

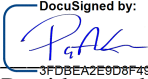

CONTRACT AMENDMENT #6

SIGNATURE AND COVER PAGE

State Agency Department of Health Care Policy and Financing	Original Contract Number 18-101454
Contractor Rocky Mountain Health Maintenance Organization Inc. dba Rocky Mountain Health Plans	Amendment Contract Number 18-101454A6
Current Contract Maximum Amount Initial Term State Fiscal Year 2018 No Maximum Extension Terms State Fiscal Year 2019 No Maximum State Fiscal Year 2020 No Maximum State Fiscal Year 2021 No Maximum State Fiscal Year 2022 No Maximum Total for All State Fiscal Years No Maximum	Contract Performance Beginning Date July 1, 2017 Current Contract Expiration Date June 30, 2022


THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

<p style="text-align: center;">CONTRACTOR</p> <p style="text-align: center;">Patrick Gordon, President and Chief Executive Officer Rocky Mountain Health Maintenance Organization Inc. dba Rocky Mountain Health Plans</p> <div style="text-align: center;">  <small>DocuSigned by: 3FD8EA2E9D8F435...</small> </div> <p>By: Patrick Gordon, President and Chief Executive Officer Date: 9/14/2021</p>	<p style="text-align: center;">STATE OF COLORADO</p> <p style="text-align: center;">Jared S. Polis, Governor Department of Health Care Policy and Financing Kim Bimestefer, Executive Director</p> <div style="text-align: center;">  <small>DocuSigned by: 0B6A84797EA8493...</small> </div> <p>By: Kim Bimestefer, Executive Director Date: 9/14/2021</p>
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In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD


DocuSigned by:
BBE0F4C030DC45C...

By: _____
 Greg Tanner, Controller: Department of Health Care Policy and Financing
 Date: 9/14/2021
 Amendment Effective Date: _____

1. PARTIES

This Amendment (the “Amendment”) to the Original Contract shown on the Signature and Cover Page for this Amendment (the “Contract”) is entered into by and between the Contractor and the State.

2. TERMINOLOGY

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

3. AMENDMENT EFFECTIVE DATE AND TERM

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred under this Amendment either before or after of the Amendment term shown in **§3.B** of this Amendment.

B. Amendment Term

The Parties’ respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment and shall terminate on the termination of the Contract.

4. PURPOSE

The purpose of the Original Contract is to renew the contract for State Fiscal Year 2022, and set forth the terms under which the Contractor will serve as one of Colorado’s Child Health Plan Plus (CHP+) Managed Care Organizations (MCOs) that will provide health care services to CHP+ eligible members. The purpose of this Amendment is for increased alignment with the Department’s overall goals of improving health, furthering performance outcomes, and reducing the cost of care for Coloradans. In alignment with those objectives, key modifications include improving the exchange of necessary data and information to more effectively monitor program performance and member health, establishing increased alignment between CHP+ and Medicaid, identifying and pursuing areas of opportunity to improve operational processes and performance, and creating mechanisms for collaborating in the sharing of ideas and best practices.

5. MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

- A. Exhibit B, Statement of Work, Section 2, TERMINOLOGY, Section 10.8, Specialty Drugs, and 10.9, Specialty Drugs Reimbursements, is hereby added to this Contract as follows:

2. TERMINOLOGY

2.1.106 Specialty Drugs – A list of Outpatient Hospital Physician Administered Drugs maintained by the Department that are subject to special reimbursement terms.

10.8 Specialty Drugs

10.8.1 The Contractor shall have a specific process to ensure that Specialty Drugs are managed away from outpatient hospitals into home infusion, where appropriate.

10.8.2 The Contractor shall use the Department's established clinical coverage criteria and/or coverage standards for determinations of coverage for Specialty Drugs. When no Department coverage criteria and/or coverage standards exists, the Contractor shall make the determination in collaboration with the Department, based on medical necessity and clinical evidence for use.

10.8.3 The Contractor shall prior-authorize Specialty Drugs, in advance and in consultation with the Department, in accordance with the Department's coverage criteria and medical necessity standards.

10.8.4 The Contractor shall report to the Department, at least quarterly, costs incurred by the Contractor for Specialty Drugs with supporting invoice(s), authorization data and encounter data.

10.8.4.1 DELIVERABLE: Specialty Drugs Quarterly Cost Report

10.8.4.2 DUE: Quarterly on July 31, October 31, January 31, and April 30

10.9 Specialty Drugs Reimbursements

10.9.1 The Department will reimburse the Contractor in accordance with the deductions stated below after the drug cost of the Specialty Drugs exceeds \$100,000.00 per treated client.

10.9.2 No payments to the Contractor for Specialty Drugs will exceed State reimbursement levels set forth in the Department's approved CHIP State Plan with CMS, once approved by CMS.

10.9.3 Any Contractor offsets attributable to substitution effects that will occur during the State fiscal year due to member treatment with the requested Specialty Drugs, as calculated on an actuarially sound basis.

10.9.4 The Department will reimburse the Contractor for the invoice cost of the drugs, after all the following have been deducted:

10.9.4.1 Any discounts available to the requesting provider pursuant to the federal 340B drug program.

10.9.4.2 Any drug rebates available to the requesting provider.

10.9.4.3 Any amounts received by the Contractor, or Contractor's parent company for Contractor's Medicaid business, pursuant to reinsurance settlements for any private catastrophic cost policies maintained by Contractor, or Contractor's parent company for Contractor's Medicaid business, for the current Performance Period. If reinsurance is an umbrella policy, the Department will calculate the pharmacy settlement amount by pharmacy/Medical service ratio.

10.9.4.4 Any Contractor offsets attributable to substitution effects that will occur during the State fiscal year due to member treatment with the requested specialty drug, as calculated on an actuarially sound basis.

10.9.5 For the purpose of executing the substitution effect requirement stated above, the Department, with assistance from its contracted actuary and with review and comment from Contractor's actuary, will apply appropriate method(s) to review the cost associated with the Specialty Drugs treatment, including but not limited to diagnosis code-based review,

other identification code-based review, member-specific case-by-case review, episode cost to determine the following:

10.9.5.1 The calculated trended historical cost embedded in capitation rate, associated with the treated member, or the diagnoses and other codes related treatment;

10.9.5.2 The cost in the current State Fiscal year associated with the treated member, or the diagnoses and other codes related treatment, excluding Specialty Drugs;

10.9.5.3 The value of appropriate cost adjustments to covered services, delivered under this Contract, is calculated as the difference between the calculations in Sections 10.9.5.1 and 10.9.5.2 whether they are lower or higher, on an actuarially sound basis.

10.9.6 The Department will pay the Contractor for Specialty Drugs quarterly, within sixty (60) days of the end of the quarter or the receipt of appropriate documentation, whichever is later.

10.9.7 In accordance with the special reimbursement term set forth herein, payment by the Department is subject to annual reconciliation as necessary, within 180 days of the end of State Fiscal year or the receipt of appropriate documentation, whichever is later.

10.9.8 The Department, with assistance from its contracted actuary, will decide to include prospective risk-based coverage for Specialty Drugs when sufficient cost and utilization experience accumulates within the base data available for the calculation of actuarially sound rates. The Department will communicate the inclusion with the Contractor.

10.9.9 The Department determines drug selection, substitution effect calculation, and payment reconciliation.

10.9.10 Actions impacting existing rates

10.9.10.1 The Contractor shall inform the Department prior to making changes to rate payment methodologies, provider recoupment, or other financial adjustments that may impact the underlying assumptions the rate is built on.

6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.
