

APPENDIX H-1

PAYMENT AND RISK SHARING PROVISIONS

Rates for Contract Year Six A: Contract Period, July 1, 2017, to December 31, 2017

Section 1. MassHealth Capitation Payment

A. Base Per-Member Per-Month (PMPM) and Per member Per-day (PMPD) Capitation Rates for Contract (pursuant to Section 10.2 of the Contract)

Base PMPM and PMPD Service and Administrative Capitation Rates

Contract Period – July 1, 2017, to December 31, 2017

<u>PMPM Capitation Rates</u>				
<u>Effective July 1, 2017– December 31, 2017</u>				
<u>Rating Category</u>	<u>NON-CBHI/ABA SERVICES COMPONENT</u>	<u>CBHI SERVICES COMPONENT</u>	<u>ADMINISTRATIVE COMPONENT</u>	<u>TOTAL CAPITATION WITHOUT ABA</u>
RCI	\$30.99	\$24.46	\$5.35	\$60.80
RCI TPL	\$6.62	\$35.40	\$5.02	\$47.04
RCII	\$170.52	\$40.03	\$12.90	\$223.45
RCII TPL	\$19.04	\$96.21	\$10.94	\$126.19
RCVIII	\$89.62		\$4.94	\$94.56
RCIX	\$69.63		\$5.95	\$75.58
RCX	\$305.43		\$15.23	\$320.66

<u>PMPD Capitation Rates</u>				
<u>Effective July 1, 2017– December 31, 2017</u>				
<u>Rating Category</u>	<u>NON-CBHI/ABA SERVICES COMPONENT</u>	<u>CBHI SERVICES COMPONENT</u>	<u>ADMINISTRATIVE COMPONENT</u>	<u>TOTAL CAPITATION WITHOUT ABA</u>
RCI	\$1.02	\$0.80	\$0.18	\$2.00
RCI TPL	\$0.22	\$1.16	\$0.17	\$1.55
RCII	\$5.61	\$1.31	\$0.42	\$7.34
RCII TPL	\$0.63	\$3.16	\$0.36	\$4.15
RCVIII	\$2.95		\$0.16	\$3.11
RCIX				
RCX				

Applied Behavior Analysis (ABA) Rates effective July 1, 2017, through December 31, 2017:

Rating Category	FY17ABA add on rate (PMPM)	PMPD
Rating Category I:	\$2.12	\$0.07
Rating Category I TPL:	\$2.42	\$0.08
Rating Category II:	\$12.47	\$0.41
Rating Category II TPL:	\$19.59	\$0.64

B. Risk Sharing Corridors for Contract Year Six A, July 1, 2017, to December 31, 2017, for the Service Component of Rating Categories I, I-TPL, II, II-TPL, IX, and X (pursuant to Section 10.6 of the Contract)

1. Gain on the Base PMPD Capitation Rates excluding CBHI and ABA services

The amount of the Gain on the Aggregate Base PMPD Capitation Rates for the Contract shall be defined as the difference between the Total Base PMPD Capitation Payment and the Contractor's Total Expenditures for Covered Services, if such actual expenditures are less than the Total Base PMPD Capitation Payment for Contract Year Six A.

Gain	MassHealth Share	MBHP Share
Between 0 and 2%	0%	100%
>2%	100%	0%

2. Loss on the Base PMPD Capitation Rates excluding CBHI and ABA services

The amount of the Loss on the Base PMPD Capitation Rates for the Contract shall be defined as the difference between the Total Base PMPD Capitation Payment and the Contractor's Total Expenditures for Covered Services, if such actual expenditures are greater than the Total Base PMPD Capitation Payment for Contract Year Six A.

Loss	MassHealth Share	Contractor Share
Between 0 and 2%	0%	100%
>2%	100%	0%

C. Risk Sharing Corridors for Contract Year Six A effective July 1, 2017, through December 31, 2017, for CBHI and ABA Services:

The Contractor and EOHHS shall share risk for CBHI and ABA Services in accordance with the following provisions:

1. For Contract Year Six A, EOHHS shall conduct separate reconciliations with respect to CBHI and ABA Services, as follows:
 - a. EOHHS will first determine the amount paid to the Contractor by EOHHS for CBHI and ABA Services for Contract Year Six A, effective July 1, 2017, by multiplying the following:

- i. The CBHI services rate component and ABA Add-On rates to the applicable Base Capitation Rates, determined by EOHHS and provided to the Contactor in **Section 1.A** above; by
 - ii. The number of member months for the period July 1, 2017, through December 31, 2017.
- b. EOHHS will then determine the Contractor's adjusted expenditures for CBHI and ABA Services for Contract Year Six A, effective July 1, 2017, by multiplying the following:
- i. The number of service units provided by the Contractor with respect to CBHI and ABA Services, which shall be determined by the claims data submitted in the report described in Section C.2 below and by Encounter Data submitted by the Contractor; by
 - ii. The applicable rate for each of the CBHI and ABA Services, as established by EOHHS.

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

Gain	MassHealth Share	Contractor Share
Between \$0 and \$100,000	99%	1%
> \$100,000	100%	0%

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

Loss	MassHealth Share	Contractor Share
Between \$0 and \$100,000	99%	1%
> \$100,000	100%	0%

- 2. To assist with the reconciliation process for CBHI and ABA Services described above, the Contractor shall, within 180 days after the end of Contract Year Six A, submit claims data with respect to CBHI and ABA Services in the form and formats specified in **Appendix E**.

Section 2. MassHealth Other Payments

A. Care Management Program

The Contractor shall calculate and report on the number of engaged enrollees in the Practice Based Care Management program (PBCM) on a monthly basis and shall be paid an Engagement PPPM, upon EOHHS review and approval, on a quarterly basis.

Base Per-Participant Per-Month (PPPM) Rate for Practice Based Care Management Contract.

Engagement:

Per Participant Per Month.....\$175.00

B. Performance Incentives Arrangements

Total Performance Incentive Payments detailed in appendix G, may not exceed 105 percent of approved Capitation Payments attributable to the Enrollees or services covered by the Contract.

The Performance Incentive Payments for Contract Year Six A will be a total of \$3,000,000.

C. PCC Plan Management Support

Base Per-Member (Enrollees) Rate for PCC Plan Management Support.

Per Participant Per Month.....\$1.25

Per Participant Per Day.....\$0.041

Section 3. DMH Compensation Payments (Non-MassHealth Payments)

A. DMH Payments for the Contract (pursuant to Section 10.9 of the Contract)

The total Contract Year Six A DMH Compensation Payment for the Specialty Programs through December 31, 2017 shall be \$5,368,694.00, as described in Sections 3.B-3.E below.

B. DMH ESP Program for Uninsured Individuals Service Compensation Rate Payment (pursuant to Sections 3.4, 10.9 and 10.10 of the Contract)

The DMH ESP Program for Uninsured Individuals Service Compensation Rate Payment shall consist of the following amounts:

1. The Contract Year Six A amount shall be \$4,340,000.
2. The monthly payment shall be \$723,333.33.

C. DMH ESP expansion -- Safety initiatives:

1. The DMH ESP safety initiative payment shall be \$701,694 for Contract Year Six A.
2. The monthly payment amount shall be \$116,949.00.

D. DMH Specialty Program Administrative Compensation Rate Payment (pursuant to Section 10.9.A of the Contract)

The DMH Specialty Program Administrative Compensation Rate Payment shall be \$212,000 for Contract Year Six A.

1. Indirect Costs shall not exceed 3.5% of Direct Costs.
2. The total of Direct Costs plus Indirect Costs shall not exceed \$198,875.
3. Earnings shall be 6.6% of the total direct and indirect costs.
4. Earnings shall be \$13,126 for Contract Year Six A.
5. The amount of the monthly DMH Specialty Program Administrative Compensation Rate Payment shall be \$35,333.33.

E. DMH Payments for Forensic Services and other Forensic Evaluations (pursuant to Sections 4.6 and 10.9.B of the Contract)

1. The Forensic Evaluations (known as "18(a)") amount for the Contract Year Six A shall be \$115,000. EOHHS will issue this amount as one-time payment during the contract period.
2. The Contractor shall return to EOHHS any portion of the DMH Payments for Forensics Services amount that it does not spend on Forensic Evaluations as identified in the annual reconciliation of the Contract Year Six A within 60 days of the identification of such under spending unless otherwise agreed to by the parties.

F. Massachusetts Child Psychiatric Access Project (pursuant to Section 10.9.A of the Contract)

1. The DMH Payment for MCPAP services for Contract Year Six A through December 31, 2017 shall be \$1,800,000.
 - a. The monthly payment for the DMH Payment for MCPAP shall be \$300,000.00.
2. The DMH payment for MCPAP administrative compensation for Contract Year Six A shall be \$92,500.
 - a. The amount of the monthly DMH MCPAP Program Administrative Compensation Rate Payment shall be \$15,416.67.
 - b. Indirect Costs shall not exceed 3.5% of Direct Costs.
 - c. The total of Direct Costs plus Indirect Costs shall not exceed \$83,823.
 - d. Earnings shall be 6.6% of the total direct and indirect costs.
 - e. Earnings shall be \$8,678 for the Contract Year Six A.

3. The Contractor shall return to EOHHS any portion of the DMH Payment for MCPAP that it does not spend on the MCPAP identified in the annual reconciliation of the contract between the parties (the PCC Plan's Behavioral Health Program Contract) for Contract Year Six A, within 60 days of the identification of such unspent portion unless otherwise agreed to by the parties.

Section 4: Other Non-MassHealth Payments

A. ESP Opioid Overdose Response Pilot Program

The Department of Public Health (DPH) payment for the ESP Opioid Overdose Response Pilot Program for Contract Year Six A through December 31, 2017 shall be \$179,000. The Contractor shall return to EOHHS any portion of the DPH payment for ESP Opioid Overdose Response Pilot program that it does not spend on the Pilot identified in the annual reconciliation of the Contract between the parties for Contract Year Six A, within 60 days of the identification of such unspent portion unless otherwise agreed to by the parties.

B. DCF -Mobile Crisis Intervention/Runaway Assistance Program (MCI/RAP) Payment Provisions

Contingent on the receipt of funding from DCF, EOHHS shall pay the Contractor \$17,738 for each of the Contractor's Emergency Services Programs that contract with the Contractor to operate the MCI/RAP in accordance with **Section 4.9 for contract Year Six A through December 31, 2017.**