



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.ma.comptroller.org/forms>. Forms are also posted at OSD Forms: <https://www.mass.gov/lists/osd-forms>.

CONTRACTOR LEGAL NAME: Fallon Community Health Plan, 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): 10 Chestnut Street, Worcester, MA 01608		Business Mailing Address: One Ashburton Place, 5 th Fl., Boston, MA 02108	
Contract Manager: Deborah Daviau	Phone: 508-368-9489	Billing Address (if different):	
E-Mail: Deborah.Daviau@fallonhealth.org	Fax: 508-368-9550	Contract Manager: Daniel Cohen	Phone: 617-573-1710
Contractor Vendor Code: VC6000230412		E-Mail: Daniel.cohen@mass.gov	Fax:
Vendor Code Address ID (e.g., "AD001"): <u>AD001</u> (Note: The Address ID must be set up for EFT payments.)		MMARS Doc ID(s):	
		RFR/Procurement or Other ID Number: 15LCEHSSCORFA	
<input type="checkbox"/> NEW CONTRACT PROCUREMENT OR EXCEPTION TYPE: (Check one option only) <input type="checkbox"/> Statewide Contract (OSD or an OSD-designated Department) <input type="checkbox"/> Collective Purchase (Attach OSD approval, scope, budget) <input checked="" type="checkbox"/> Department Procurement (includes all Grants - 815 CMR 2.00) (Solicitation Notice or RFR, and Response or other procurement supporting documentation) <input type="checkbox"/> Emergency Contract (Attach justification for emergency, scope, budget) <input type="checkbox"/> Contract Employee (Attach Employment Status Form, scope, budget) <input type="checkbox"/> Other Procurement Exception (Attach authorizing language, legislation with specific exemption or earmark, and exception justification, scope and budget)		<input checked="" type="checkbox"/> CONTRACT AMENDMENT Enter Current Contract End Date <i>Prior</i> to Amendment: <u>December 31, 2025</u> . Enter Amendment Amount: \$ <u>no change</u> . (or "no change") AMENDMENT TYPE: (Check one option only. Attach details of amendment changes.) <input checked="" type="checkbox"/> Amendment to Date, Scope or Budget (Attach updated scope and budget) <input type="checkbox"/> Interim Contract (Attach justification for Interim Contract and updated scope/budget) <input type="checkbox"/> Contract Employee (Attach any updates to scope or budget) <input type="checkbox"/> 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): <input checked="" type="checkbox"/> Commonwealth Terms and Conditions <input type="checkbox"/> Commonwealth Terms and Conditions For Human and Social Services <input type="checkbox"/> 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 . <input checked="" type="checkbox"/> 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.) <input type="checkbox"/> Maximum Obligation Contract. Enter total maximum obligation for total duration of this contract (or <i>new</i> 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: <input checked="" type="checkbox"/> agree to standard 45 day cycle <input type="checkbox"/> statutory/legal or Ready Payments (M.G.L. c. 29, § 23A); <input type="checkbox"/> 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.) Amendment 3 to the SCO 3rd Amended and Restated Contract- Ground Ambulance directed payment, update to ESP and Crisis Stabilization directed payment, update to ESP and Crisis Stabilization directed payment, pharmacy claims and drug pricing rebate language update, critical incident reporting, finder's fee performance incentive, mid-year 2024 rates, add PDDM to institutional tier rating category definition.			
ANTICIPATED START DATE: (Complete ONE option only) The Department and Contractor certify for this Contract, or Contract Amendment, that Contract obligations: <input checked="" type="checkbox"/> 1. may be incurred as of the Effective Date (latest signature date below) and no obligations have been incurred prior to the Effective Date. <input type="checkbox"/> 2. may be incurred as of <u> </u> , 20 , a date LATER than the Effective Date below and no obligations have been incurred prior to the Effective Date. <input type="checkbox"/> 3. were incurred as of <u> </u> , 20 , 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 <u>December 31, 2025</u> , 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: <u>Manny Lopes</u> 12/11/2024 X: <u>5B48F6F6E8F64D9</u> Date: _____ (Signature and Date Must Be Captured At Time of Signature)		AUTHORIZING SIGNATURE FOR THE COMMONWEALTH: X: <u>Mike Levine</u> Date: 12/12/2024 (Signature and Date Must Be Captured At Time of Signature)	
Print Name: <u>Manny Lopes</u> Print Title: <u>President and CEO</u>		Print Name: <u>Mike Levine</u> Print Title: <u>Assistant Secretary for MassHealth</u>	

**AMENDMENT 3
TO THE
THIRD AMENDED AND RESTATED CONTRACT
FOR SENIOR CARE ORGANIZATIONS
BY AND BETWEEN
THE EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES
AND
FALLON COMMUNITY HEALTH PLAN, INC.**

WHEREAS, the Executive Office of Health and Human Services (EOHHS) and Fallon Community Health Plan, Inc. (the Contractor) entered into the Third Amended and Restated Contract for Senior Care Organizations (the Contract), effective September 18, 2023, and amended effective December 28, 2023 (Amendment #1) and September 17, 2024 (Amendment #2), to provide medical services to MassHealth members enrolled in the Contractor's Senior Care Options (SCO) plan; and

WHEREAS, in accordance with **Section 5.10** of the Contract, EOHHS and the Contractor wish to amend the Contract to update certain financial requirements and certain program requirements, effective upon execution, unless otherwise stated;

NOW, THEREFORE, in consideration of the mutual promises set forth in this Contract, the parties agree as follows:

1. **Section 2.4** is hereby amended by striking **Section 2.4.D.7** in its entirety and shifting **Sections 2.4.D.8** through **11** up by one number.
2. **Section 2.5** is hereby amended by adding a new **Section 2.5.A.11.a.1**, as follows, and shifting the existing **Sections 2.5.A.11.a.1** through **2.5.A.11.a.6** down by one number:

“1) At the time it enters into a contract with the State;”

3. **Section 2.6.C** is hereby amended by striking **Section 2.6.C.3.a** in its entirety and replacing it as follows:

“a. When service for an Emergency Condition is required, the Contractor must have a process established to notify the PCP or PCT (or the designated covering physician) within one business day after the Contractor is notified by the Provider. The Contractor may not refuse to cover emergency services based on the emergency room provider, hospital, or fiscal agent not notifying an Enrollee's PCP or PCT, the Contractor, or EOHHS of the Enrollee's screening and treatment within 10 calendar days of presentation for emergency services.”

4. **Section 2.8.B** is hereby amended by striking **Sections 2.8.B.2.e through f** and replacing them as follows:

“e. The Enrollee's right to request an appeal of the Contractor's Adverse Action, including information on exhausting the Contractor's internal Appeal described at § 438.402(b), the Enrollee's right to designate an Appeal Representative to file an internal Appeal on behalf of the Enrollee, and the right to request a Fair Hearing consistent with § 438.402(c).

f. The procedures for exercising the rights specified in this **Section 2.8.B.**”

5. **Section 2.9** is hereby amended by adding a new **Section 2.9.D**, as follows:

“D. Health Information System

The Contractor shall maintain a health information system or systems consistent with the requirements set forth in **Section 2.14** and 42 CFR 438.242 and that supports all aspects of the QM Program.”

6. **Section 2.13** is hereby amended by deleting **Section 2.13.S.9** in its entirety and replacing it as follows:

“9. Operate and maintain a state-of-the-art National Council for Prescription Drug Programs (NCPDP)-compliant, on-line pharmacy claims processing system. Such system must have separate BIN, PCN, and group number combinations to differentiate SCO-MassHealth only claims from SCO-Dual eligible claims, and, if applicable, from MCO/ACPP claims. The Contractor shall notify EOHHS of BIN, PCN, and group number combination changes as set forth in **Appendix Q.**”

7. **Section 2.13** is hereby amended by adding a new **Section 2.13.S.10**, as follows:

“10. Effective April 1, 2024, with respect to drugs and drug classes specified by EOHHS, provide coverage in a manner that maximizes EOHHS's ability to collect drug rebates, including but not limited to excluding such drugs and drug classes from reimbursement through the Contractor's 340B program, as further specified by EOHHS.”

8. **Section 2.18** is hereby amended by deleting **Section 2.18.C.1** in its entirety and replacing it as follows:

“1. For Emergency Services Program (ESP) and Crisis Stabilization (also referred to as Community Crisis Stabilization) a 10% rate increase effective for dates of service July 1, 2021, through December 31, 2022.”

9. **Section 2.18** is hereby amended by deleting Section 2.18.C.2 and replacing it as follows:

“2. For Outpatient Services, including both Mental Health and SUD Clinic Services listed below, a 10% rate increase effective for dates of service July 1, 2021, through December 31, 2023, except as otherwise specified.”

10. Section 2.18 is hereby amended by deleting Section 2.18.C.2.k in its entirety and replacing it as follows:

“k. Through June 30, 2022, Opioid Replacement Therapy (also referred to as Opioid Treatment Service)”

11. Section 2.18 is hereby amended by adding new **Section 2.18.L**, as follows:

“L. For ground ambulance services provided to dual-eligible members, the Contractor shall pay the applicable Medicare rate for those services, effective July 9, 2024.”

12. Section 4.1 is hereby amended by adding a new **Section 4.1.G**, as follows:

“G. Finders’ Fee Performance Incentive Pursuant to **Section 5.2.A.5.b.2**

If, as further described in **Section 5.2.A.5.b.2**, EOHHS determines the Contractor meets the requirements to receive a finders’ fee performance incentive, the amount of the incentive payment shall be equal to 50% of the Contractor’s pro rata amount of the net state share of the total settlement or verdict amount, based on the Contractor’s percentage of the single damages from covered conduct over the relevant time period as determined by EOHHS. The net state share is the gross amount of the verdict or settlement minus any amounts owed as a repayment of federal financial participation to the federal government or other restitution called for in the verdict or settlement.”

13. Section 5.1.E is hereby amended by striking it in its entirety and replacing it as follows:

“In accordance with 42 USC §1396 u-2(d)(1), the Contractor shall not knowingly have an employment, consulting, provider, subcontractor, or other agreement for the provision of items and services that are significant and material to the Contractor’s obligations under this Contract with any person, or affiliate of such person, who is excluded, under federal law or regulation, from certain procurement and nonprocurement activities. Further, no such person may have beneficial ownership of five percent or more of the Contractor’s equity or be permitted to serve as a director, officer, or partner of the Contractor. The Contractor shall provide written disclosure to EOHHS of any prohibited affiliations identified by the Contractor.

The Contractor warrants and represents that it will not, in accordance with 42 USC § 1396u-2(d)(1) and 42 CFR 438.610, knowingly have an employment, consulting, provider, subcontractor, or other agreement for the provision of items and services that are significant and material to the Contractor’s obligations under this Contract with any person, or affiliate of such person, who is debarred, suspended or otherwise excluded, under federal or state law, regulation, executive order, or guidelines, from certain procurement and non-procurement activities. The Contractor further warrants and represents that no such person may have beneficial ownership of five percent or more of the Contractor’s equity nor be permitted to serve as a director, officer or partner of the Contractor. In the event that EOHHS learns that the Contractor has a prohibited affiliation with a person or entity who is debarred, suspended, or excluded from participating in federal healthcare programs, EOHHS (a) must notify the Secretary of the noncompliance,

(b) may continue the SCO Contract unless the Secretary directs otherwise, and (c) may not renew or extend the SCO Contract unless the Secretary provides to the State and to Congress a written statement describing compelling reasons that exist for renewing or extending the agreement.

The Contractor shall be excluded from participating in MassHealth if it meets any of the conditions set forth in 42 CFR 438.808(b). The Contractor further warrants and represents that the Contractor does not meet any of the conditions set forth in 42 CFR 438.808(b).”

14. Appendix A is hereby amended by adding the following definition in alphabetical order to the list of Covered Services:

“Remote Patient Monitoring (RPM) —Effective August 1, 2024, the use of select medical devices that transmit digital personal health information in a synchronous or asynchronous manner from an at-risk patient to a treating provider at a distant location, enabling the provider to respond to the patient and manage their condition. RPM is available to members who meet certain clinical criteria.”

15. Appendix D is hereby amended by adding **Section F.2**, as follows:

“Effective February 27, 2024, the Contractor shall notify EOHHS of Critical Incidents as described in Managed Care Entity Bulletin 111 within three business days after the incident.”

16. Effective January 1, 2024, **Appendix E, Exhibit 1** is hereby amended and replaced with the **Appendix E, Exhibit 1** attached hereto.

17. Effective, October 1, 2023, **Appendix N** is hereby amended by striking the definitions of Institutional Tier 1, Institutional Tier 2, and Institutional Tier 3 in their entirety and replacing them as follows:

“Institutional Tier 1

If an Enrollee has more than a three-month consecutive stay in an institutional long term care setting, continues to reside in a nursing facility, and is classified into Patient Driven Payment Model (PDPM) nursing groups O, Q, S, W, or Y the Enrollee will be classified as Institutional Tier 1.

The Contractor will be paid a monthly RC 29 rate for Dual Eligible Enrollees or a monthly RC 41 rate for MassHealth-only Enrollees for every month in which the Enrollee remains in this RC.

The Contractor will also be paid at the Institutional Tier 1 rate (RC 29 or RC 41) for those months which fall in the first three months after an Enrollee’s discharge from a nursing facility to a community setting.

Institutional Tier 2

If an Enrollee has more than a three-month consecutive stay in an institutional long term care setting, continues to reside in a nursing facility, and is classified into PDPM nursing groups C, F, G, J, K, N, P, R, V, or X., the Enrollee will be classified as Institutional Tier 2. The Contractor will be paid a monthly RC 30 rate for Dual Eligible Enrollees or a monthly RC 42 rate for MassHealth-only Enrollees for every month in which the Enrollee remains in this RC.

The Contractor will also be reimbursed at the Institutional Tier 2 rate (RC 30 or RC 42) for nursing facility residents who have elected hospice and who have resided in a nursing facility for more than three months.

Institutional Tier 3

If an Enrollee has more than a three-month consecutive stay in an institutional long term care setting, continues to reside in a nursing facility, and is classified into PDPM nursing groups A, B, D, E, H, I, L, M, T, or U, the Enrollee will be classified as Institutional Tier 3. The Contractor will be paid a monthly RC 31 rate for Dual Eligible Enrollees or a monthly RC 43 rate for MassHealth-only Enrollees for every month in which the Enrollee remains in this RC.”

APPENDIX E EXHIBIT 1: BASE CAPITATION RATES

Base Capitation Rates for January 1, 2024, through December 31, 2024

(Subject to CMS Approval)

Rating Category	Status	Region	Rates Effective 01/01/2024–12/31/2024	
Institutional				
Institutional — Tier 1	Dual Eligible	Statewide	\$	6,941.73
	Medicaid Only	Statewide	\$	6,941.73
Institutional — Tier 2	Dual Eligible	Statewide	\$	8,919.20
	Medicaid Only	Statewide	\$	8,919.20
Institutional — Tier 3	Dual Eligible	Statewide	\$	9,989.85
	Medicaid Only	Statewide	\$	9,989.85
Community				
Community Other	Dual Eligible	Eastern	\$	509.37
	Dual Eligible	Western	\$	461.29
	Dual Eligible	The Cape	\$	498.08
	Medicaid Only	Eastern	\$	969.81
	Medicaid Only	Western	\$	926.22
	Medicaid Only	The Cape	\$	1,054.15
Community BH	Dual Eligible	Eastern	\$	1,036.03
	Dual Eligible	Western	\$	1,032.00
	Dual Eligible	The Cape	\$	1,009.96
	Medicaid Only	Eastern	\$	1,978.90
	Medicaid Only	Western	\$	2,331.58
	Medicaid Only	The Cape	\$	2,313.90
Community NHC	Dual Eligible	Eastern	\$	2,748.17
	Dual Eligible	Western	\$	2,807.89
	Dual Eligible	The Cape	\$	2,706.55
	Medicaid Only	Eastern	\$	4,206.55
	Medicaid Only	Western	\$	4,478.00
	Medicaid Only	The Cape	\$	4,667.00
Transition to Community				
Transition to Community	Dual Eligible	Statewide	\$	6,941.73
	Medicaid Only	Statewide	\$	6,941.73
Transition to Nursing Facility				
Transition to Nursing Facility	Dual Eligible	Eastern	\$	2,748.17
	Dual Eligible	Western	\$	2,807.89
	Dual Eligible	The Cape	\$	2,706.55
	Medicaid Only	Eastern	\$	4,206.55
	Medicaid Only	Western	\$	4,478.00
	Medicaid Only	The Cape	\$	4,667.00