COMMONWEALTH OF MASSACHUSETTS ~ STANDARD CONTRACT FORM

This form is jointly issued and published by the Office of the Comptroller (CTR), the Executive Office for Administration and Finance (ANF), and the Operational Services Division (OSD) as the default contract for all Commonwealth Departments when another form is not prescribed by regulation or policy. The Commonwealth deems void any changes made on or by attachment (in the form of addendum, engagement letters, contract forms or invoice terms) to the terms in this published form or to the Standard Contract Form Instructions and Contractor Certifications, the Commonwealth Terms and Conditions for Human and Social Services or the Commonwealth IT Terms and Conditions which are incorporated by reference herein. Additional non-conflicting terms may be added by Attachment. Contractors are required to access published forms at CTR Forms: https://www.macomptroller.org/forms. Forms are also posted at OSD Forms: https://www.mass.gov/lists/osd-forms.

CONTRACTOR LEGAL NAME: Tufts Health Public Plans, Inc. (and d/b/a):		**COMMONWEALTH DEPARTMENT NAME:** Executive Office of Health and Human Services **MMARS Department Code:** EHS	
Legal Address: (W-9, W-4): 705 Mount Auburn St., Watertown, MA, 02472		**Business Mailing Address:** One Ashburton Place, 11th Floor, Boston, MA 02108	
Contract Manager: Ashley Hague	**Phone:** 617-972-9400 x87089	**Billing Address (if different):**	
E-Mail: Ashley_Hague@tufts-health.com	**Fax:**	**Contract Manager:** Derek Tymon	**Phone:** 617-847-6587
Contractor Vendor Code: VC0000577707		**E-Mail:** Derek.Tymon@mass.gov	**Fax:**
Vendor Code Address ID (e.g. "AD001"): AD002. **(Note: The Address ID must be set up for EFT payments.)**		**MMARS Doc ID(s):** N/A **RFR/Procurement or Other ID Number:** BD-17-1039-EHS01-EHS01-10209	

☐ **NEW CONTRACT**

PROCUREMENT OR EXCEPTION TYPE: (Check one option only)

- ☐ **Statewide Contract** (OSD or an OSD-designated Department)
- ☐ **Collective Purchase** (Attach OSD approval, scope, budget)
- ☐ **Department Procurement** (includes all Grants - 815 CMR 2.00) (Solicitation Notice or RFR, and Response or other procurement supporting documentation)
- ☐ **Emergency Contract** (Attach justification for emergency, scope, budget)
- ☐ **Contract Employee** (Attach Employment Status Form, scope, budget)
- ☐ **Other Procurement Exception** (Attach authorizing language, legislation with specific exemption or earmark, and exception justification, scope and budget)

☒ **CONTRACT AMENDMENT**

Enter Current Contract End Date *Prior* to Amendment: December 31, 2022.

Enter Amendment Amount: $ no change. (or "no change")

AMENDMENT TYPE: (Check one option only. Attach details of amendment changes.)

- ☒ **Amendment to Date, Scope or Budget** (Attach updated scope and budget)
- ☐ **Interim Contract** (Attach justification for Interim Contract and updated scope/budget)
- ☐ **Contract Employee** (Attach any updates to scope or budget)
- ☐ **Other Procurement Exception** (Attach authorizing language/justification and updated scope and budget)

The Standard Contract Form Instructions and Contractor Certifications and the following Commonwealth Terms and Conditions document are incorporated by reference into this Contract and are legally binding: (Check ONE option): ☒ Commonwealth Terms and Conditions ☐ Commonwealth Terms and Conditions For Human and Social Services ☐ Commonwealth IT Terms and Conditions

COMPENSATION: (Check ONE option): The Department certifies that payments for authorized performance accepted in accordance with the terms of this Contract will be supported in the state accounting system by sufficient appropriations or other non-appropriated funds, subject to intercept for Commonwealth owed debts under 815 CMR 9.00.

☒ **Rate Contract.** (No Maximum Obligation) Attach details of all rates, units, calculations, conditions or terms and any changes if rates or terms are being amended.)

☐ **Maximum Obligation Contract.** Enter total maximum obligation for total duration of this contract (or *new* total if Contract is being amended). $__.

PROMPT PAYMENT DISCOUNTS (PPD): Commonwealth payments are issued through EFT 45 days from invoice receipt. Contractors requesting accelerated payments must identify a PPD as follows: Payment issued within 10 days __% PPD; Payment issued within 15 days __ % PPD; Payment issued within 20 days __ % PPD; Payment issued within 30 days % PPD. If PPD percentages are left blank, identify reason: ☒ agree to standard 45 day cycle ☐ statutory/legal or Ready Payments (M.G.L. c. 29, § 23A); ☐ only initial payment (subsequent payments scheduled to support standard EFT 45 day payment cycle. See Prompt Pay Discounts Policy.)

BRIEF DESCRIPTION OF CONTRACT PERFORMANCE or REASON FOR AMENDMENT: (Enter the Contract title, purpose, fiscal year(s) and a detailed description of the scope of performance or what is being amended for a Contract Amendment. Attach all supporting documentation and justifications.)

This Amendment 1 to the Third Amended and Restated MCO Contract with Tufts Health Public Plans updates payment provisions in the Contract effective January 1, 2021.

ANTICIPATED START DATE: (Complete ONE option only) The Department and Contractor certify for this Contract, or Contract Amendment, that Contract obligations:

- ☐ 1. may be incurred as of the Effective Date (latest signature date below) and no obligations have been incurred prior to the Effective Date.
- ☐ 2. may be incurred as of __, 20__, a date LATER than the Effective Date below and no obligations have been incurred prior to the Effective Date.
- ☒ 3. were incurred as of January 1, 2020, a date PRIOR to the Effective Date below, and the parties agree that payments for any obligations incurred prior to the Effective Date are authorized to be made either as settlement payments or as authorized reimbursement payments, and that the details and circumstances of all obligations under this Contract are attached and incorporated into this Contract. Acceptance of payments forever releases the Commonwealth from further claims related to these obligations.

CONTRACT END DATE: Contract performance shall terminate as of December 31, 2022, with no new obligations being incurred after this date unless the Contract is properly amended, provided that the terms of this Contract and performance expectations and obligations shall survive its termination for the purpose of resolving any claim or dispute, for completing any negotiated terms and warranties, to allow any close out or transition performance, reporting, invoicing or final payments, or during any lapse between amendments.

CERTIFICATIONS: Notwithstanding verbal or other representations by the parties, the **"Effective Date"** of this Contract or Amendment shall be the latest date that this Contract or Amendment has been executed by an authorized signatory of the Contractor, the Department, or a later Contract or Amendment Start Date specified above, subject to any required approvals. The Contractor certifies that they have accessed and reviewed all documents incorporated by reference as electronically published and the Contractor makes all certifications required under the Standard Contract Form Instructions and Contractor Certifications under the pains and penalties of perjury, and further agrees to provide any required documentation upon request to support compliance, and agrees that all terms governing performance of this Contract and doing business in Massachusetts are attached or incorporated by reference herein according to the following hierarchy of document precedence, the applicable Commonwealth Terms and Conditions, this Standard Contract Form, the Standard Contract Form Instructions and Contractor Certifications, the Request for Response (RFR) or other solicitation, the Contractor's Response (excluding any language stricken by a Department as unacceptable, and additional negotiated terms, provided that additional negotiated terms will take precedence over the relevant terms in the RFR and the Contractor's Response only if made using the process outlined in 801 CMR 21.07, incorporated herein, provided that any amended RFR or Response terms result in best value, lower costs, or a more cost effective Contract.

AUTHORIZING SIGNATURE FOR THE CONTRACTOR:

X: _____. Date: 12-28-2020.
(Signature and Date Must Be Handwritten At Time of Signature)

Print Name: Jean Yang.

Print Title: President, THPP.

AUTHORIZING SIGNATURE FOR THE COMMONWEALTH:

X: _____. Date: _____.
(Signature and Date Must Be Handwritten At Time of Signature)

Print Name: Daniel Tsai.

Print Title: Assistant Secretary for MassHealth.

COMMONWEALTH OF MASSACHUSETTS ~ STANDARD CONTRACT FORM

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Legal Address: (W-9, W-4): 705 Mount Auburn St., Watertown, MA, 02472		**Business Mailing Address:** One Ashburton Place, 11th Floor, Boston, MA 02108	
Contract Manager: Ashley Hague	**Phone:** 617-972-9400 x87089	**Billing Address (if different):**	
E-Mail: Ashley_Hague@tufts-health.com	**Fax:**	**Contract Manager:** Derek Tymon	**Phone:** 617-847-6587
Contractor Vendor Code: VC0000577707		**E-Mail:** Derek.Tymon@mass.gov	**Fax:**
Vendor Code Address ID (e.g. "AD001"): AD002. **(Note: The Address ID must be set up for EFT payments.)**		**MMARS Doc ID(s):** N/A	
		RFR/Procurement or Other ID Number: BD-17-1039-EHS01-EHS01-10209	

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☐ **Contract Employee** (Attach Employment Status Form, scope, budget)
☐ **Other Procurement Exception** (Attach authorizing language, legislation with specific exemption or earmark, and exception justification, scope and budget)

☒ **CONTRACT AMENDMENT**

Enter **Current Contract End Date *Prior*** to Amendment: **December 31, 2022.**
Enter **Amendment Amount**: $ no change. (or "no change")

AMENDMENT TYPE: (Check one option only. Attach details of amendment changes.)

☒ **Amendment to Date, Scope or Budget** (Attach updated scope and budget)
☐ **Interim Contract** (Attach justification for Interim Contract and updated scope/budget)
☐ **Contract Employee** (Attach any updates to scope or budget)
☐ **Other Procurement Exception** (Attach authorizing language/justification and updated scope and budget)

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COMPENSATION: (Check ONE option): The Department certifies that payments for authorized performance accepted in accordance with the terms of this Contract will be supported in the state accounting system by sufficient appropriations or other non-appropriated funds, subject to intercept for Commonwealth owed debts under 815 CMR 9.00.
☒ **Rate Contract.** (No Maximum Obligation) Attach details of all rates, units, calculations, conditions or terms and any changes if rates or terms are being amended.)
☐ **Maximum Obligation Contract.** Enter total maximum obligation for total duration of this contract (or ***new*** total if Contract is being amended). $___.

PROMPT PAYMENT DISCOUNTS (PPD): Commonwealth payments are issued through EFT 45 days from invoice receipt. Contractors requesting **accelerated** payments must identify a PPD as follows: Payment issued within 10 days ___% PPD; Payment issued within 15 days ___ % PPD; Payment issued within 20 days ___ % PPD; Payment issued within 30 days ___% PPD. If PPD percentages are left blank, identify reason: ☒ agree to standard 45 day cycle ☐ statutory/legal or Ready Payments (M.G.L. c. 29, § 23A); ☐ only initial payment (subsequent payments scheduled to support standard EFT 45 day payment cycle. See Prompt Pay Discounts Policy.)

BRIEF DESCRIPTION OF CONTRACT PERFORMANCE or REASON FOR AMENDMENT: (Enter the Contract title, purpose, fiscal year(s) and a detailed description of the scope of performance or what is being amended for a Contract Amendment. Attach all supporting documentation and justifications.)

This **Amendment 1 to the Third Amended and Restated MCO Contract** with Tufts Health Public Plans updates payment provisions in the Contract effective January 1, 2021.

ANTICIPATED START DATE: (Complete ONE option only) The Department and Contractor certify for this Contract, or Contract Amendment, that Contract obligations:

☐ 1. may be incurred as of the Effective Date (latest signature date below) and no obligations have been incurred prior to the Effective Date.
☐ 2. may be incurred as of ___, 20___, a date **LATER** than the Effective Date below and no obligations have been incurred **prior** to the Effective Date.
☒ 3. were incurred as of **January 1, 2020**, a date **PRIOR** to the Effective Date below, and the parties agree that payments for any obligations incurred prior to the Effective Date are authorized to be made either as settlement payments or as authorized reimbursement payments, and that the details and circumstances of all obligations under this Contract are attached and incorporated into this Contract. Acceptance of payments forever releases the Commonwealth from further claims related to these obligations.

CONTRACT END DATE: Contract performance shall terminate as of **December 31, 2022,** with no new obligations being incurred after this date unless the Contract is properly amended, provided that the terms of this Contract and performance expectations and obligations shall survive its termination for the purpose of resolving any claim or dispute, for completing any negotiated terms and warranties, to allow any close out or transition performance, reporting, invoicing or final payments, or during any lapse between amendments.

CERTIFICATIONS: Notwithstanding verbal or other representations by the parties, the **"Effective Date"** of this Contract or Amendment shall be the latest date that this Contract or Amendment has been executed by an authorized signatory of the Contractor, the Department, or a later Contract or Amendment Start Date specified above, subject to any required approvals. The Contractor certifies that they have accessed and reviewed all documents incorporated by reference as electronically published and the Contractor makes all certifications required under the Standard Contract Form Instructions and Contractor Certifications under the pains and penalties of perjury, and further agrees to provide any required documentation upon request to support compliance, and agrees that all terms governing performance of this Contract and doing business in Massachusetts are attached or incorporated by reference herein according to the following hierarchy of document precedence, the applicable Commonwealth Terms and Conditions, this Standard Contract Form, the Standard Contract Form Instructions and Contractor Certifications, the Request for Response (RFR) or other solicitation, the Contractor's Response (excluding any language stricken by a Department as unacceptable, and additional negotiated terms, provided that additional negotiated terms will take precedence over the relevant terms in the RFR and the Contractor's Response only if made using the process outlined in 801 CMR 21.07, incorporated herein, provided that any amended RFR or Response terms result in best value, lower costs, or a more cost effective Contract.

AUTHORIZING SIGNATURE FOR THE CONTRACTOR:

X: _____. Date: _____.
(Signature and Date Must Be Handwritten At Time of Signature)

Print Name: _____.

Print Title: _____.

AUTHORIZING SIGNATURE FOR THE COMMONWEALTH:

X: _____. Date: 12/29/20.
(Signature and Date Must Be Handwritten At Time of Signature)

Print Name: Daniel Tsai.

Print Title: Assistant Secretary for MassHealth.

AMENDMENT #1

TO THE

THIRD AMENDED AND RESTATED

MASSHEALTH MANAGED CARE ORGANIZATION CONTRACT

WITH

TUFTS HEALTH PUBLIC PLANS, INC.

WHEREAS, the Executive Office of Health and Human Services ("EOHHS") and Tufts Health Public Plans, Inc. ("Contractor") entered into the Contract effective October 2, 2017, and with an Operational Start Date of March 1, 2018, to make available high quality, coordinated, comprehensive health care services on a capitated basis to specific eligible groups; and

WHEREAS, EOHHS and the Contractor last amended and restated the Contract effective January 1, 2021, (the Third Amended and Restated Managed Care Organization Contract);

WHEREAS, in accordance with **Section 5.8** of the Contract, EOHHS and the Contractor desire to amend the Contract effective January 1, 2021; and

WHEREAS, EOHHS and the Contractor agree that the terms stated herein are subject to all required approvals of the federal Centers for Medicare and Medicaid Services (CMS);

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Contractor and EOHHS agree as follows:

1. **Section 2, Contractor Responsibilities,** is hereby amended by adding a new **Section 2.7.D.6.c** as follows:

   "c. If the Contractor does not comply with this **Section 2.7.D.6**, with respect to its payments to hospitals, EOHHS may decrease the stop-loss payment made to the Contractor as described in **Sections 4.3.I** and **6.5.K.12**."

2. **Section 2, Contractor Responsibilities,** is hereby amended by deleting "as directed by EOHHS:" in **Section 2.7.D.7.b** and inserting in place thereof the following: "as directed by and at a rate specified by EOHHS."

3. **Section 2, Contractor Responsibilities,** is hereby amended by deleting **Sections 2.7.D.7.b.1-3** in their entirety.

4. **Section 4, Payment and Financial Provisions,** is hereby amended by adding a new **Section 4.2.L** as follows:

"L. Loss of Program Authority

As required by CMS, should any part of the scope of work under this contract relate to a state program that is no longer authorized by law (e.g., which has been vacated by a court of law, or for which CMS has withdrawn federal authority, or which is the subject of a legislative repeal), the Contractor must do no work on that part after the effective date of the loss of program authority. The state must adjust capitations to remove costs that are specific to any program or activity that is no longer authorized by law. If the Contractor works on a program or activity no longer authorized by law after the date the legal authority for the work ends, the Contractor will not be paid for that work. If the state paid the Contractor in advance to work on a no-longer-authorized program or activity and under the terms of this contract the work was to be performed after the date the legal authority ended, the payment for that work should be returned to the state. However, if the Contractor worked on a program or activity prior to the date legal authority ended for that program or activity, and the state included the cost of performing that work in its payments to the Contractor, the Contractor may keep the payment for that work even if the payment was made after the date the program or activity lost legal authority."

5. **Section 4, Payment and Financial Provisions,** is hereby amended by deleting **Section 4.3.C.3** in its entirety and replacing it with the following **Section 4.3.C.3**:

"3. The Supplemental Specialized Inpatient Psychiatric Services Payment and associated expenditures shall be included in the risk sharing arrangement calculations set forth in **Section 4.5,** as part of the Non High Cost Drug/Non-HCV Medical Component and actual medical expenditures, respectively."

6. **Section 4, Payment and Financial Provisions,** is hereby amended by adding a new **Section 4.3.I** as follows:

"I. Stop-loss Payment

EOHHS shall pay the Contractor a stop-loss payment as follows and as further specified by EOHHS:

1. The stop-loss payment shall be an amount equal to 95 percent (95%) of allowed expenditures in excess of an attachment point per Enrollee hospital inpatient admission as determined by EOHHS and set forth in **Appendix D**.

2. EOHHS shall pay the Contractor such amount as set forth above for each loss on an interim schedule as determined by EOHHS.

3. If EOHHS determines that a payment by the Contractor for an inpatient hospital admission does not comply with **Section 2.7.D.6**, EOHHS may

decrease a stop-loss payment made to the Contractor in accordance with **Section 6.5.K12**."

7. **Section 4, Payment and Financial Provisions,** is hereby amended by adding in **Section 4.5.B.3.b** ", including any Claims run-out specified by EOHHS" after "risk sharing arrangement".

8. **Section 4, Payment and Financial Provisions**, is hereby amended by adding a new **Section 4.5.B.6** as follows:

   "6. EOHHS may verify any data the Contractor submits to EOHHS in a manner it determines appropriate."

9. **Section 4, Payment and Financial Provisions**, is hereby amended by deleting **Section 4.5.C** in its entirety and replacing it with a new **Section 4.5.C** as follows:

   "C. Market-Wide Risk Sharing Arrangement ("Market Corridor") for the Contract Year

   For all Regions and Rating Categories, the Contractor and EOHHS shall share risk for the Non-High-Cost Drug /Non-HCV Medical ("Core Medical") Component of the Base Capitation Rate and Supplemental Specialized Inpatient Psychiatric Services Payment set forth in **Section 4.3.C** in accordance with the following provisions.

   1. Overall Approach

      As further described in this section, this risk sharing arrangement shall be based on certain revenue and expenditures across MassHealth managed care plans, described as Market Corridor revenue and Market Corridor expenditures, respectively.

   2. Market Corridor Revenue

      EOHHS shall first determine the Market Corridor revenue. For each MassHealth Accountable Care Partnership Plan ("ACPP"), Managed Care Organization ("MCO"), Primary Care Accountable Care Organization ("PCACO"), and the Primary Care Clinician Plan ("PCC Plan") (each a "plan"), EOHHS shall multiply by Region and Rating Category each plan's respective Core Medical component of the Base Capitation Rate or total cost of care (TCOC) benchmark, as applicable, for the Contract Year, per member, per month, by each plan's experienced member months for the Contract Year as determined by EOHHS, and by each plan's concurrent risk scores. The sum of such calculation across plans, plus any Supplemental Specialized Inpatient Psychiatric Services Payment and benchmark adjustment, as applicable, for each plan, shall equal the Market Corridor revenue.

3. Market Corridor Expenditures

EOHHS shall then determine the Market Corridor expenditures. Such expenditures shall equal the sum across plans of Core Medical actual medical expenditures related to MCO Covered Services in **Appendix C**, as well as ACO covered services (for ACPPs), services included in TCOC (for PCACOs), and comparable services for the PCC Plan, including those services related to the Supplemental Specialized Inpatient Psychiatric Services Payment and benchmark adjustment, as applicable, for the applicable Contract Year in aggregate across all Regions and Rating Categories, as applicable, and based on data provided by ACPPs and MCOs, including by the Contractor in accordance with **Section 4.5.B**, and EOHHS data for PCACOs and the PCC Plan.

a. Such expenditures shall exclude any and all case management costs.

b. Such expenditures shall exclude expenditures for which EOHHS makes a payment to the Contractor, and related payments or adjustments for other plans, pursuant to stop-loss provisions at **Section 4.3.I**.

c. EOHHS may make appropriate adjustments as necessary related to the Market Corridor expenditure calculation described above.

4. If the Market Corridor expenditures, as determined by EOHHS in accordance with the above provisions, are greater than or less than the Market Corridor revenue, as determined by EOHHS in accordance with the above provisions, the Contractor shall share in the resulting loss or gain in accordance with **Appendix D**.

5. In addition, the Contractor's share of the resulting loss or gain, as set forth above, shall be an adjustment applied to the Contractor's Core Medical revenue for the purposes of calculating the Contract-Wide Risk Sharing Arrangement in **Section 4.5.D** below.

6. EOHHS shall exclude from all calculations related to this risk sharing arrangement the Contractor's reinsurance premiums paid and recovery revenues received if the Contractor chooses to purchase reinsurance."

10. **Section 4, Payment and Financial Provisions**, is hereby amended by renumbering existing **Sections 4.5.D-K** as **Sections 4.5.E-L** accordingly and adding a new **Section 4.5.D** as follows:

"D. Contract-Wide Risk Sharing Arrangement ("Plan Corridor") for the Contract Year

For all Regions and Rating Categories, the Contractor and EOHHS shall share risk for the Non-High-Cost Drug /Non-HCV Medical ("Core Medical") Component of the Base Capitation Rate, any Market Corridor adjustment as described in **Section 4.5.C**, and Supplemental Specialized Inpatient Psychiatric Services Payment set forth in **Section 4.3.C** in accordance with the following provisions.

1. Overall Approach

   As further described in this section, this risk sharing arrangement shall be based on certain revenue and expenditures for the Contractor, described as Plan Corridor revenue and Plan Corridor expenditures, respectively.

2. Plan Corridor Revenue

   EOHHS shall first determine the Plan Corridor revenue. EOHHS shall multiply by Region and Rating Category the Contractor's Core Medical component of the Base Capitation Rate, for the Contract Year, as set forth in **Appendix D**, per member, per month, by the Contractor's experienced member months for the Contract Year as determined by EOHHS, and by the Contractor's concurrent risk scores. Such product, plus any Market Corridor adjustment as described in **Section 4.5.C** and plus any Supplemental Specialized Inpatient Psychiatric Services Payment shall equal the Plan Corridor revenue.

3. Plan Corridor Expenditures

   EOHHS shall then determine the Contractor's Plan Corridor expenditures. Such expenditures shall equal the Contractor's Core Medical actual medical expenditures in aggregate across all Regions and Rating Categories related to ACO Covered Services in **Appendix C,** including those services related to the Supplemental Specialized Inpatient Psychiatric Services Payment and benchmark adjustment, as applicable, for the applicable Contract Year based on data provided by the Contractor in accordance with **Section 4.5.B**.

   a. Such expenditures shall exclude any and all case management costs.

   b. Such expenditures shall exclude expenditures for which EOHHS makes a payment to the Contractor pursuant to stop-loss provisions at **Section 4.3.I**.

   c. EOHHS may make appropriate adjustments as necessary related to the Plan Corridor expenditure calculation described above.

4. If the Contractor's Plan Corridor expenditures, as determined by EOHHS in accordance with the above provisions is greater than or less than the Contractor's Plan Corridor revenue, the Contractor and EOHHS shall share the resulting loss or gain in accordance with **Appendix D**, subject to the adjustment in **Section 4.5.L** below.

5. If the Contractor incurs a loss that would require EOHHS to make a risk sharing payment to the Contractor, and the Contractor has paid an amount for ACO Covered Services that exceeds the amount that EOHHS would have paid for the same services in accordance with EOHHS's fee schedule, then EOHHS may reprice the Contractor's paid Claims to reflect EOHHS's fee schedule for the purposes of calculating the risk-sharing payment described in this section. If EOHHS has approved an Alternative Payment Methodology (APM) for the Contractor, EOHS shall apply an adjustment to the Contractor's repriced paid claims comparable to the APM adjustment that EOHHS used with respect to the Contractor during Capitation Rate development for the Contract Year. If such repricing results in the Contractor incurring a gain, EOHHS shall cap the EOHHS share of such gain at $0.

6. EOHHS shall exclude from all calculations related to this risk sharing arrangement the Contractor's reinsurance premiums paid and recovery revenues received if the Contractor chooses to purchase reinsurance."

11. **Section 4, Payment and Financial Provisions**, is hereby amended by inserting after "For RCs I Child and II Child," in **Section 4.5.E** and **Section 4.5.F** (as renumbered) the following: "and for Enrollees in other RCs as determined appropriate by EOHHS,".

12. **Section 5, Additional Terms and Conditions**, is hereby amended by adding a new **Section 5.3.K.12** as follows:

    "12. If the Contractor does not comply with **Section 2.7.D.6** with respect to its payments to hospitals, EOHHS may decrease the stop-loss payment made to the Contractor as described in **Section 4.3.I**. Such decrease shall be in an amount to bring the total stop-loss payment to be equal to as if the Contractor had complied with **Section 2.7.D.6**."

13. **Appendix D**, **Payment**, is hereby deleted in its entirety and replaced with a new **Appendix D** attached hereto.

14. **Appendix P**, **MCO-Administered ACO Contract Specifications**, is hereby deleted in its entirety and replaced with a new **Appendix P** attached hereto.

APPENDIX D
PAYMENT

EXHIBIT 1
BASE CAPITATION RATES AND ADD-ONS
Contract Year 4

Listed below are the Per Member Per Month (PMPM) Base Capitation Rates for Contract Year 4 (January 1, 2021, through December 31, 2021) (also referred to as Rate Year 2021 or RY21), subject to state appropriation and all necessary federal approvals.

Base Capitation Rates do not include EOHHS adjustments described in **Sections 4.2.C** and **4.2.E**. of the Contract.

In addition to the Base Capitation Rates tables below, additional tables include the add-ons for the Contract Year for CBHI Services as described in **Section 4.5.D**, for ABA Services as described in **Section 4.5.E**, and for SUD Risk Sharing Services as described in **Section 4.5.I**. The add-ons for CBHI Services, ABA Services and SUD Risk Sharing Services are the same for all Regions and will be added to the Risk Adjusted Capitation Rates as defined in **Section 4.2.E**.

MCO Base Capitation Rates / RC I Adult					
Effective January 1, 2021 – December 31, 2021 (RY 21)					
REGION	NON-HIGH COST DRUG / NON-HCV MEDICAL COMPONENT (per member per month)	HCV COMPONENT (per member per month)	NON-HCV HIGH COST DRUG COMPONENT (per member per month)	ADMINISTRATIVE COMPONENT (per member per month)	TOTAL BASE CAPITATION RATE (per member per month)
Northern	$478.94	$3.89	$1.03	$45.27	$529.13
Greater Boston	$482.18	$3.41	$1.89	$46.28	$533.76
Southern	$531.62	$6.05	$3.26	$47.70	$588.63
Central	$458.47	$4.29	$2.63	$44.43	$509.82
Western	$439.68	$3.25	$1.56	$43.89	$488.38

MCO Base Capitation Rates / RC I Child					
Effective January 1, 2021 – December 31, 2021 (RY 21)					
REGION	NON-HIGH COST DRUG / NON-HCV MEDICAL COMPONENT (per member per month)	HCV COMPONENT (per member per month)	NON-HCV HIGH COST DRUG COMPONENT (per member per month)	ADMINISTRATIVE COMPONENT (per member per month)	TOTAL BASE CAPITATION RATE (per member per month)
Northern	$201.63	$0.03	$4.09	$38.12	$243.87
Greater Boston	$199.19	$0.02	$4.12	$38.81	$242.14
Southern	$200.64	$0.05	$4.21	$37.72	$242.62
Central	$190.05	$0.03	$5.34	$36.91	$232.33
Western	$192.42	$0.03	$2.34	$36.86	$231.65

MCO Base Capitation Rates / RC II Adult					
Effective January 1, 2021 – December 31, 2021 (RY 21)					
REGION	NON-HIGH COST DRUG / NON-HCV MEDICAL COMPONENT (per member per month)	HCV COMPONENT (per member per month)	NON-HCV HIGH COST DRUG COMPONENT (per member per month)	ADMINISTRATIVE COMPONENT (per member per month)	TOTAL BASE CAPITATION RATE (per member per month)
Northern	$1,692.08	$17.82	$18.00	$113.55	$1,841.45
Greater Boston	$1,817.92	$22.10	$18.75	$121.01	$1,979.78
Southern	$1,836.20	$23.89	$14.69	$117.39	$1,992.17
Central	$1,643.41	$16.86	$22.17	$110.62	$1,793.06
Western	$1,503.45	$13.95	$18.84	$101.05	$1,637.29

MCO Base Capitation Rates / RC II Child					
Effective January 1, 2021 – December 31, 2021 (RY 21)					
REGION	NON-HIGH COST DRUG / NON-HCV MEDICAL COMPONENT (per member per month)	HCV COMPONENT (per member per month)	NON-HCV HIGH COST DRUG COMPONENT (per member per month)	ADMINISTRATIVE COMPONENT (per member per month)	TOTAL BASE CAPITATION RATE (per member per month)
Northern	$850.48	$0.13	$73.06	$94.94	$1,018.61
Greater Boston	$868.04	$0.19	$162.49	$104.87	$1,135.59
Southern	$832.05	$0.19	$36.15	$92.81	$961.20
Central	$825.71	$0.11	$92.36	$93.77	$1,011.95
Western	$608.16	$0.08	$36.91	$73.04	$718.19

MCO Base Capitation Rates / RC IX					
Effective January 1, 2021 – December 31, 2021 (RY 21)					
REGION	NON-HIGH COST DRUG / NON-HCV MEDICAL COMPONENT (per member per month)	HCV COMPONENT (per member per month)	NON-HCV HIGH COST DRUG COMPONENT (per member per month)	ADMINISTRATIVE COMPONENT (per member per month)	TOTAL BASE CAPITATION RATE (per member per month)
Northern	$616.65	$9.93	$6.23	$51.96	$684.77
Greater Boston	$585.77	$10.30	$7.62	$51.45	$655.14
Southern	$677.91	$14.51	$7.44	$56.20	$756.06
Central	$600.92	$9.32	$7.63	$52.63	$670.50
Western	$564.96	$9.89	$2.05	$49.92	$626.82

MCO Base Capitation Rates / RC X					
Effective January 1, 2021 – December 31, 2021 (RY 21)					
REGION	NON-HIGH COST DRUG / NON-HCV MEDICAL COMPONENT (per member per month)	HCV COMPONENT (per member per month)	NON-HCV HIGH COST DRUG COMPONENT (per member per month)	ADMINISTRATIVE COMPONENT (per member per month)	TOTAL BASE CAPITATION RATE (per member per month)
Northern	$1,681.65	$33.19	$3.61	$116.31	$1,834.76
Greater Boston	$1,597.34	$35.45	$53.04	$110.88	$1,796.71
Southern	$1,781.23	$70.52	$2.29	$117.30	$1,971.34
Central	$1,716.98	$31.04	$2.18	$118.61	$1,868.81
Western	$1,491.46	$32.70	$3.01	$104.35	$1,631.52

CBHI Add-On to Risk Adjusted Capitation Rates
Effective January 1, 2021 – December 31, 2021 (RY 21)

CBHI Add-On to Risk Adjusted Capitation Rates PMPM	
RC-I Child	$18.63
RC-II Child	$94.58

ABA Add-On to Risk Adjusted Capitation Rates
Effective January 1, 2021 – December 31, 2021 (RY 21)

ABA Add-On to Risk Adjusted Capitation Rates PMPM	
RC-I Child	$5.07
RC-II Child	$167.08

SUD Risk Sharing Services Add-On to Risk Adjusted Capitation Rates Effective January 1, 2021 – December 31, 2021 (RY 21)

SUD Risk Sharing Services Add-On to Risk Adjusted Capitation Rates PMPM	
RC-I Adult	$7.19
RC-I Child	$0.21
RC-II Adult	$11.28
RC-II Child	$0.21
RC-IX	$13.57
RC-X	$99.73

EXHIBIT 2
ADJUSTMENTS OR ADDITIONS TO PAYMENTS
Contract Year 4

The tables below include the Supplemental Maternity Payment per Delivery Event for the Contract Year as described in **Section 4.3.B**, the Supplemental Specialized Inpatient Psychiatric Services Payment for the Contract Year as described in **Sections 2.7.D.7** and **4.3.C,** and the admission-level stop-loss attachment point for the Contract Year as described in **Section 4.3.C**.

Supplemental Maternity Payment All Rating Categories	
Effective January 1, 2021- December 31, 2021	
Region	**Supplemental Payment per Delivery Event**
Northern	**$8,231.16**
Greater Boston	**$8,793.20**
Southern	**$8,443.37**
Central	**$8,180.71**
Western	**$8,002.37**

Supplemental Specialized Inpatient Psychiatric Services Payment	
Effective January 1, 2021 - December 31, 2021	
Region	**Supplemental Payment Per Inpatient Day**
Northern	**$600.00**
Greater Boston	**$600.00**
Southern	**$600.00**
Central	**$600.00**
Western	**$600.00**

Admission Level Stop-Loss Attachment Point
$150,000

EXHIBIT 3
RISK SHARING ARRANGEMENTS
Contract Year 4

Market-Wide Risk Sharing Arrangement (Market Corridor) (Section 4.5.)

1. Gain on the Market Corridor

The amount of the Gain on the Market Corridor shall be defined as the difference between the Market Corridor Revenue (as defined in **Section 4.5.D**) for the Contract Year and the Market Corridor Expenditures (as defined in Section **4.5.D**) for the Contract Year, if such Market Corridor Expenditures are less than such Market Corridor Revenue. The MassHealth Share of the Gain and the Market Share of the Gain shall be calculated in accordance with the table below. The Contractor's share of the Market Share of the Gain shall be directly proportional to the Contractor's share of the Market Corridor Revenue.

Gain	MassHealth Share	Market Share
Absolute value of the Gain less than or equal to 0.75% of the Market Corridor Revenue	0%	100%
Absolute value of the Gain greater than 0.75% of the Market Corridor Revenue	95%	5%

2. Loss on the Market Corridor

The amount of the Loss on the Market Corridor shall be defined as the difference between the Market Corridor Revenue (as defined in Section **4.5.D**) for the Contract Year and the Market Corridor Expenditures (as defined in Section **4.5.D)** for the Contract Year, if such Market Corridor Expenditures are greater than such Market Corridor Revenue. The MassHealth Share and the Market Share of the Loss shall be calculated in accordance with the table below. The Contractor's share of the Market Share of the Loss shall be directly proportional to the Contractor's share of the Market Corridor Revenue.

Loss	MassHealth Share	Market Share
Absolute value of the Loss less than or equal to 0.75% of the Market Revenue	0%	100%
Absolute value of the Gain greater than 0.75% of the Market Revenue	95%	5%

Contract-Wide Risk Sharing Arrangement ("Plan Corridor") (Section 4.5)

1. Gain on the Plan Corridor

The amount of Gain on the Plan Corridor for the Contract Year shall be defined as the difference between the Plan Corridor Revenue for the Contract Year and the Contractor's Plan Corridor Expenditures for ACO Covered Services for the Contract Year, if such actual expenditures are less than such Plan Corridor Revenue. EOHHS and the Contractor shall share such Gain in accordance with the table below:

Gain	MassHealth Share	Contractor Share
Absolute value of the Gain less than or equal to 5% of Plan Corridor Revenue	0%	100%
Absolute value of the Gain greater than 5% of the Plan Corridor Revenue	95%	5%

2. Loss on the Plan Corridor

The amount of the Loss on the Plan Corridor shall be defined as the Plan Corridor Revenue for the Contract Year and the Contractor's Plan Corridor Expenditures for ACO Covered Services for the Contract Year, if such actual expenditures are greater than the Plan Corridor revenue for the Contract Year. EOHHS and the Contractor shall share such Loss in accordance with the table below:

Loss	MassHealth Share	Contractor Share
Absolute value of the Loss less than or equal to 5% of Plan Corridor Revenue	0%	100%
Absolute value of the Loss greater than 5% of the Plan Corridor Revenue	95%	5%

CBHI Services Risk sharing arrangement (Section 4.5.D)

1. Gain on the CBHI Add-On to the Risk Adjusted Capitation Rate

If the amount paid to the Contractor, as determined by the calculation described in **Section 4.5.D.1.a** is greater than the Contractor's adjusted expenditures, as determined by the calculation described in **Section 4.5.D.1.b** then the Contractor shall be considered to have experienced a gain with respect to CBHI Services for the Contract Year. EOHHS and the Contractor shall share such gain in accordance with the table below:

Gain	MassHealth Share	Contractor Share
Gain up to $100,000	99%	1%
Gain of more than $100,000	100%	0%

2. **Loss on the CBHI Add-On to the Risk Adjusted Capitation Rate**

   If the amount paid to the Contractor, as determined by the calculation described in **Section 4.5.D.1.a** , is less than the Contractor's adjusted expenditures, as determined by the calculation described in **Section 4.5.D.1.b**, then the Contractor shall be considered to have experienced a loss with respect to CBHI Services for the Contract Year. EOHHS and the Contractor shall share such loss in accordance with the table below:

Loss	MassHealth Share	Contractor Share
Loss up to $100,000	99%	1%
Loss of more than $100,000	100%	0%

ABA Services Risk Sharing Arrangement (Section 4.5.E)

1. **Gain on the ABA Add-On to the Risk Adjusted Capitation Rate**

   If the amount paid to the Contractor, as determined by the calculation described in **Section 4.5.E.1.a** above, is greater than the Contractor's adjusted expenditures, as determined by the calculation described in **Section 4.5.E.1.b** above, then the Contractor shall be considered to have experienced a gain with respect to ABA Services for the Contract Year. EOHHS and the Contractor shall share such gain in accordance with the table below:

Gain	MassHealth Share	Contractor Share
Gain up to $100,000	99%	1%
Gain of more than $100,000	100%	0%

2. **Loss on the ABA Add-On to the Risk Adjusted Capitation Rate**

   If the amount paid to the Contractor, as determined by the calculation described in **Section 4.5.E.1.a** above, is less than the Contractor's adjusted expenditures, as determined by the calculation described in **Section 4.5.E.1.b** above, then the Contractor shall be considered to have experienced a loss with respect to ABA Services for the Contract Year. EOHHS and the Contractor shall share such loss in accordance with the table below:

Loss	MassHealth Share	Contractor Share
Loss up to $100,000	99%	1%
Loss of more than $100,000	100%	0%

HCV Risk Sharing Arrangement (Section 4.5.F)

1. **Gain on the HCV Medical Component of the Risk Adjusted Capitation Rate Payment**

   The amount of the Gain on the HCV Medical Component of the Risk Adjusted Capitation Rate Payment for the Contract Year shall be defined as the difference between the HCV Medical Component of the Risk Adjusted Capitation Rate Payment for the Contract Year and the Contractor's actual HCV medical expenditures for ACO Covered Services for the Contract Year, if such actual expenditures are less than the HCV Medical Component of the Risk Adjusted Capitation Rate Payment for the Contract Year. The Gain shall be calculated in aggregate across all Regions by Rating Category groups set forth in Appendix D, Exhibit 3.

Gain	MassHealth Share	Contractor Share
Gain up to $100,000	99%	1%
Gain of more than $100,000	100%	0%

2. **Loss on the HCV Medical Component of the Risk Adjusted Capitation Rate Payment**

   The amount of the Loss on the HCV Medical Component of the Risk Adjusted Capitation Rate Payment for the Contract Year shall be defined as the difference between the HCV Medical Component of the Risk Adjusted Capitation Rate Payment for the Contract Year and the Contractor's actual HCV medical expenditures for ACO Covered Services for the Contract Year, if such actual expenditures are greater than the HCV Medical Component of the Risk Adjusted Capitation Rate Payment for the Contract Year. The Loss shall be calculated in aggregate across all Regions by Rating Category groups set forth in Appendix D, Exhibit 3.

Loss	MassHealth Share	Contractor Share
Loss up to $100,000	99%	1%
Loss of more than $100,000	100%	0%

Non-HCV High Cost Drug Risk Sharing Arrangement (Section 4.5.G)

1. **Gain on the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate Payment**

   The amount of the Gain on the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate Payment for the Contract Year shall be defined as the difference between the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate Payment for the Contract Year and the Contractor's actual Non-HCV High Cost Drug expenditures for ACO Covered Services for the Contract Year, if such actual expenditures are less than the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate Payment for the Contract Year. The Gain shall be calculated in aggregate across all Regions by Rating Category groups set forth in Appendix D, Exhibit 3.

Gain	MassHealth Share	Contractor Share
Gain less than or equal to 2% of the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate payment	0%	100%
Gain of more than 2% of the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate payment	100%	0%

2. **Loss on the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate Payment**

   The amount of the Loss on the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate Payment for the Contract Year shall be defined as the difference between the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate Payment for the Contract Year and the Contractor's actual Non-HCV High Cost Drug expenditures for ACO Covered Services for the Contract Year, if such actual expenditures are greater than the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate Payment for the Contract Year. The Loss shall be calculated in aggregate across all Regions by Rating Category groups set forth in Appendix D, Exhibit 3.

Loss	MassHealth Share	Contractor Share
Loss less than or equal to 2% of the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate payment	0%	100%
Loss of more than 2% of the Non-HCV High Cost Drug Component of the Risk Adjusted Capitation Rate payment	100%	0%

SUD Services Risk Sharing Arrangement (Section 4.5.I)

1. **Gain on the SUD Risk Sharing Services Add-On to the Risk Adjusted Capitation Rate**

   If the amount paid to the Contractor, as determined by the calculation described in **Section 4.5.I.2**, is greater than the Contractor's expenditures, as determined by the calculation described in **Section 4.5.I.3**, then the Contractor shall be considered to have experienced a gain with respect to SUD Risk Sharing Services for the Contract Year. EOHHS and the Contractor shall share such gain in accordance with the table below:

Gain	MassHealth Share	Contractor Share
Gain up to $100,000	99%	1%
Gain of more than $100,000	100%	0%

2. **Loss on the SUD Risk Sharing Services Add-On to the Risk Adjusted Capitation Rate**

   If the amount paid to the Contractor, as determined by the calculation described in **Section 4.5.I.2**, is less than the Contractor's expenditures, as determined by the calculation described in **Section 4.5.I.3**, then the Contractor shall be considered to have experienced a loss with respect to SUD Risk Sharing Services for the Contract Year. EOHHS and the Contractor shall share such loss in accordance with the table below:

Loss	MassHealth Share	Contractor Share
Loss up to $100,000	99%	1%
Loss of more than $100,000	100%	0%

APPENDIX P
MCO-Administered ACO Contract Specifications

The Contractor's Approved ACO Agreements (i.e., the Contract between the Contractor and the MCO-Administered ACOs) shall meet the requirements of this **Appendix P** and the requirements of the Contract (i.e. the MassHealth Managed Care Organization Contract between EOHHS and the Contractor). All terms of their abbreviations, when capitalized in this Appendix, are defined as set forth in the Contract or otherwise defined by EOHHS.

Section 1.1 Care Delivery, Care Coordination, and Care Management Requirements for Approved ACO Agreements

The Contractor's Approved ACO Agreements shall obligate the Contractor's MCO-Administered ACOs to ensure that, in addition to Enrollees' other rights, such MCO-Administered ACOs' Attributed Members (i.e. Enrollees who are assigned by the Contractor to one of the MCO-Administered ACO's Participating PCPs) experience care that is integrated across providers, that is Member-centered, and that connects such Attributed Members to the right care in the right settings, as described in this Section and as further specified by EOHHS.

A. General Care Delivery Requirements

Each of the Contractor's Approved ACO Agreements with an MCO-Administered ACO shall delineate responsibilities and define areas of collaboration between the Contractor and the MCO-Administered ACO as set forth in this Section.

1. The Approved ACO Agreement shall obligate the MCO-Administered ACO to ensure that all Attributed Members:

    a. Receive care that is timely, accessible, and Culturally and Linguistically Appropriate; and

    b. Access care as described in Section 2.5 of the Contract;

2. The Approved ACO Agreement shall delineate responsibilities and define areas of collaboration between the Contractor and the MCO-Administered ACO to ensure all requirements in Section 2.5.A of the Contract are met.

B. Care Needs Screening and Appropriate Follow-Up

Each of the Contractor's Approved ACO Agreements with an MCO-Administered ACO shall delineate responsibilities and define areas of collaboration between the Contractor and the MCO-Administered ACO, including obligating the MCO-Administered ACO as appropriate, to ensure that Attributed Members receive screenings to identify their health and functional needs as specified in Section 2.5.B of the Contract and as follows:

1. The Approved ACO Agreement shall obligate the MCO-Administered ACO to

assist the Contractor in developing, implementing, and maintaining procedures for completing an initial Care Needs Screening for each Attributed Member, and in making best efforts to complete such screening within required timeframes, as specified in Section 2.5.B.1 of the Contract;

2. The Care Needs Screening shall meet all requirements in Section 2.5.B.2 of the Contract;
3. The Approved ACO Agreement shall obligate the MCO-Administered ACO to assist the Contractor to evaluate Attributed Members' needs through means other than the Care Needs Screenings as described in Section 2.5.B.3 of the Contract;
4. The Approved ACO Agreement shall obligate the MCO-Administered ACO to ensure that Attributed Members receive Medically Necessary and appropriate care and follow-up based on their identified needs as specified in Section 2.5.B.4 of the Contract.

C. Care Coordination, Transitional Care Management, and Clinical Advice and Support Line

Each of the Contractor's Approved ACO Agreements with an MCO-Administered ACO shall delineate responsibilities and define areas of collaboration between the Contractor and the MCO-Administered ACO, including obligating the MCO-Administered ACO as appropriate, to perform care coordination activities for Attributed Members; to have a Transitional Care Management program to coordinate Attributed Members' care during transitions such as hospital discharges; and to maintain a Clinical Advice and Support Line to provide Attributed Members access to information and assistance that supports coordinated care as specified in Section 2.5.C of the Contract and as follows:

1. The Approved ACO Agreement shall obligate the MCO-Administered ACO to perform care coordination for Attributed Members with identified LTSS- or BH-related needs and all Enrollees as specified in Section 2.5.C.1 of the Contract;
2. The Approved ACO Agreement shall obligate the MCO-Administered ACO to have a Transitional Care Management program. The MCO-Administered ACO shall develop, implement, and maintain protocols for Transitional Care Management with all of the MCO-Administered ACO's Affiliated Hospitals. Such protocols shall be as described in Section 2.5.C.2 of the Contract;
3. The Approved ACO Agreement shall obligate the MCO-Administered ACO to assist the Contractor to ensure that the Contractor's Clinical Advice and Support Line meets the requirements in Section 2.5.C.3 of the Contract.

    a. The MCO-Administered ACO shall ensure that the Contractor's Clinical Advice and Support Line's clinicians shall have access to information to identify such Attributed Member's MCO-Administered ACO and other information identified in Section 2.5.C of the Contract and specified by the Contractor relating to facilitating coordination of Enrollee care;

b. The Clinical Advice and Support Line shall be incorporated in the MCO-Administered ACO's policies and procedures for care coordination and Care Management as specified in Section 2.5.C of the Contract.

c. The Clinical Advice and Support Line shall otherwise coordinate with an Attributed Member's MCO-Administered ACO, in addition to other coordination specified in Section 2.5.C of the Contract, including through providing "warm handoffs" to such individuals through direct transfer protocols and processes and capabilities to share information with such entities and individuals;

D. Comprehensive Assessment and Member-Centered Care Planning

Each of the Contractor's Approved ACO Agreements with an MCO-Administered ACO shall obligate the MCO-Administered ACO to ensure that certain Attributed Members receive a Comprehensive Assessment that informs a documented Care Plan, and receive a documented Care Plan, in accordance with Section 2.5.D of the Contract.

E. Care Management

Each of the Contractor's Approved ACO Agreements with an MCO-Administered ACO shall delineate responsibilities and define areas of collaboration between the Contractor and the MCO-Administered ACO, including obligating the MCO-Administered ACO as appropriate, to provide Care Management activities to Attributed Members as described in Section 2.5.E of the Contract, as follow, and as further specified by EOHHS.

1. The Approved ACO Agreement shall delineate responsibilities and define areas of collaboration between the Contractor and the MCO-Administered ACO to, and shall obligate the MCO-Administered ACO to assist the Contractor in, proactively identifying certain Attributed Members who may benefit from Care Management activities based on the results of an evaluation as described in Section 2.5.E.1 of the Contract and further specified by EOHHS;
2. The Approved ACO Agreement shall obligate the MCO-Administered ACO to provide each identified Attributed Member with Care Management as set forth in Section 2.5.E.2 of the Contract.

Section 1.2 Certain Member Protections

Each of the Contractor's Approved ACO Agreements with an MCO-Administered ACO shall obligate the MCO-Administered ACO to:

A. Assist the Contractor to ensure the receipt and timely resolution of Attributed Member's Grievances, which shall include but may not be limited to Grievances related to the MCO-Administered ACO, as described in Section 2.12 of the Contract and as further specified by EOHHS;

B. Ensure that Attributed Members are not limited to obtaining services only from Affiliated Providers of the MCO-Administered ACO. The MCO-Administered ACO shall:

1. Not impose additional requirements for referrals to providers who are not Affiliated Providers;
2. Not impede Attributed Members' access to or freedom of choice of providers;
3. Not reduce or impede access to Medically Necessary services; and
4. Ensure that Attributed Members may obtain emergency services from any provider, regardless of its affiliation with the MCO-Administered ACO, including but not limited to receiving services from ESP or MCI providers;

C. Ensure that all written materials provided by the MCO-Administered ACO to Attributed Members satisfy all requirements in the Contract related to written materials, such as those set forth in Section 2.10 of the Contract;

D. As further specified by EOHHS, coordinate with the Contractor on the development and distribution of Enrollee materials;

E. Coordinate with the Contractor to ensure interpretation services are available in accordance with all Contract requirements and to notify Attributed Members of this service and how to access it;

F. Post on its website in a prominent place, in multiple languages and formats:

1. Contact information for EOHHS' Ombudsman;
2. A method for submitting inquiries, providing feedback, and initiating Grievances, which shall include but may not be limited to Grievances related to the MCO-Administered ACO, including for Attributed Members who do not have access to email;
3. The identity, contact information, addresses, operating hours, qualifications, and availability of the MCO-Administered ACO's Affiliated Providers;
4. How Attributed Members may access oral interpretation services free-of-charge in any non-English language spoken by Attributed Members;
5. How Attributed Members may access written materials in Prevalent Languages and Alternative Formats;
6. Additional information as specified by EOHHS;

G. Not request that EOHHS disenroll an Attributed Member from the Contractor's plan for any reason, not influence in any way a Participating PCP or the Contractor such that the Participating PCP or Contractor requests that EOHHS disenroll an Attributed Member from the Contractor's plan, and not request that EOHHS disenroll an Attributed Member from the Contractor's plan on behalf of the Contractor;

H. Coordinate with the Contractor to provide Attributed Members with, and have written policies ensuring Attributed Members are guaranteed, the Enrollee rights set forth in Section 5.1.L of the Contract, and ensure that the MCO-Administered ACO's employees and Material Subcontractors observe and respect these rights;

I. Not, in any way, discriminate or use any policy or practice that has the effect of discriminating against Attributed Members on the basis of health status or need for health care services, race, color, national origin, sex, sexual orientation, gender identity, or disability; and

J. Facilitate Attributed Members' immediate and unrestricted access to Emergency Services Program and Mobile Crisis Intervention services at hospital emergency departments and in the community, 24 hours a day, seven days a week;

Section 1.3 Total Cost of Care (TCOC) Accountability Requirements for Approved ACO Agreements

Each of the Contractor's Approved ACO Agreements with an MCO-Administered ACO shall include financial accountability for the MCO-Administered ACO's performance on Total Cost of Care (TCOC) and Quality Measures, as set forth in this Section.

A. Contractor and EOHHS Involvement in TCOC Calculation

1. EOHHS will calculate and provide the Contractor with values related to the TCOC calculations for each of the Contractor's MCO-Administered ACOs. The Contractor shall, for all calculations described in this **Section 1.3** of this **Appendix P**, use such values or other amounts calculated and provided to the Contractor by EOHHS.
2. The Contractor shall provide EOHHS with any requested information or assistance in calculating such values.
3. Values related to the TCOC calculation shall include but may not be limited to:

    a. The MCO-Administered ACO's TCOC Benchmark;

    b. The MCO-Administered ACO's TCOC Performance;

    c. The MCO-Administered ACO's Quality Score;

    d. The MCO-Administered ACO's Shared Savings or Shared Losses payment, as modified by the MCO-Administered ACO's Quality Score; and

    e. Other values as specified by EOHHS.

B. Market-Wide Risk Sharing Arrangement ("Market Corridor") for the Contract Year

1. Overall Approach

As further described in this section, this risk sharing arrangement shall be based on certain revenue and expenditures across MassHealth managed care plans, described as Market Corridor revenue and Market Corridor expenditures, respectively.

2. Market Corridor Revenue

   EOHHS shall first determine the Market Corridor revenue. For each MassHealth Accountable Care Partnership Plan ("ACPP"), Managed Care Organization ("MCO"), Primary Care Accountable Care Organization ("PCACO"), and the Primary Care Clinician Plan ("PCC Plan") (each a "plan"), EOHHS shall multiply by Region and Rating Category each plan's respective Core Medical component of the Base Capitation Rate or total cost of care (TCOC) benchmark, as applicable, for the Contract Year, per member, per month, by each plan's experienced member months for the Contract Year as determined by EOHHS, and by each plan's concurrent risk scores. The sum of such calculation across plans, plus any supplemental specialized inpatient psychiatric services payments and benchmark adjustments, as applicable, for each plan, shall equal the Market Corridor revenue.

3. Market Corridor Expenditures

   EOHHS shall then determine the Market Corridor expenditures. Such expenditures shall equal the sum across plans of Core Medical actual medical expenditures related to, covered services (for ACPPs and MCOs), services included in TCOC (for PCACOs) and comparable services for the PCC Plan, including those services related to the supplemental specialized inpatient psychiatric services payments and benchmark adjustments, as applicable, for the applicable Contract Year in aggregate across all Regions and Rating Categories, as applicable, and based on data provided by plans (for ACPPs and MCOs) and EOHHS data (for PCACOs and the PCC Plan).

   a. Such expenditures shall exclude any and all case management costs.

   b. Such expenditures shall exclude expenditures related to stop-loss for which EOHHS makes a plan payment or benchmark adjustment.

   c. EOHHS may make appropriate adjustments as necessary related to the Market Corridor expenditure calculation described above.

4. If the Market Corridor expenditures, as determined by EOHHS in accordance with the above provisions, are greater than or less than the Market Corridor revenue, as determined by EOHHS in accordance with the above provisions, the MCO-Administered ACO's share of the resulting loss or gain shall be an adjustment applied to the MCO-Administered ACO's TCOC Benchmark for the purposes of calculating the MCO-Administered ACO's Shared Savings or Shared Losses below. The MCO-Administered ACO shall share in the resulting loss or gain as follows:

a. The amount of the Gain on the Market Corridor shall be defined as the difference between the Market Corridor revenue for the Contract Year and the Market Corridor expenditures for the Contract Year, if such Market Corridor expenditures are less than such Market Corridor revenue. The EOHHS Share and the Market Share of the Gain shall be calculated as set forth in the table below. The MCO-Administered ACO's share of the Market share of the Gain shall be a TCOC Benchmark adjustment. Such TCOC Benchmark adjustment shall be applied in a manner directly proportional to the MCO-Administered ACO's TCOC Benchmark divided by the Market Corridor revenue.

Gain	**EOHHS Share**	**Market Share**
Less than or equal to 0.75% of the Market Corridor Revenue	0%	100%
Greater than 0.75% of the Market Corridor Revenue	95%	5%

b. The amount of the Loss on the Market Corridor shall be defined as the difference between the Market Corridor revenue for the Contract Year and the Market Corridor expenditures for the Contract Year, if such Market Corridor expenditures are greater than such Market Corridor Revenue. The EOHHS Share and the Market Share of the Loss shall be calculated as set forth in the table below. The MCO-Administered ACO's share of the Market share of the Loss shall be a TCOC Benchmark adjustment. Such TCOC Benchmark adjustment shall be applied in a manner directly proportional to the MCO-Administered ACO's TCOC Benchmark divided by the Market Corridor revenue.

Loss	**EOHHS Share**	**Market Share**
Less than or equal to 0.75% of the Market Revenue	0%	100%
Greater than 0.75% of the Market Revenue	95%	5%

c. EOHHS shall exclude from all calculations related to this risk sharing arrangement any reinsurance premiums paid by plans and any recovery revenues received if plans choose to purchase reinsurance.

C. Shared Savings or Shared Losses Payment Calculations

The Contractor shall pay the MCO-Administered ACO Shared Savings, or the MCO-Administered ACO shall pay the Contractor Shared Losses, for each Contract Year as follows:

1. If the difference when the MCO-Administered ACO's TCOC Performance is subtracted from the MCO-Administered ACO's Benchmark is equal to an amount

greater than zero (0), such difference shall be the MCO-Administered ACO's Savings. If such difference is equal to an amount less than zero (0), such difference shall be the MCO-Administered ACO's Losses. If such difference equals zero (0) and MCO-Administered ACO's TCOC Performance and TCOC Benchmark are equal to each other, the MCO-Administered ACO shall have neither Savings nor Losses for the Contract Year; and

2. If the MCO-Administered ACO has Savings, the Contractor shall pay the MCO-Administered ACO Shared Savings based on the MCO-Administered ACO's Risk Track, as described in **Section 1.3.D** of this **Appendix P,** and based on the MCO-Administered ACO's Quality Score, as described in **Section 1.3.E** of this **Appendix P**.
3. If the MCO-Administered ACO has Losses, the MCO-Administered ACO shall pay the Contractor Shared Losses based on the MCO-Administered ACO's Risk Track, as described in **Section 1.3.D** of this **Appendix P**, and based on the MCO-Administered ACO's Quality Score, as described in **Section 1.3.E** of this **Appendix P**.
4. If the MCO-Administered ACO has neither Savings nor Losses for the Contract Year, the MCO-Administered ACO shall have neither a Shared Savings payment nor a Shared Losses payment.

D. Risk Tracks

1. The MCO-Administered ACO's Risk Track shall be one of the following, as identified to the Contractor by EOHHS:

   a. Risk Track 1 – Limited Accountability;

   b. Risk Track 2 – Moderate Accountability; and

   c. Risk Track 3 – Increased Accountability;

2. The Contractor shall apply Risk Tracks for the TCOC Benchmark, as defined in **Section 1.3.F.2** of this **Appendix P**, as follows:

   a. The Contractor shall pay the MCO-Administered ACO Shared Savings and the MCO-Administered ACO shall pay the Contractor Shared Losses payments for the TCOC Benchmark subject to the following risk corridor provisions:

      1) The minimum savings and losses rate shall both be equal to either one percent (1%) or two percent (2%) of the TCOC Benchmark, as chosen by the MCO-Administered ACO through a defined process and according to a timeline specified by EOHHS (hereinafter "MCO-Administered ACO's chosen minimum savings and losses percentage"). If the MCO-Administered ACO's Savings or the absolute value of the MCO-Administered ACO's Losses are less than the MCO-Administered ACO's

chosen minimum savings and losses percentage of the TCOC Benchmark, there shall be no Shared Savings or Shared Losses payment.

2) The savings and losses cap shall be equal to ten percent (10%) of the TCOC Benchmark (hereinafter referred to as "the cap"). If the MCO-Administered ACO's Savings for the TCOC Benchmark are greater than the cap, the MCO-Administered ACO's Shared Savings payment shall be calculated as if MCO-Administered ACO's Savings were equal to the cap, and the MCO-Administered ACO shall receive no additional Shared Savings payment for any Savings beyond the cap. If the absolute value of the MCO-Administered ACO's Losses for the TCOC Benchmark are greater than the cap, the MCO-Administered ACO's Shared Losses payment shall be calculated as if the absolute value of the MCO-Administered ACO's Losses were equal to the cap, and the MCO-Administered ACO shall make no additional Shared Losses payment for any Losses beyond the cap;

b. Risk Track 1 – Limited Accountability

If the MCO-Administered ACO's Risk Track as identified to the Contractor by EOHHS is Risk Track 1 – Limited Accountability, then subject to the provisions in **Section 1.3.D.2.a** of this **Appendix P** above, the MCO-Administered ACO's Shared Savings payment or Shared Losses payment, prior to modifying for the MCO-Administered ACO's Quality Score as described in **Section 1.3.E** of this **Appendix P** below, shall be as follows:

Contract Year	**Savings**	**Contractor Share**	**MCO-Administered ACO share**
Contract Years 4-5	Savings less than or equal to 3% of the TCOC Benchmark	70%	30%
	Savings greater than 3% of the TCOC benchmark	85%	15%

Contract Year	**Losses**	**Contractor Share**	**MCO-Administered ACO share**
Contract Years 4-5	Losses with an absolute value less than or equal to 3% of TCOC Benchmark	70%	30%
	Losses with an absolute value greater than 3% of the TCOC Benchmark	85%	15%

c. Risk Track 2 – Moderate Accountability

If the MCO-Administered ACO's Risk Track as identified to the Contractor by EOHHS is Risk Track 2 – Moderate Accountability, then subject to the provisions in **Section 1.3.D.2.a** of this **Appendix P** above, the MCO-Administered ACO's Shared Savings payment or Shared Losses payment, prior to modifying for MCO-Administered ACO's Quality Score as described in **Section 1.3.E** of this **Appendix P** below, shall be as follows:

Contract Year	**Savings**	**Contractor Share**	**MCO-Administered ACO Share**
Contract Years 4-5	Savings less than or equal to 3% of the TCOC Benchmark	50%	50%
	Savings greater than 3% of the TCOC benchmark	75%	25%

d. Risk Track 3 – Increased Accountability

If the MCO-Administered ACO's Risk Track as identified to the Contractor by EOHHS is Risk Track 3 – Increased Accountability, then subject to the provisions in **Section 1.3.D.2.a** of this **Appendix P** above, the MCO-Administered ACO's Shared Savings payment or Shared Losses payment, prior to modifying for MCO-Administered ACO's Quality Score as described in **Section 1.3.E** of this **Appendix P** below, shall be as follows:

Contract Year	**Losses**	**Contractor Share**	**MCO-Administered ACO Share**
Contract Years 4-5	Losses with an absolute value less than or equal to 3% of TCOC Benchmark	70%	30%
	Losses with an absolute value greater than 3% of the TCOC Benchmark	85%	15%

3. [Reserved]
4. [Reserved]
5. If EOHHS modifies the Risk Tracks, the Contractor agrees to negotiate in good faith to implement such modifications, including but not limited to by amending this **Appendix P** and negotiating in good faith with any MCO-Administered ACOs to implement any such modifications in the Contractor's Approved ACO Agreement.

E. Quality Modifier and Payment

Prior to payment, the MCO-Administered ACO's combined Shared Savings or Shared Losses payment for the TCOC Benchmark calculated in **Sections 1.3.B and 1.3.C** shall be adjusted based on the MCO-Administered ACO's Quality Score. The MCO-Administered ACO or the Contractor shall pay the resulting adjusted amount, as follows:

1. The MCO Administered ACO's Quality Score shall be a number between zero (0) and one (1) as determined by EOHHS;
2. If the MCO Administered ACO has combined Shared Savings for the TCOC Benchmark as calculated above, the amount of such Shared Savings shall be multiplied by MCO-Administered ACO's Quality Score. The resulting amount shall be the amount of the MCO-Administered ACO's Shared Savings payment for the Contract Year, and the Contractor shall pay the MCO-Administered ACO such resulting amount;
3. If the MCO-Administered ACO has combined Shared Losses for the TCOC Benchmark, eighty percent (80%) of such Shared Losses shall be unmodified by the MCO-Administered ACO's Quality Score. The remaining twenty percent (20%) of MCO-Administered ACO's Shared Losses payment shall be multiplied by an amount equal to one (1) minus the MCO-Administered ACO's Quality Score. Such product, plus the unmodified eighty percent (80%) of MCO-Administered ACO's initial Shared Losses, shall be the amount of MCO-Administered ACO's Shared Losses payment for the Contract Year, and MCO-Administered ACO shall pay the Contractor such resulting amount;
4. The Contractor shall pay the MCO-Administered ACO the Shared Savings payment, as adjusted for the MCO-Administered ACO's Quality Score in this Section, or notify the MCO-Administered ACO of the MCO-Administered ACO's Shared Losses payment for each Contract Year no later than one calendar year from the end of the Contract Year; and
5. The MCO-Administered ACO shall pay the Contractor any Shared Losses payment, as adjusted for MCO-Administered ACO's Quality Score as set forth in this Section, within thirty (30) days of receiving such notification from the Contractor of the amount of the MCO-Administered ACO's Shared Losses payment.

F. TCOC Benchmark and TCOC Performance Calculations

1. The MCO-Administered ACO's TCOC for a given period shall be calculated as follows and as further specified by EOHHS:

    a. TCOC shall be a risk-adjusted per-Attributed Member, per month amount representing the costs of care for Contractor's Attributed Members over such period, as described in this Section and further specified by EOHHS;

b. TCOC shall include all paid claims and encounters with dates of service during such period, where the Member receiving the service was the MCO-Administered ACO's Attributed Member on the date of service, except for services that are not MCO Covered Services as set forth in **Appendix C** of the Contract on the date of service;

c. TCOC shall be based on the amounts paid for such claims and encounters, but shall incorporate certain adjustments to these amounts as further specified by EOHHS to account for effects including but not limited to the different fee schedules historically used by MassHealth and the MassHealth-contracted MCOs and price inflation for certain categories of service (e.g., pharmacy);

d. Admission-level stop-loss: TCOC shall exclude an amount equal to 95 percent (95%) of allowed expenditures as specified by EOHHS in excess of $150,000 per Attributed Member hospital inpatient admission as determined by EOHHS; and

e. TCOC shall be risk adjusted as further specified by EOHHS using a generally accepted diagnosis grouper and statistically developed risk model. Such risk model may include adjustments for Attributed Members' health-related social needs.

2. The MCO-Administered ACO's TCOC Benchmark shall be calculated each Contract Year according to EOHHS specifications as follows:

   a. The MCO-Administered ACO's Historic TCOC and the MCO-Administered ACO's Market-Rate TCOC shall be calculated as described in this Section;

   b. The MCO-Administered ACO's Historic TCOC and the MCO-Administered ACO's Market-Rate TCOC shall be blended as further specified by EOHHS. Each Contract Year, EOHHS may increase the portion of the blend that is based on the MCO-Administered ACO's Market Rate TCOC, as further specified by EOHHS. The resulting amount shall be the MCO-Administered ACO's TCOC Benchmark.

   c. The MCO-Administered ACO's Historic TCOC shall be calculated as follows:

      1) The MCO-Administered ACO's TCOC shall be calculated during a baseline period, as further specified by EOHHS;

      2) Such TCOC shall be adjusted to account for anticipated trend between the baseline period and the Contract Year, and to account for the anticipated impact of changes to the MassHealth program to ensure that the MCO-Administered ACO is not unfairly penalized or rewarded for such program changes, as further specified by EOHHS;

3) Such adjusted TCOC shall be the MCO-Administered ACO's Historic TCOC.

d. The MCO-Administered ACO's Market-Rate TCOC shall be calculated as follows:

1) The Market-Rate TCOC shall be a risk-adjusted per-Attributed Member, per month amount representing the average anticipated cost for the MCO-Administered ACO's population of Attributed Members based on the market benchmark of all ACO-Eligible Members, as described in this Section and further specified by EOHHS;

2) Base rates for each EOHHS rating category shall be calculated based on the costs of care for all ACO-Eligible Members in each such rating category during a baseline period, as further specified by EOHHS, and using similar adjustments and exclusions as described above for TCOC calculations;

3) Such base rates shall be risk adjusted as further specified by EOHHS using a generally accepted diagnosis grouper and statistically developed risk model. Such risk model may include adjustments for Attributed Members' health-related social needs;

4) These base rates shall be averaged across the MCO-Administered ACO's population of Attributed Members based on the number of Attributed Members the MCO-Administered ACO has in each rating category, as further specified by EOHHS;

5) The resulting amount shall be the MCO-Administered ACO's Market-Rate TCOC;

e. In calculating the MCO-Administered ACO's TCOC Benchmark, costs associated with newborn deliveries shall initially be excluded, as further specified by EOHHS. A set per-delivery rate shall instead be developed, and a supplemental maternity amount shall retrospectively be added to the MCO-Administered ACO's TCOC Benchmark. Such supplemental maternity amount shall be calculated by multiplying such per-delivery rate by the number of eligible deliveries the MCO-Administered ACO's Attributed Members receive during the Contract Year. This adjustment is intended to protect Contractor and the MCO-Administered ACO from unfair Shared Savings or Shared Losses payments due to variation in the number of deliveries;

f. The MCO-Administered ACO's preliminary TCOC Benchmark for a Contract Year shall be calculated no later than one month prior to the start of the Contract Year;

g. [Reserved]

h. The MCO Administered ACO's TCOC Benchmark shall be retrospectively adjusted in accordance with Section 1.3.B above.

i. Additional retrospective adjustments to the MCO-Administered ACO's TCOC Benchmark may be made to ensure the TCOC Benchmark is appropriate and to ensure the MCO-Administered ACO is not unfairly penalized or rewarded, as further specified and approved by EOHHS. Such adjustments may include but may not be limited to adjustments such as:

   1) Additional program changes not initially captured;

   2) Modifications to trend based on unforeseen events;

   3) Adjustments to reflect updated accounting of the number of Attributed Members in each rating category; and

j. A supplemental specialized inpatient psychiatric services amount may retrospectively be added to the MCO Administered ACO's TCOC Benchmark.

3. The MCO-Administered ACO's TCOC Performance shall be calculated by calculating the MCO-Administered ACO's TCOC during the Contract Year; and
4. EOHHS shall publish the detailed methodology for calculating TCOC Benchmark and TCOC Performance, including details such as the definition of the baseline year and the terms and conditions for any retrospective adjustments to the MCO-Administered ACO's TCOC Benchmark, prior to the Operational Start Date, and shall publish any subsequent revisions no later than thirty (30) days prior to the start of the Contract Year for which the methodology revisions take effect.