals for the reporting period.

(d) A summary of state fiscal year to date information with respect to program integrity.

(e) With respect to each provider reviewed:

1) The name and NPI of the provider.

2) The data source, referral, or other reason for the review.

3) Identification of any action taken by the Contractor, including, but not limited to, suspension, termination, recoupment, payment reduction, denial of enrollment or reenrollment, identification as excluded pursuant to 42 C.F.R. § 455.

4) Identification of the reason for the action and, if a payment or recoupment is involved, all of the relevant financial information related to the action.

2. Quarterly Audit Report. In addition to any reporting required by the federal regulations, including 42 C.F.R. § 438.608(d)(3), the Contractor shall provide the Agency with a quarterly audit report. To the extent that the federal regulations require reporting less frequently than the provisions of this Contract, the reporting requirements of this Contract are in addition to the less frequent reporting requirements under the federal regulations.

On a quarterly basis the Contractor shall submit a detailed audit report to the Agency which outlines the Contractor's program integrity related activities, as well as identifies the Contractor's progress in meeting program integrity related goals and objectives. The audit report should also specify individual provider recoupment, repayment schedules, and actions taken for each audit or investigation. The Agency shall review and approve, approve with modifications, or reject the audit report and specify the grounds for rejection. Recoupment totals and summaries for each reporting period (quarterly unless otherwise specified by the Agency) must also be submitted in the audit report.

3. Reporting Suspected Fraud, Waste, or Abuse. The Contractor shall report possible fraud or abuse activity to the Agency. The Contractor shall initiate an immediate investigation to gather facts regarding the possible fraud or abuse. Documentation of the findings of the investigation shall be delivered to the Agency in a timeframe identified by the agency, of the identification of suspected fraud or abuse activity. In addition, the Contractor shall provide reports of its investigative, corrective, and legal activities with respect to fraud and abuse to the Agency in accordance with contractual and regulatory requirements. The Contractor and its subcontractors shall cooperate fully in any Agency reviews or investigations and in any subsequent legal action. The Contractor shall implement corrective actions in instances of fraud and abuse detected by the State agency or other authorized agencies or entities. The Contractor shall report to the Agency the following information monthly and in the manner required by the Agency: (i) the number of complaints of fraud and abuse made to the Agency that warrant preliminary investigation; and (ii) for each complaint which warrants investigation: (a) the name and ID number; (b) source of the complaint; (c) type of provider; (d) nature of the complaint; (e)

approximate dollars involved; (f) disposition of the case; (g) service type; and (i) any other relevant information requested by the Agency.

Revision 17: The following text is incorporated into the Contract as Special Contract Attachment entitled Section 3.1(B):

3.1(B) Rate Sheet for rating period 7/1/2019 through 6/30/2020

Capitation Rates (12 month rates):

State of Iowa Department of Human Services SFY 2020 Dental Wellness Plan Capitation Rate Development Gross and Net Capitation Rates		
Rate Cell	**SFY 2020 Gross Rate**	**SFY 2020 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 2020 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
7/1/2019 – 6/30/2020	88%

2% Withhold Payment Obligations:

Performance Measure	Required Contractual Standard	Withhold Payment Obligation	
Access to Dental Services	Within each Contract year, at least 25 percent of enrollees who have had continuous enrollment with the Contractor for at least six months shall have received at least one dental service.	Perf. Level	Percentage of Withhold Payable
		30% or above	50%
		29%	40%
		28%	30%
		27%	20%
		26%	10%
		25% or below	0%
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 65 percent of those enrollees have a preventive exam within each Contract year.	Perf. Level	Percentage of Withhold Payable
		70% or above	30%
		69%	25%
		68%	20%
		67%	15%
		66%	10%
		65% or below	0%
Continued Preventive Utilization	Twenty-five 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.	Perf. Level	Percentage of Withhold Payable
		30% or above	20%
		29%	15%
		28%	12%
		27%	10%
		26%	5%
		25% or below	0%

SFY20 Risk Corridor

Structure

The Agency will provide a risk corridor based on the Contractor's medical loss ratio (MLR) for the Contract period of State Fiscal Year 2020 (SFY20 – July 1, 2019 through June 30, 2020) (the "SFY20 Risk Corridor"). The SFY20 Risk Corridor will be applied to all members enrolled with the Contractor at any time during SFY20. The SFY20 Risk Corridor may result in settlements owed by the Contractor or the Agency, depending on the final MLR and agreed upon Risk Corridor structure.

The settlement is the calculated gain or loss experienced by the Contractor for SFY20 determined when comparing the risk corridor MLR, calculated after the end of SFY20, from the claims experience to the risk sharing corridor percentages in the table below. The risk corridor MLR is calculated as the total adjusted dental expenditures divided by the total adjusted capitation revenue.

Adjusted Dental Expenditures

Adjusted dental expenditures will be determined by the Contractor in accordance with Section 4 § 438.8 of this Contract and shall be reviewed by Agency or the Agency's contracted actuaries based on encounter data and plan financial data submitted by Contractor. Adjusted dental expenditures only include services covered by the State Plan and the Contractor and will exclude all expenditures that are in addition to those covered under the State Plan.

The Agency reserves the right to audit claims expenditures. For purposes of the SFY20 Risk Corridor calculations, the Agency will sample the submitted encounter data to ensure compliance with the calculation of the MLR. 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.

Adjusted Capitation Revenue

The total adjusted capitation revenue includes withholds earned by Contractor, but excludes taxes, fees (e.g., Health Insurer Provider Tax (HIPF)), and any bonus or incentives earned by Contractor.

Risk Sharing Corridor

Agency and Contractor agree to share the risk of adjusted dental expenditures as follows:

Risk Corridor: Min	Risk Corridor: Max	PHAP Share	State Share
0.0%	88.0%	0%	100%
88.0%	90.0%	100%	0%
90.0%	92.5%	100%	0%
92.5%	107.5%	0%	100%
107.5%	And above	0%	100%

Timing

Before February 16, 2021, the Contractor shall provide the Agency with a complete and accurate report of actual dental expenditures, by category of service, for enrollees, based on claims incurred for the SFY20 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.

The Agency will review Contractor's risk corridor submission and within 60 days shall either (1) request additional information from Contractor or revisions to the Contractor's calculations, or (2) provide the Contractor with a payment in immediately available funds equal to the Agency Share of the total adjusted dental expenditures for the SFY20 Contract period (the "Total Agency Risk Corridor Payment"). If the Agency requests clarification or revision of the Contractor's calculations, the Agency shall again review

the Contractor's subsequent submission consistent with the terms of this paragraph. Once the Agency accepts the Contractor's submission without revision and without seeking additional information, any balance due either the Agency or the Contractor, as the case may be, will be paid within 60 days of the date of such acceptance.

Acceptance by Contractor of the Total Agency Risk Corridor Payment for the SFY20 Risk Corridor obligation set forth above irrevocably and unconditionally releases, acquits, and forever discharges the State of Iowa, the Agency, and all of the Agency's officers, directors, employees, agents, contractors, and attorneys, from any and all liability whatsoever from any and all claims, demands and causes of action of every nature whatsoever that Contractor may have or may ever claim to have now existing or hereafter arising that relate to or arise out of any assertion regarding the reasonableness of the SFY20 Risk Corridor.

Revision 18: Special Contract Attachment entitled Section 3.2 Covered Services is hereby replaced with the document attached hereto and labeled Section 3.2 Full Benefit Services.

Revision 19: Special Contract Attachment entitled Section 3.3 Excluded Codes is hereby replaced with the document attached hereto and labeled Section 3.3 Healthy Behaviors.

Revision 20: Special Contract Attachment entitled Section 3.4 Required Prior Authorization Codes is hereby replaced with the document attached hereto and labeled Section 3.4 Basic Benefit Codes.

Revision 21: The document attached hereto entitled Section 3.5 ABM Excluded Services is hereby incorporated into the Contract as Special Contract Attachment 3.5.

Revision 22: The document attached hereto entitled Section 3.6 Prior Authorization Services is hereby incorporated into the Contract as Special Contract Attachment 3.6.

Revision 23: The document attached hereto entitled Section 3.7 Contract Compliance is hereby incorporated into the Contract as Special Contract Attachment 3.7.

Revision 24. 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 #:** 847610995 **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 Medicaid Services

Section 3: 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 4: 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:	Date: 6-26-19	Signature of Authorized Representative:	Date: 7-12-19
Printed Name: Shannon Turner		Printed Name: Gerd Clabaugh	
Title: Vice President of Operations		Title: Interim Director	