

COMMONWEALTH OF MASSACHUSETTS | STANDARD CONTRACT FORM

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CONTRACTOR INFORMATION		COMMONWEALTH INFORMATION													
Contractor Legal Name Fallon Community Health Plan, Inc.		Department Executive Office of Health and Human Services													
d/b/a 		Contract Manager Name Alejandro Garcia Davalos													
Legal Address As entered on Form W-9 or Form W-4 1 Mercantile Street, Suite 400, Worcester, MA 01608		Business Mailing Address One Ashburton Place, 11th Fl., Boston, MA 02108													
Contract Manager Name Matthew Herndon		Billing Address If Different													
Phone 508-368-0931	Fax 	Phone 781-227-1913	Fax 												
Email Matthew.Herndon@fallonhealth.org		Email Alejandro.E.GarciaDavalos@mass.gov													
Vendor Code VC 6000230412		MMARS Doc ID(s) N/A													
Vendor Code Address ID e.g. "AD001". AD 003		RFR/Procurement or Other ID Number BD-22-1039-EHS01-ASHWA-71410													
Note: The Address ID must be set up for Electronic Funds Transfer (EFT) payments.															
☐ NEW CONTRACT		☒ CONTRACT AMENDMENT													
Procurement or Exception Type (Check one option only) ☐ Statewide Contract (OSD or an OSD-designated department.) ☐ Collective Purchase (Attach OSD approval, scope, and budget.) ☐ Department Procurement - Includes all Grants 815 CMR 2.00 . (Attach Solicitation Notice or RFR, and Response or other procurement supporting documentation.) ☐ Emergency Contract (Attach justification for emergency, scope, and budget.) ☐ Contract Employee (Attach Employee Status Form, scope, and budget.) ☐ Interim Contract with new Contractor (Attach justification for Interim Contract and updated scope/budget.) ☐ Other Procurement Exception (Attach authorizing language, legislation with specific exemption or earmark, and exception justification, scope, and budget.)		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 5px;"> Current Contract End Date PRIOR to Amendment December 31, 2027 </td> <td style="width: 50%; padding: 5px;"> Amendment Amount Or Enter "No Change" No Change </td> </tr> <tr> <td colspan="2" style="padding: 5px;"> Amendment Type Check one option only. Attach details of amendment changes. </td> </tr> <tr> <td colspan="2" style="padding: 5px;"> ☒ Amendment to Date, Scope, or Budget (Attach updated scope and budget.) </td> </tr> <tr> <td colspan="2" style="padding: 5px;"> ☐ Interim Contract with Current Contractor (Attach justification for Interim Contract and updated scope/budget.) </td> </tr> <tr> <td colspan="2" style="padding: 5px;"> ☐ Contract Employee (Attach any updates to scope or budget.) </td> </tr> <tr> <td colspan="2" style="padding: 5px;"> ☐ Other Procurement Exception (Attach authorizing language/justification and updated scope/budget.) </td> </tr> </table>		Current Contract End Date PRIOR to Amendment December 31, 2027	Amendment Amount Or Enter "No Change" 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 with Current Contractor (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/budget.)	
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☐ Contract Employee (Attach any updates to scope or budget.)															
☐ Other Procurement Exception (Attach authorizing language/justification and updated scope/budget.)															
TERMS AND CONDITIONS															
The Standard Contract Form Instructions and Contractor Certifications and the following 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. 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 Electronic Funds Transfer (EFT) 45 days from invoice receipt. See [Prompt Pay Discounts Policy](#).

Contractors requesting accelerated payments must identify a PPD as follows:

Payment issued within: 10 days % PPD.
15 days % PPD.
20 days % PPD.
30 days % PPD.

If PPD percentages are left blank, identify reason:

☐ Statutory/legal ☐ Ready Payments ([M.G.L. c. 29, § 23A](#)) ☒ Agree to standard 45-day cycle ☐ Only initial payment

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.

Amendment 2 to Second Amended and Restated Accountable Care Partnership Plan Contract updates a payment appendix.

SUPPLIER DIVERSITY PROGRAM (SDP) PLAN

Does the Supplier Diversity Program apply?

☒ YES If YES, the Contractor's annual SDP commitment for this Contract is 1%
☐ NO If NO, and the department is an Executive Department, enter the appropriate exemption:

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, 2025, 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

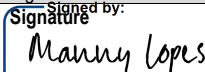
Contract performance shall terminate as of December 31, 2027, with no new obligations being incurred after this date unless the Contract is properly amended, provided that the terms of this Contract and performance expectations and obligations shall survive its termination for the purpose of resolving 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

Signature and date must be captured at time of signature.

Signature 
Date 12/22/2025
Print Name Manny Lopes
Print Title President and CEO

AUTHORIZING SIGNATURE FOR THE DEPARTMENT

Signature and date must be captured at time of signature.

Signature 
Date 12/24/2025
Print Name Mike Levine
Print Title Deputy Medicaid Director
~~Undersecretary for MassHealth~~

AMENDMENT #2
TO THE
SECOND AMENDED AND RESTATED
ACCOUNTABLE CARE PARTNERSHIP PLAN CONTRACT
FOR THE
MASSHEALTH ACCOUNTABLE CARE ORGANIZATION PROGRAM

WHEREAS, the Executive Office of Health and Human Services (“EOHHS”) and the Contractor identified in **Appendix R** (“Contractor”) entered into the Contract effective January 1, 2023, and with an Operational Start Date of April 1, 2023, to serve as an Accountable Care Organization, improve the MassHealth Member experience of care, health of the population, and efficiency of the MassHealth program, and provide comprehensive health care coverage to MassHealth Members; and

WHEREAS, EOHHS and the Contractor last amended and restated the Contract effective January 1, 2025, (the Second Amended and Restated Accountable Care Partnership Plan Contract);

WHEREAS, EOHHS and the Contractor amended the Contract through Amendment #1 (January 1, 2025);

WHEREAS, in accordance with **Section 5.9** of the Contract, EOHHS and the Contractor desire to amend the Contract effective January 1, 2025; 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. **Appendix D, Payment**, is hereby deleted and replaced with the attached **Appendix D**.

Health Collaborative of the Berkshires, LLC in Partnership with Fallon Health

APPENDIX D
PAYMENT

EXHIBIT 1
BASE CAPITATION RATES AND ADD-ONS
Rate Year 2025

Listed below are the Per Member Per Month (PMPM) Base Capitation Rates for Rate Year 2025 (January 1, 2025, through December 31, 2025) (also referred to as RY25), subject to state appropriation and all necessary federal approvals.

Base Capitation Rates do not include EOHHS adjustments described in **Section 4.3** of the Contract.

In addition to the Base Capitation Rates tables below, additional tables include the add-on for the Contract Year, for ABA Services as described in **Section 4.5.E**, for High Cost Drugs as described in **Section 4.5.F** and for SUD Risk Sharing Services as described in **Section 4.5.G**. The add-on for High Cost Drugs, 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**.

<u>ACPP Base Capitation Rates / RC I Adult</u>			
<u>Effective January 1, 2025 – December 31, 2025 (RY25)</u>			
<u>REGION</u>	<u>CORE MEDICAL COMPONENT</u>	<u>ADMINISTRATIVE COMPONENT</u>	<u>TOTAL BASE CAPITATION RATE</u>
	<u>(per member per month)</u>	<u>(per member per month)</u>	<u>(per member per month)</u>
Northern	\$699.32	\$103.82	\$803.14
Greater Boston	\$709.32	\$105.52	\$814.84
Southern	\$731.46	\$107.39	\$838.85
Central	\$691.35	\$103.28	\$794.63
Western	\$676.24	\$111.79	\$788.03

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<u>ACPP Base Capitation Rates / RC I Child</u>			
<u>Effective January 1, 2025 – December 31, 2025 (RY25)</u>			
<u>REGION</u>	<u>CORE MEDICAL COMPONENT</u>	<u>ADMINISTRATIVE COMPONENT</u>	<u>TOTAL BASE CAPITATION RATE</u>
	<u>(per member per month)</u>	<u>(per member per month)</u>	<u>(per member per month)</u>
Northern	\$255.47	\$63.17	\$318.64
Greater Boston	\$270.55	\$65.80	\$336.35
Southern	\$283.81	\$65.43	\$349.24
Central	\$260.36	\$63.13	\$323.49
Western	\$285.14	\$63.47	\$348.61

<u>ACPP Base Capitation Rates / RC II Adult</u>			
<u>Effective January 1, 2025 – December 31, 2025 (RY25)</u>			
<u>REGION</u>	<u>CORE MEDICAL COMPONENT</u>	<u>ADMINISTRATIVE COMPONENT</u>	<u>TOTAL BASE CAPITATION RATE</u>
	<u>(per member per month)</u>	<u>(per member per month)</u>	<u>(per member per month)</u>
Northern	\$2,144.57	\$274.46	\$2,419.03
Greater Boston	\$2,389.27	\$302.59	\$2,691.86
Southern	\$2,372.42	\$296.23	\$2,668.65
Central	\$2,147.69	\$276.46	\$2,424.15
Western	\$1,936.13	\$266.73	\$2,202.86

Health Collaborative of the Berkshires, LLC in Partnership with Fallon Health

<u>ACPP Base Capitation Rates / RC II Child</u>			
<u>Effective January 1, 2025 – December 31, 2025 (RY25)</u>			
<u>REGION</u>	<u>CORE MEDICAL COMPONENT</u>	<u>ADMINISTRATIVE COMPONENT</u>	<u>TOTAL BASE CAPITATION RATE</u>
	<u>(per member per month)</u>	<u>(per member per month)</u>	<u>(per member per month)</u>
Northern	\$1,253.96	\$220.04	\$1,474.00
Greater Boston	\$1,343.39	\$254.19	\$1,597.58
Southern	\$1,112.89	\$202.51	\$1,315.40
Central	\$1,114.91	\$208.61	\$1,323.52
Western	\$975.91	\$205.09	\$1,181.00

<u>ACPP Base Capitation Rates / RC IX</u>			
<u>Effective January 1, 2025 – December 31, 2025 (RY25)</u>			
<u>REGION</u>	<u>CORE MEDICAL COMPONENT</u>	<u>ADMINISTRATIVE COMPONENT</u>	<u>TOTAL BASE CAPITATION RATE</u>
	<u>(per member per month)</u>	<u>(per member per month)</u>	<u>(per member per month)</u>
Northern	\$706.30	\$105.76	\$812.06
Greater Boston	\$685.84	\$104.26	\$790.10
Southern	\$790.38	\$115.21	\$905.59
Central	\$741.14	\$110.31	\$851.45
Western	\$717.37	\$121.80	\$839.17

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ACPP Base Capitation Rates / RC X			
Effective January 1, 2025 – December 31, 2025 (RY25)			
<u>REGION</u>	<u>CORE MEDICAL COMPONENT</u>	<u>ADMINISTRATIVE COMPONENT</u>	<u>TOTAL BASE CAPITATION RATE</u>
	<u>(per member per month)</u>	<u>(per member per month)</u>	<u>(per member per month)</u>
Northern	\$2,299.40	\$315.48	\$2,614.88
Greater Boston	\$2,446.94	\$334.89	\$2,781.83
Southern	\$2,271.46	\$311.34	\$2,582.80
Central	\$2,233.96	\$306.08	\$2,540.04
Western	\$1,895.90	\$317.75	\$2,213.65

Health Collaborative of the Berkshires, LLC in Partnership with Fallon Health

High Cost Drug Add-On to Risk Adjusted Capitation Rates
Effective January 1, 2025 – December 31, 2025 (RY25)

High Cost Drug Add-On to Risk Adjusted Capitation Rates PMPM					
REGION	Northern	Greater Boston	Southern	Central	Western
RC I Adult	\$8.08	\$3.25	\$3.66	\$3.68	\$1.30
RC I Child	\$7.10	\$7.81	\$6.17	\$4.52	\$2.85
RC II Adult	\$32.98	\$20.59	\$16.91	\$61.65	\$28.92
RC II Child	\$65.94	\$184.53	\$60.58	\$86.98	\$56.14
RC IX	\$6.13	\$9.34	\$4.78	\$13.18	\$3.85
RC X	\$7.09	\$2.17	\$1.12	\$0.46	\$27.52

ABA Add-On to Risk Adjusted Capitation Rates
Effective January 1, 2025 – December 31, 2025 (RY25)

ABA Add-On to Risk Adjusted Capitation Rates PMPM	
RC-I Child	\$15.17
RC-II Child	\$291.90

SUD Risk Sharing Services Add-On to Risk Adjusted Capitation Rates
Effective January 1, 2025 – December 31, 2025 (RY25)

SUD Risk Sharing Services Add-On to Risk Adjusted Capitation Rates PMPM	
RC-I Adult	\$9.15
RC-I Child	\$0.23
RC-II Adult	\$26.30
RC-II Child	\$0.72
RC-IX	\$16.54
RC-X	\$296.09

Health Collaborative of the Berkshires, LLC in Partnership with Fallon Health

EXHIBIT 2
ADJUSTMENTS OR ADDITIONS TO PAYMENTS
Rate Year 2025

The table shows the admission-level stop-loss attachment point for the Contract Year as described in **Section 4.3.B**.

<u>Admission Level Stop-Loss Attachment Point</u>
\$150,000

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EXHIBIT 3
RISK SHARING ARRANGEMENTS
Rate Year 2025

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

If the Market Corridor expenditures, as determined by EOHHS in accordance with **Section 4.5.C.3**, are greater than or less than the Market Corridor revenue, as determined by EOHHS in accordance with **Section 4.5.C.2**, the Contractor and EOHHS shall share the resulting loss or gain as follows:

1. Gain on the Market Corridor

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

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 Loss greater than 0.75% of the Market Revenue	95%	5%

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

If the Contractor's Plan Corridor expenditures, as determined by EOHHS in accordance with **Section 4.5.D.3**, is greater than or less than the Contractor's Plan Corridor revenue as determined by EOHHS in accordance with **Section 4.5.D.2**, the Contractor and EOHHS shall share the resulting loss or gain as follows:

1. Gain on the Plan Corridor

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

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%

Health Collaborative of the Berkshires, LLC in Partnership with Fallon Health

ABA Services Risk Sharing Arrangement (Section 4.5.E)

If the amount paid to the Contractor, as determined by the calculation described in **Section 4.5.E.2**, is greater than or less than the Contractor's adjusted expenditures, as determined by the calculation described in **Section 4.5.E.3**, then the Contractor shall be considered to have experienced a gain or a loss with respect to ABA Services for the Contract Year. EOHHS and the Contractor shall share such gain or loss as follows:

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

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

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

High Cost Drug Add-On Risk Sharing Arrangement (Section 4.5.F)**1. Gain on the High Cost Drug Add-On to the Risk Adjusted Capitation Rate Payment**

If the actual High Cost Drug expenditures, as determined by EOHHS in accordance with **Section 4.5.F.3**, is greater than or less than the High Cost Drug Add-On to the Risk Adjusted Capitation Rate Payment for the Contract Year, as determined by EOHHS in accordance with **Section 4.5.F.2**, the Contractor and EOHHS shall share the resulting loss or gain as follows:

Gain	MassHealth Share	Contractor Share
Gain up to \$100,000 for the High Cost Drug Add-On to the Risk Adjusted Capitation Rate payment	99%	1%
Gain of more than \$100,000 for the High Cost Drug Add-On to the Risk Adjusted Capitation Rate payment	100%	0%

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2. Loss on the High Cost Drug Add-On to the Risk Adjusted Capitation Rate Payment

Loss	MassHealth Share	Contractor Share
Loss up to \$100,000 for the High Cost Drug Add-On to the Risk Adjusted Capitation Rate payment	99%	1%
Loss of more than \$100,000 for the High Cost Drug Add-On to the Risk Adjusted Capitation Rate payment	100%	0%

SUD Services Risk Sharing Arrangement (Section 4.5.G)

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

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

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

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

Health Collaborative of the Berkshires, LLC in Partnership with Fallon Health

EXHIBIT 4
NON-RISK PAYMENT ARRANGEMENTS

Listed below are the lump sum payments for HRSN Supplemental Services for Contract Year 3, as described in **Section 4.3.I.**

<u>HRSN Supplemental Services Quarterly Payment</u> <u>Effective January 1, 2025 – December 31, 2025</u>	
<u>HRSN Supplemental Services Component</u>	<u>Administrative Component</u>
\$134,223.10	\$23,776.66