

**OHIO DEPARTMENT OF JOB AND FAMILY SERVICES**

**OHIO MEDICAL ASSISTANCE PROVIDER AGREEMENT  
FOR ENHANCED CARE MANAGEMENT PLAN**

This provider agreement is entered into this \_\_\_\_ day of \_\_\_\_\_, 2004, at Columbus, Franklin County, Ohio, between the State of Ohio, Department of Job and Family Services, (hereinafter referred to as ODJFS) whose principal offices are located in the City of Columbus, County of Franklin, State of Ohio, and \_\_\_\_\_ (hereinafter referred to as ECMP), whose administrative office is located in the city of \_\_\_\_\_, County of \_\_\_\_\_, State of Ohio.

ECMP is an entity eligible to enter into a provider agreement in accordance with 42 CFR 438.6 and is engaged in the business of providing prepaid ambulatory health care, i.e. primary care case management services as defined in 42 CFR 438.2. ECMP agrees to operate as prescribed by Chapter 5101:3-26 of the Ohio Administrative Code (hereinafter referred to as OAC), and other applicable portions of the OAC as amended from time to time.

ODJFS, as the single state agency designated to administer the Medicaid program under Section 5111.02 of the Ohio Revised Code and Title XIX of the Social Security Act, desires to obtain ECMP services for the benefit of certain Medicaid recipients. In so doing, ECMP has provided and will continue to provide proof of ECMP's capability to provide quality services, efficiently, effectively and economically during the term of this agreement.

This provider agreement is a contract between the ODJFS and the undersigned Enhanced Care Management Plan (ECMP), provider of enhanced care management services, pursuant to the federal contracting provisions of 42 CFR 438.6 in which the ECMP agrees to provide ECM services as provided in Chapter 5101:3-26 of the Ohio Administrative Code and in the Request for Application, complying with applicable state statutes, Ohio Administrative Code, and Federal statutes, rules, regulations and other requirements, including but not limited to title VI of the Civil Rights Act of 1964; title IX of the Education Amendments of 1972 (regarding education programs and activities); the Age Discrimination Act of 1975; the Rehabilitation Act of 1973; and the Americans with Disabilities Act.

#### ARTICLE I - GENERAL

- A. ECMP agrees to report to the Chief of Bureau of Managed Health Care (hereinafter referred to as BMHC) or their designee as necessary to assure understanding of the responsibilities and satisfactory compliance with this provider agreement.
- B. ECMP agrees to furnish its support staff and services as necessary for the satisfactory performance of the services as enumerated in this provider agreement.
- C. ODJFS may, from time to time as it deems appropriate, communicate specific instructions and requests to ECMP concerning the performance of the services described in this provider agreement. Upon such notice and within the designated time frame after receipt of instructions, ECMP shall comply with such instructions and fulfill such requests to the satisfaction of the department. It is expressly understood by the parties that these instructions and requests are for the sole purpose of performing the specific tasks requested to ensure satisfactory completion of the services described in this provider agreement, and are not intended to amend or alter this provider agreement or any part thereof.

#### ARTICLE II - TIME OF PERFORMANCE

- A. Upon approval by the Director of ODJFS this provider agreement shall be in effect from the date entered through December 31, 2005, unless this provider agreement is suspended or terminated pursuant to Article VIII prior to the termination date, or otherwise amended pursuant to Article IX.

#### ARTICLE III - REIMBURSEMENT

- A. ODJFS will reimburse ECMP in accordance with OAC rule 5101:3-26-09 and the appropriate appendices of this provider agreement.

#### ARTICLE IV - ECMP INDEPENDENCE

- A. ECMP agrees that no agency, employment, joint venture or partnership has been or will be created between the parties hereto pursuant to the terms and conditions of this agreement. ECMP also agrees that, as an independent contractor, ECMP assumes all responsibility for any federal, state, municipal or other tax liabilities, along with workers compensation and unemployment compensation, and insurance premiums which may accrue as a result of compensation received for services or deliverables rendered hereunder. ECMP certifies that for its employees, all approvals, licenses or other qualifications necessary to conduct business in Ohio have been obtained and are operative. If at any time during the period of this provider agreement ECMP becomes disqualified from conducting business in Ohio, for whatever reason, ECMP shall immediately notify ODJFS of the disqualification and ECMP shall immediately cease performance of its obligation hereunder in accordance with OAC Chapter 5101:3-26.

#### ARTICLE V - CONFLICT OF INTEREST; ETHICS LAWS

- A. In accordance with the safeguards specified in section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) and other applicable federal requirements, no officer, member or employee of ECMP, the Chief of BMHC, or other ODJFS employee who exercises any functions or responsibilities in connection with the review or approval of this provider agreement or provision of services under this provider agreement shall, prior to the completion of such services or reimbursement, acquire any interest, personal or otherwise, direct or indirect, which is incompatible or in conflict with, or would compromise in any manner or degree the discharge and fulfillment of his or her functions and responsibilities with respect to the carrying out of such services. For purposes of this article, "members" does not include individuals whose sole connection with ECMP is the receipt of services through a health care program offered by ECMP.
- B. ECMP hereby covenants that ECMP, its officers, members and employees of the ECMP have no interest, personal or otherwise, direct or indirect, which is incompatible or in conflict with or would compromise in any manner of degree the discharge and fulfillment of his or her functions and responsibilities under this provider agreement. ECMP shall periodically inquire of its officers, members and employees concerning such interests.
- C. Any person who acquires an incompatible, compromising or conflicting personal or business interest shall immediately disclose his or her interest to ODJFS in writing. Thereafter, he or she shall not participate in any action affecting the services under this provider agreement, unless ODJFS shall determine that, in the light of the personal interest disclosed, his or her participation in any such action would not be contrary to the public interest. The written disclosure of such interest shall be made to: Chief, Bureau of Managed Health Care, ODJFS.

- D. No officer, member or employee of ECMP shall promise or give to any ODJFS employee anything of value that is of such a character as to manifest a substantial and improper influence upon the employee with respect to his or her duties. No officer, member or employee of ECMP shall solicit an ODJFS employee to violate any ODJFS rule or policy relating to the conduct of the parties to this agreement or to violate sections 102.03, 102.04, 2921.42 or 2921.43 of the Ohio Revised Code.
- E. ECMP hereby covenants that ECMP, its officers, members and employees are in compliance with section 102.04 of the Revised Code and that if ECMP is required to file a statement pursuant to 102.04(D)(2) of the Revised Code, such statement has been filed with the ODJFS in addition to any other required filings.

#### ARTICLE VI - EQUAL EMPLOYMENT OPPORTUNITY

- A. ECMP agrees that in the performance of this provider agreement or in the hiring of any employees for the performance of services under this provider agreement, ECMP shall not by reason of race, color, religion, sex, sexual orientation, age, disability, national origin, veteran's status, health status, or ancestry, discriminate against any citizen of this state in the employment of a person qualified and available to perform the services to which the provider agreement relates.
- B. ECMP agrees that it shall not, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance or services under the provider agreement on account of race, color, religion, sex, sexual orientation, age, disability, national origin, veteran's status, health status, or ancestry.
- C. In addition to requirements imposed upon subcontractors in accordance with OAC Chapter 5101:3-26, ECMP agrees to hold all subcontractors and persons acting on behalf of ECMP in the performance of services under this provider agreement responsible for adhering to the requirements of paragraphs (A) and (B) above and shall include the requirements of paragraphs (A) and (B) above in all subcontracts for services performed under this provider agreement, in accordance with rule 5101:3-26-12 of the Ohio Administrative Code.

#### ARTICLE VII - RECORDS, DOCUMENTS AND INFORMATION

- A. ECMP agrees that all records, documents, writings, or other information produced by ECMP under this provider agreement and all records, documents, writings, or other information used by ECMP in the performance of this provider agreement shall be treated in accordance with rule 5101:3-26-06 of the Ohio Administrative Code. ECMP must maintain an appropriate record system for services provided to members. ECMP must retain all records in accordance with 45 CFR 74.

- B. All information provided by ECMP to ODJFS that is proprietary shall be held to be strictly confidential by ODJFS. Proprietary information is information which, if made public, would put ECMP at a disadvantage in the market place and trade of which ECMP is a part [see Ohio Revised Code Section 1333.61(D)]. ECMP is responsible for notifying ODJFS of the nature of the information prior to its release to ODJFS. ODJFS reserves the right to require reasonable evidence of ECMP's assertion of the proprietary nature of any information to be provided and ODJFS will make the final determination of whether this assertion is supported. The provisions of this Article are not self-executing.
- C. ECMP shall not use any information, systems, or records made available to it for any purpose other than to fulfill the duties specified in this provider agreement. ECMP agrees to be bound by the same standards of confidentiality that apply to the employees of the ODJFS and the State of Ohio. The terms of this section shall be included in any subcontracts executed by ECMP for services under this provider agreement. ECMP must implement procedures to ensure that in the process of coordinating care, each enrollee's privacy is protected consistent with the confidentiality requirements in 45 CFR parts 160 and 164.

#### ARTICLE VIII - SUSPENSION AND TERMINATION

- A. This provider agreement may be canceled by the department or ECMP upon written notice in accordance with the applicable rule(s) of the Ohio Administrative Code, with termination to occur at the end of the last day of a month.
- B. ECMP, upon receipt of notice of suspension or termination, shall cease provision of services on the suspended or terminated activities under this provider agreement; suspend, or terminate all subcontracts relating to such suspended or terminated activities, take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report, as of the date of receipt of notice of suspension or termination describing the status of all services under this provider agreement.
- C. In the event of suspension or termination under this Article, ECMP shall be entitled to reconciliation of reimbursements through the end of the month for which services were provided under this provider agreement, in accordance with the reimbursement provisions of this provider agreement.
- D. ODJFS may, in its judgment, suspend, terminate or fail to renew this provider agreement if the ECMP or ECMP's subcontractors violate or fail to comply with the provisions of this agreement or other provisions of law or regulation governing the Medicaid program. Where ODJFS proposes to suspend, terminate or refuse to enter into a provider agreement, the provisions of applicable sections of the Ohio Administrative Code with respect to ODJFS' suspension, termination or refusal to enter into a provider agreement

shall apply, including the ECMP's right to request a public hearing under Chapter 119. of the Revised Code.

- E. When initiated by ECMP, termination of or failure to renew the provider agreement requires written notice to be received by ODJFS at least 75 days in advance of the termination or renewal date, provided, however, that termination or non-renewal must be effective at the end of the last day of a calendar month. In the event of non-renewal of the provider agreement with ODJFS, if ECMP is unable to provide notice to ODJFS 75 days prior to the date when the provider agreement expires, and if, as a result of said lack of notice, ODJFS is unable to disenroll Medicaid eligibles prior to the expiration date, then the provider agreement shall be deemed extended for up to two calendar months beyond the expiration date and both parties shall, for that time, continue to fulfill their duties and obligations as set forth herein.

#### ARTICLE IX - AMENDMENT AND RENEWAL

- A. This writing constitutes the entire agreement between the parties with respect to all matters herein. This provider agreement may be amended only by a writing signed by both parties. Any written amendments to this provider agreement shall be prospective in nature.
- B. This provider agreement may be renewed one or more times by a writing signed by both parties for a period of not more than twelve months for each renewal.
- C. In the event that changes in State or Federal law, regulations, an applicable waiver, or the terms and conditions of any applicable federal waiver, require ODJFS to modify this agreement, ODJFS shall notify ECMP regarding such changes and this agreement shall be automatically amended to conform to such changes without the necessity for executing written amendments pursuant to this Article of this provider agreement.

#### ARTICLE X - LIMITATION OF LIABILITY

- A. ECMP agrees to indemnify the State of Ohio for any liability resulting from the actions or omissions of ECMP or its subcontractors in the fulfillment of this provider agreement.
- B. ECMP hereby agrees to be liable for any loss of federal funds suffered by ODJFS for eligibles resulting from specific, negligent acts or omissions of the ECMP or its subcontractors during the term of this agreement, including but not limited to the nonperformance of the duties and obligations to which ECMP has agreed under this agreement.
- C. In the event that, due to circumstances not reasonably within the control of ECMP or ODJFS, a major disaster, epidemic, complete or substantial destruction of facilities, war, riot or civil insurrection occurs, neither ODJFS nor ECMP will have any liability or obligation on account of reasonable delay in the provision or the arrangement of covered services; provided that so long as ECMP remains in good standing with ODJFS, ECMP shall be liable for the covered services required to be provided or arranged for in

accordance with this agreement.

#### ARTICLE XI - ASSIGNMENT

- A. ECMP shall not assign any interest in this provider agreement and shall not transfer any interest in the same (whether by assignment or novation) without the prior written approval of ODJFS and subject to such conditions and provisions as ODJFS may deem necessary. Any such assignments shall be submitted for ODJFS' review 120 days prior to the desired effective date. No such approval by ODJFS of any assignment shall be deemed in any event or in any manner to provide for the incurrence of any obligation by ODJFS in addition to the total agreed-upon reimbursement in accordance with this agreement.
- B. ECMP shall not assign any interest in subcontracts of this provider agreement and shall not transfer any interest in the same (whether by assignment or novation) without the prior written approval of ODJFS and subject to such conditions and provisions as ODJFS may deem necessary. Any such assignments of subcontracts shall be submitted for ODJFS' review 30 days prior to the desired effective date. No such approval by ODJFS of any assignment shall be deemed in any event or in any manner to provide for the incurrence of any obligation by ODJFS in addition to the total agreed-upon reimbursement in accordance with this agreement.

#### ARTICLE XII - CERTIFICATION MADE BY ECMP

- A. This agreement is conditioned upon the full disclosure by ECMP to ODJFS of all information required for compliance with federal regulations as requested by ODJFS.
- B. By executing this agreement, ECMP certifies that no federal funds paid to ECMP through this or any other agreement with ODJFS shall be or have been used to lobby Congress or any federal agency in connection with a particular contract, grant, cooperative agreement or loan. ECMP further certifies compliance with the lobbying restrictions contained in Section 1352, Title 31 of the U.S. Code, Section 319 of Public Law 101-121 and federal regulations issued pursuant thereto and contained in 45 CFR Part 93. If this provider agreement exceeds \$100,000, ECMP has executed the Disclosure of Lobbying Activities, Standard Form LLL, if required by federal regulations. This certification is material representation of fact upon which reliance was placed when this provider agreement was entered into.
- C. By executing this agreement, ECMP certifies that neither ECMP nor any principals of ECMP (i.e., a director, officer, partner, or person with beneficial ownership of more than 5% of the ECMP's equity) is presently debarred, suspended, proposed for debarment, declared ineligible, or otherwise excluded from participation in transactions by any Federal agency. The ECMP also certifies that the ECMP has no employment, consulting or any other arrangement with any such debarred or suspended person for the provision of items or services or services that are significant and material to the ECMP's contractual obligation with ODJFS. This certification is a material representation of fact upon which reliance was placed when this provider agreement was entered into.

If it is ever determined that ECMP knowingly executed this certification erroneously, then in addition to any other remedies, this provider agreement shall be terminated pursuant to Article VII, and ODJFS must advise the Secretary of the appropriate Federal agency of the knowingly erroneous certification.

- D. By executing this agreement, ECMP certifies compliance with Article V as well as agreeing to future compliance with Article V. This certification is a material representation of fact upon which reliance was placed when this contract was entered into.
- E. By executing this agreement, ECMP certifies compliance with the executive agency lobbying requirements of sections 121.60 to 121.69 of the Ohio Revised Code. This certification is a material representation of fact upon which reliance was placed when this provider agreement was entered into.
- F. By executing this agreement, ECMP certifies that ECMP is not on the most recent list established by the Secretary of State, pursuant to section 121.23 of the Ohio Revised Code, which identifies ECMP as having more than one unfair labor practice contempt of court finding. This certification is a material representation of fact upon which reliance was placed when this provider agreement was entered into.
- G. By executing this agreement ECMP agrees not to discriminate against individuals who have or are participating in any work program administered by a county Department of Job and Family Services under Chapters 5101 or 5107 of the Revised Code.
- H. By executing this agreement, ECMP certifies and affirms that, as applicable to ECMP, no party listed in Division (I) or (J) of Section 3517.13 of the Ohio Revised Code or spouse of such party has made, as an individual, within the two previous calendar years, one or more contributions in excess of \$1,000.00 to the Governor or to his campaign committees. This certification is a material representation of fact upon which reliance was placed when this provider agreement was entered into. If it is ever determined that ECMP's certification of this requirement is false or misleading, and notwithstanding any criminal or civil liabilities imposed by law, ECMP shall return to ODJFS all monies paid to ECMP under this provider agreement. The provisions of this section shall survive the expiration or termination of this provider agreement.
- I. By executing this agreement, ECMP certifies and affirms that Health and Human Services (HHS), US Comptroller General or representatives will have access to books, documents, etc. of ECMP in accordance with OAC rule 5101:3-26-06.

#### ARTICLE XIII - CONSTRUCTION

- A. This provider agreement shall be governed, construed and enforced in accordance with the laws and regulations of the State of Ohio and appropriate federal statutes and regulations. If any portion of this provider agreement is found unenforceable by operation of statute or by administrative or judicial decision, the operation of the balance of this provider agreement shall not be affected thereby; provided, however, the absence of the illegal provision does not render the performance of the remainder of the provider agreement impossible.

#### ARTICLE XIV - INCORPORATION BY REFERENCE

- A. The RFA for ECMPs to provide enhanced care management services to certain Medicaid Aged, Blind or Disabled individuals, issued by ODJFS on October 21, 2003, and all documentations submitted as part of the RFA process and the RFA application review process (hereinafter referred to as the "Proposal") preceding the signing of this provider agreement, are hereby incorporated by reference as part of this provider agreement having the full force and effect as if specifically restated herein.
- B. Ohio Administrative Code Chapter 5101:3-26 (Appendix A) is hereby incorporated by reference as part of this provider agreement having the full force and effect as if specifically restated herein.
- C. Appendices B through M and any additional appendices are hereby incorporated by reference as part of this provider agreement having the full force and effect as if specifically restated herein.
- D. In the event of inconsistency or ambiguity between the provisions of the RFA, the Proposal, OAC 5101:3-26 or this provider agreement, the provision of OAC 5101:3-26 shall be determinative of the obligations of the parties unless such inconsistency or ambiguity is the result of changes in federal or state law, as provided in Article IX of this provider agreement, in which case such federal or state law shall be determinative of the obligations of the parties. In the event OAC 5101:3-26 is silent with respect to any ambiguity or inconsistency between the RFA, the proposal and the provider agreement (including Appendices B through M and any additional appendices), this provider agreement shall be determinative of the obligations of the parties. In the event OAC 5101:3-26 and this provider agreement are silent with respect to any ambiguity or inconsistency between the RFA and the proposal, the RFA shall be determinative of the obligations of the parties. In the event that a dispute arises which is not addressed in any of the aforementioned documents, the parties agree to make every reasonable effort to resolve the dispute, in keeping with the objectives of the provider agreement and the budgetary and statutory constraints of ODJFS.

The parties have executed this agreement the date first written above. The agreement is hereby accepted and considered binding in accordance with the terms and conditions set forth in the preceding statements.

ENHANCED CARE MANAGEMENT PLAN :

BY: \_\_\_\_\_  
ECMP, PRESIDENT/CEO

DATE: \_\_\_\_\_

OHIO DEPARTMENT OF JOB AND FAMILY SERVICES:

BY: \_\_\_\_\_  
THOMAS J. HAYES, DIRECTOR

DATE: \_\_\_\_\_

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JULY 1, 2004

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## **APPENDIX A**

### **OAC RULES 5101:3-26**

The enhanced care management plan (ECMP) program rules can be accessed electronically through the following website:

<http://jfs.ohio.gov/ohp/bmhc/>

## APPENDIX B

### ECMP PROCUREMENT AND PRE-CONTRACTING REQUIREMENTS

The Ohio Department of Job and Family Services (ODJFS) may periodically issue a procurement notice for currently contracting or new counties whereby any qualifying entity as defined by ODJFS may request consideration to receive an enhanced care management plan (ECMP) provider agreement from ODJFS. Applications for additional service areas or for additional counties will be considered based on available administrative resources of ODJFS. It is the intent of ODJFS to expand the ECM program over the next several years but the initial emphasis will be on those counties or areas where the volume is sufficient to support prospective ECMP(s) as well as to demonstrate the return on investment and quality improvements that will justify further expansions.

Further, the ECMP must demonstrate the capability to meet all applicable program requirements specified in Chapter 5101:3-26 of the Ohio Administrative Code (OAC) and the ODJFS - ECMP Provider Agreement. This demonstration will include a review of documentation and data submitted by the prospective ECMP and may also include an on-site review of the prospective ECMP's administrative operations. The ODJFS' review and approval of submissions from the prospective ECMP will include, but is not limited to the following:

1. Administrative submissions:
  - a. An Ohio Medicaid Provider Number Application for each county of interest;
  - b. A Taxpayer Identification Number and Certification (W-9) authorization agreement for state Medicaid payments and an electronic funds transfer (EFT) application;
  - c. A statement confirming the organization's willingness to accommodate on-site visits to their administrative offices, its participating provider facilities, and its subcontractors by ODJFS representatives and/or designees;
  - d. A statement of affirmative action that the prospective ECMP does not discriminate in its employment practices with regard to race, color, religion, sex, sexual orientation, age, disability, national origin, veteran's status, ancestry, health status or need for health services;
  - e. The designation of an individual who will serve as the primary point of contact between the prospective ECMP and ODJFS. A different individual may be designated as the contact person for the prospective ECMP's management information systems;
  - f. A table of organization for the ECMP;
  - g. A signed copy of the ODJFS-required form verifying compliance with noncompetitive bid provisions;
  - h. A Trading Partner Agreement with ODJFS for electronic Health Insurance Portability and Accountability Act (HIPAA) transactions; and
  - i. Notification if the ECMP elects not to provide, reimburse for, or provide coverage of, a counseling or referral service because of an objection on moral or religious grounds.

2. Completed personalized Model Medicaid Subcontract Addendums as described in OAC rule 5101:3-26-12 and Appendix H of this provider agreement which incorporate all applicable Ohio Administrative Code rule requirements specific to subcontracting with primary care physicians (PCPs) and delegated entit(ies).
3. Completed ECMP Delegation of Services form(s), as applicable.
4. Provider panel and subcontracting requirements: Prospective ECMPs must submit documentation to verify the adequacy of their collaborative arrangements and PCP panel, and compliance with subcontracting requirements specified in OAC rule 5101:3-26-12 and Appendix H of this provider agreement.
5. Information Systems (IS) Requirements: Prospective ECMPs must meet the IS requirements and formats specified in Appendix C of this provider agreement. ODJFS will not accept test files from the prospective ECMP or their ODJFS-approved delegated entity(ies) until the prospective ECMP has received an Ohio Medicaid Provider Number.

Before ODJFS enters into a provider agreement with the ECMP, ODJFS or it's designee will review the information system capabilities of each prospective ECMP as described in Appendix C of this provider agreement. The prospective ECMP will be required to demonstrate the following:

The mechanism for tracking and payment of PCP premium and incentive payments through the ECMP's or designee's information system.

The prospective ECMP's capability to successfully provide the following required electronic file submissions in the ODJFS-specified formats:

- Outreach file
- Level of Intervention file
- Member's primary care physician file
- ECMP PCP Panel file

The prospective ECMP's capability to successfully receive and integrate the following required file submissions in the ODJFS-specified formats:

- Consumer Contact Record (CCR)
- HIPAA Transactions - ASC X12 820 Transaction (Payroll Deducted and Other Group Premium Payment for Insurance Products) and ASC

X12 834 Transaction (Benefit Enrollment and Maintenance)

- Fee-for-service claims file
- Fee-for-service prior authorization file
- Fee-for-service provider master file

6. Verification of operational program requirements specified by ODJFS, including but not limited to, the following areas:
  - a. Outreach and Assessment, Case Management, and Utilization Management requirements specified in OAC rule 5101:3-26-12 and Appendix G of this provider agreement;
  - b. Call Center requirements specified in OAC rules 5101:3-26-08.2 and 5101:3-26-12 and Appendix C of this provider agreement;
  - c. Interpreter Services requirements specified in Appendix C of this provider agreement;
  - d. Requirements for marketing materials including marketing staff training (if applicable) and information brochure as specified in OAC rule 5101:3-26-08; and
  - e. New member materials requirements including Member Information Packet and PCP Directory as specified in OAC rule 5101:3-26-08.2 and Appendix H of this provider agreement.
7. Prospective ECMPs must attend and participate in mandatory technical assistance sessions provided by ODJFS.
8. Financial submissions: A financial readiness review by ODJFS and/or designee will be conducted. Prospective ECMPs must submit the two most recent annual audited Generally Accepted Accounting Principles (GAAP) financial statements or the two most recent audited annual statutory statements for the lead organization.
9. Membership Data and Reconciliation: Prospective ECMPs must complete the Membership Data Maintenance and Reconciliation questionnaire and demonstrate the following membership data and reconciliation requirements:
  - a. Capability to accept and utilize consumer contact record (CCR) data;
  - b. Capability to accept and maintain membership data contained on the monthly member roster (MMR);
  - c. Capability to accept and reconcile premium payments with the monthly remittance advice;
  - d. Capability to reconcile membership data with remittance advice; and

- e. Capability to accept and maintain pending member-provided information (such as PCP choice) prior to receiving and reconciling the CCR and MMR.

## APPENDIX C

### ECMP RESPONSIBILITIES

The ECMP must meet on an ongoing basis, all program requirements specified in Chapter 5101:3-26 of the Ohio Administrative Code (OAC) and the Ohio Department of Job and Family Services (ODJFS) - ECMP Provider Agreement. The following are ECMP responsibilities that are not otherwise specifically stated in OAC rule provisions or elsewhere in the ECMP provider agreement.

#### General Provisions

1. The ECMP agrees to implement program modifications in response to changes in applicable state and federal laws and regulations.
2. The ECMP must designate a primary contact person (the ECMP Medicaid Coordinator) who will dedicate a majority of their time to the Medicaid product line and coordinate overall communication between ODJFS and the ECMP. ODJFS may also require the ECMP to designate contact staff for specific program areas. The Medicaid Coordinator will be responsible for ensuring the timeliness, accuracy, completeness, and responsiveness of all ECMP submissions to ODJFS.
3. All ECMP employees are to direct all day-to-day submissions and communications to their ODJFS-designated contact unless otherwise notified by ODJFS.
4. The ECMP must be represented at all meetings and events designated by ODJFS as requiring mandatory attendance.
5. The ECMP must have an administrative office located in Ohio.
6. Upon request by ODJFS, the ECMP must submit information on the current status of their company's operations not specifically covered under this provider agreement (for example, other product lines, Medicaid contracts in other states, etc.).
7. The ECMP must assure that all new employees are trained on applicable program requirements.
8. If an ECMP determines that it does not wish to provide, reimburse, or cover selected ECM services due to an objection to the service on moral or religious grounds, it must immediately notify ODJFS to coordinate the implementation of this change. ECMPs will be required to notify their members of this change at least 30 days prior to the effective date. The ECMP's member handbook and primary care physician (PCP) directory, as well as all marketing materials, will need to include information specifying any such services that the ECMP will not provide.
9. For any data and/or documentation that ECMPs are required to maintain, ODJFS may request that ECMPs provide analysis of this data and/or documentation to ODJFS in an aggregate format.
10. In addition to the timely submission of medical records at no cost for the annual external quality

## Appendix C

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review as specified in OAC rule 5101:3-26-07, the ECMP may be required for other purposes to submit medical records at no cost to ODJFS and/or designee upon request.

11. Upon request by ODJFS, ECMPs may be required to provide written notice to members of any significant change(s) affecting contractual requirements, member services, or access to providers.
12. ECMPs must comply with any applicable federal and state laws that pertain to member rights and ensure that its staff and affiliated providers take those rights into account when furnishing services to members.
13. ECMPs must comply with any other applicable federal and state laws (such as Title VI of the Civil rights Act of 1964, etc.) including any laws regarding privacy and confidentiality.
14. Upon request, the ECMP will provide members and potential members with a copy of their member information packet, PCP directory, physician incentive plans, and all marketing materials. The ECMP shall also provide educational material(s) to their members as specified in Appendix G.
15. The ECMP is responsible for promoting the delivery of services in a culturally competent manner to all members, including those with limited English proficiency and diverse cultural and ethnic backgrounds.
16. Limited English Proficient (LEP) Services – All ECMPs must comply with the requirements specified in OAC rules 5101:3-26-08, and 5101:3-26-08.2 for providing assistance to LEP members and eligible individuals. In addition, ECMPs must:
  - a. Provide written translations of certain ECMP materials in the prevalent non-English languages of members and eligible individuals in accordance with the following:
    - i. When 10% or more of the eligible individuals in the ECMP's service area have a common primary language other than English, the ECMP must translate all ODJFS-approved marketing materials into the primary language of that group. The ECMP must monitor, on an ongoing basis, changes in the eligible population in the service area to determine which, if any, primary language groups meet the 10% threshold; and
    - ii. When 10% or more of an ECMP's members in the ECMP's service area have a common primary language other than English, the ECMP must translate all ODJFS-approved member materials into the primary language of that group. The ECMP must monitor, on an ongoing basis, changes in their membership to determine which, if any, primary language groups meet the 10% threshold.
  - b. Utilize a centralized database which records all ECMP member primary language information (PLI) when identified by the following sources including, but not limited to, ECMP staff (e.g., member services and case management staff), the ECMP's providers, members or member

representatives, ODJFS, and the ODJFS selection services entity. This centralized database must be readily available to ECMP staff and be used in coordinating communication and services to LEP members, including the selection of a PCP who speaks the member's primary language, when available. ECMPs must share PLI with their providers (e.g., PCPs, and Third Party Administrators (TPAs)), as applicable. ODJFS may periodically request a summary of the ECMP's LEP members.

Additional requirements specific to providing assistance to hearing-impaired, vision-impaired, limited reading proficient, and LEP members and eligible individuals are found in OAC rules 5101:3-26-08 and 5101:3-26-08.2.

17. The ECMP is responsible for ensuring that all member materials use easily understood language and format.
18. Pursuant to OAC rules 5101:3-26-08 and 5101:3-26-08.2, the ECMP is responsible for ensuring that all ECMP marketing materials are prior approved by ODJFS. Marketing and member materials are defined as follows:
  - a. Marketing materials are those items produced in any medium, by or on behalf of an ECMP, including gifts of nominal value (i.e., items worth no more than \$15.00), which can reasonably be interpreted as intended to market to eligible individuals;
  - b. Member materials are those items developed, by or on behalf of an ECMP, to fulfill ECMP program requirements or to communicate to all members or a group of members. Member health education materials that are produced by a source other than the ECMP and which do not include any reference to the ECMP are not considered to be member material;
  - c. All ECMP marketing and member materials must represent the ECMP in an honest and forthright manner, and must not make statements which are inaccurate, misleading, confusing, or otherwise misrepresentative, or which defraud eligible individuals or ODJFS.
19. Call Center Standards

The ECMP must provide assistance to members through a member services toll-free call-in system pursuant to OAC rule 5101:3-26-08.2(C)(1). ECMP member services staff must be available at all times to provide assistance to members through the toll-free call-in system every Monday through Friday, 8:30 a.m. to 4:30 p.m., except for major holidays as specified in the ECMP's member information packet, member newsletter, or other general issuance to the ECMP's members. ODJFS defines a major holiday as a day when much of the workforce is exempt from work to commemorate an event (i.e., holiday closure days normally observed by banks, government offices, or many businesses).

The ECMP must also provide access to medical advice and direction through a centralized twenty-four-hour toll-free call-in system pursuant to OAC rule 5101:3-26-12(E)(3). The twenty-four hour

call-in system must be staffed by appropriately trained medical personnel. For the purposes of meeting this requirement, trained medical professionals are defined as physicians, physician assistants, licensed practical nurses, and registered nurses.

ECMPs must meet the current American Accreditation HealthCare Commission/URAC-designed Health Call Center (HCC) Standards for call center abandonment rate, blockage rate and average speed of answer. By the 10<sup>th</sup> of each month, ECMPs must self-report their prior month performance in these three areas for their member services and twenty-four-hour toll-free call-in systems to ODJFS. ODJFS will inform the ECMPs of any changes/updates to these URAC call center standards.

20. HIPAA Privacy Compliance Requirements

The Health Insurance Portability and Accountability Act (HIPAA) Privacy Regulations at 45 CFR. 164.502(E) and 164.504(E) require ODJFS to have agreements with ECMPs as a means of obtaining satisfactory assurance that the ECMPs will appropriately safeguard all personal identified health information. Protected Health Information (PHI) is information received from or on behalf of ODJFS that meets the definition of PHI as defined by HIPAA and the regulations promulgated by the United States Department of Health and Human Services (HHS), specifically 45 CFR 164.501, and any amendments thereto. ECMPs must agree to the following:

- a. ECMPs shall not use or disclose PHI other than as permitted by this agreement or required by law.
- b. ECMPs shall use appropriate safeguards to prevent unauthorized use or disclosure of PHI.
- c. ECMPs shall report to ODJFS any unauthorized use or disclosure of PHI of which it becomes aware.
- d. ECMPs shall ensure that all its agents and subcontractors agree to these same PHI conditions and restrictions.
- e. ECMPs shall make PHI available for access as required by law.
- f. ECMP shall make PHI available for amendment, and incorporate amendments, as appropriate, as required by law.
- g. ECMPs shall make PHI disclosure information available for accounting as required by law.
- h. ECMPs shall make its internal PHI practices, books, and records available to the HHS to determine compliance.
- i. Upon termination of their agreement with ODJFS, the ECMPs, at ODJFS' option, shall destroy or return to ODJFS, all PHI in its possession, and keep no copies of the

information, except as requested by ODJFS or required by law.

- j. ODJFS will propose termination of the ECMP's provider agreement if ODJFS determines that the ECMP has committed a material breach under this section of the agreement, unless inconsistent with statutory obligations of ODJFS or the ECMP.

21. ECMP Membership acceptance, documentation, and reconciliation

- a. Selection Services Contractor: The ECMP shall provide to the selection services contractor (SSC) ODJFS prior-approved ECMP materials and directories for distribution to eligible individuals who request additional information about the ECMP. OAC Rule 5101:3-26-08(D)(7) states that the ECMP must have an information brochure available to eligible individuals. 42 CFR 438.10(e) states that the state must provide information about enhanced care programs and the plans available to potential ECMP members. The SSC acts as the state's agent in providing potential member access to information and materials.
- b. Monthly Reconciliation of Membership and Premiums: OAC rule 5101:3-26-02(E)(3) states that the SSC will document all information provided by the eligible individual and document verbal authorization of membership via the consumer contact record (CCR). The rule further states that all ECMP membership requests and assignments will be processed by the SSC utilizing only information contained on the CCR and a copy of the CCR will be forwarded to the ECMP. The ECMP shall reconcile member data as reported on the SSC-produced CCR with the ODJFS-produced, HIPAA-compliant monthly member roster (MMR), the ODJFS produced HIPAA 834 C, 834 F with information contained in the ECMP information systems and report to the ODJFS any difficulties in interpreting or reconciling information received. The HIPAA 834 C (change) file reports all member changes, including new members, terminating members, and member demographic changes. The HIPAA 834 F (full) file reports all members that are to be ECMP members for the upcoming month. These files are made available to the ECMP via a secure mailbox no later than the fifth working day prior to the end of a month (a calendar of monthly dates are supplied to the plans annually in late November). The ODJFS offers technical and reconciliation assistance to the ECMP in reconciling the SSC-produced CCR with the ODJFS-produced HIPAA 834 C and 834 F files. Membership reconciliation questions must be identified and reported to the ODJFS prior to the first of the month to assure that no member is left without coverage. The ECMP shall reconcile membership with premium payments as reported on the monthly remittance advice (RA). The RA is described in OAC rule 5101:3-26-09(A)(1). The monthly RA is a detailed accounting of all of the following premium transactions remitted to the ECMP during the month: monthly membership premiums and adjustments (retrospective premiums), and credit reversals of premiums paid in error or as a result of retroactive terminations of membership. The ECMP will receive an electronic version of the RA with the electronic funds transfer, and a HIPAA-compliant 820 file of all premium data for the month. The

820 file is made available to the ECMP via a secure mailbox according to a calendar of monthly release dates supplied to the plans annually in late November.

The ECMP shall work directly with the ODJFS, or other ODJFS-identified entity, to resolve any difficulties in interpreting or reconciling premium information. Premium reconciliation questions must be identified within 30 days of receipt of the RA.

- c. Monthly Premiums: The ECMP must be able to receive monthly premiums in a method specified by ODJFS. (ODJFS monthly prospective premium is provided in advance to the ECMPs.) Various retroactive premium payments, and recovery of premiums paid (e.g., retroactive terminations of membership for individuals in institutions, etc.) may occur via any ODJFS weekly remittance.
- d. Pending Member
  - (i) If a pending member (i.e., an eligible individual subsequent to plan selection but prior to their membership effective date) contacts the selected ECMP, the ECMP must provide any membership information requested and ensure that any care coordination (e.g., PCP selection, continuity of care) information provided by the member is forwarded to the appropriate ECMP staff for processing. Such communication does not constitute confirmation of membership.
  - (ii) Upon receipt of the CCR, the ECMP may contact pending members to confirm information provided on the CCR that is unrelated to health status and to inquire if the pending member has any membership questions. In the case of pending members who have actively selected membership (as opposed to assigned members), the ECMP may also confirm any health status information provided on the CCR.

## 22. Health Information System Requirements

The ability to develop and maintain information management systems capacity is crucial to successful plan performance. ODJFS therefore requires ECMPs to demonstrate their ongoing capacity in this area by meeting several related specifications.

- a. Health Information System
  - (i) As required by the Request For Applications (RFA), each ECMP must maintain a health information system that collects, analyzes, integrates, and reports data. The system must provide information on areas including, but not limited to, utilization, and ECMP membership terminations for other than loss of Medicaid eligibility.

- (ii) As required by the RFA, each ECMP must collect data on member and provider characteristics and on services furnished to its members.
- (iii) As required by the RFA, each ECMP must make all collected data available upon request by ODJFS or the Center for Medicare and Medicaid Services (CMS).

b. Electronic Data Interchange

The ECMP shall comply with all applicable provisions of HIPAA including electronic data interchange (EDI) standards for code sets and electronic transactions. The ECMP shall comply with the HIPAA mandated EDI transaction standards and code sets no later than the required compliance dates as set forth in the federal regulations.

Each EDI transaction processed by the ECMP shall be implemented in conformance with the appropriate version of the transaction implementation guide, as specified by federal regulation.

The ECMP must have the capacity to accept the following transactions from the ODJFS consistent with EDI processing specifications in the transaction implementation guides and in conformance with the 820 and 834 Transaction Companion Guides issued by ODJFS:

ASC X12 820 – Payroll Deducted and Other Group Premium Payment for Insurance Products:  
and

ASC X12 834 - Benefit Enrollment and Maintenance.

Documentation of Compliance with Mandated EDI Standards

The capacity of the ECMP and/or applicable trading partners and business associates to electronically conduct transactions in compliance with standards and effective dates mandated by HIPAA must be demonstrated as outlined below.

Verification of Compliance with HIPAA (Health Insurance Portability and Accountability Act of 1995)

ECMPs shall submit written verification, prior to the compliance dates for transaction standards and code sets specified in 45 CFR 162 (Health Insurance Reform: Standards for Electronic Transactions (HIPAA regulations)), that the ECMP has established the capability of sending and receiving applicable transactions in compliance with the HIPAA regulations. The written verification shall specify the date that the ECMP has: 1) achieved capability for sending and/or receiving the transactions listed below, 2) entered into the appropriate trading partner agreements, and 3) implemented standard code sets. If the ECMP has obtained third-party certification of HIPAA

compliance for any of these items listed below, that certification may be submitted in lieu of the ECMP's written verification for the applicable item(s).

Transactions

- (i). Health Plan Premium Payments (ASC X12N 820)
- (ii). Enrollment and Disenrollment in a Health Plan (ASC X12N 834)

Trading Partner Agreement with ODJFS

ECMPs must complete and submit an EDI trading partner agreement in a format specified by the ODJFS. The Trading Partner Agreement can be found at <http://hipaa.oh.gov/odjfs/>. Submission of the copy of the trading partner agreement prior to entering into the provider agreement may be waived at the discretion of ODJFS. If submission prior to entering into the provider agreement is waived, the trading partner agreement must be submitted at a subsequent date determined by ODJFS.

Noncompliance with the EDI requirements will result in the imposition of penalties, as outlined in Appendix L, ECMP Compliance System (ECS), of the Provider Agreement.

c. Information Systems Review

Every two years, and before ODJFS enters into a provider agreement with a new ECMP, ODJFS or designee may review the information system capabilities of each ECMP. Each ECMP must participate in the review, except as specified below. The ECMP will be expected to identify and submit any contracts related to the responsibility for all aspects of data management. The review will assess the extent to which ECMPs are capable of maintaining a health information system that produces data necessary to support quality assessment and improvement, as well as manage the care delivered to its members. The ODJFS or its designee may conduct an on-site review to assure all systems components are in place. The following activities will be carried out during the review. ODJFS or its designee will:

- (i). Review the ECMP capability to conduct:
  - (a) Analysis of claims data
  - (b) Provider profiling
  - (c) Operation and oversight of care management program
  - (d) Integration of ECM member demographic information
- (ii). Assess the ability of the ECMP to link data from multiple sources,

including data collected in the assessment, data on co-morbidities, case management, member months, treatment plan, outcomes, specified PCPs, claims, and 24/7 health advice line log data;

- (iii). Examine ECMP processes for data transfers;
- (iv) If an ECMP has a data warehouse, evaluate its structure and reporting capabilities;
- (v) The ECMP will be required to submit test data files to ODJFS in order to demonstrate the ECMP's ability to successfully meet the case management and PCP-member reporting requirements. Other test files may be required as applicable.
- (vi) The ECMP will be required to demonstrate that it can track, on a monthly basis, the assignment of consumers to specified PCPs. The ECMP must show the monthly payment of the \$3.00 per-member per-month to the PCPs.

As noted above, the information system review may be performed every two years. However, if ODJFS or its designee identifies significant information system (IS) problems, then ODJFS or its designee may conduct, and the ECMP must participate in, a review the following year.

If an ECMP had an assessment performed of its information system through a private sector accreditation body or other independent entity within the two years preceding when the ODJFS or its designee will be conducting its review, and has not made significant changes to its information system since that time, and the information gathered is the same as or consistent with the ODJFS or its designee's proposed review, as determined by the ODJFS, then the ECMP will not be required to undergo the IS review. The ECMP must provide ODJFS or its designee with a copy of the review that was performed so that ODJFS can determine whether or not the ECMP will be required to participate in the IS review. ECMPs, who are determined to be exempt from the IS review, must participate in subsequent information system reviews.

- 23. If the ECMP will be using the internet functions that will allow approved users to access member information (e.g., eligibility verification), the ECMP must receive prior approval from ODJFS that verifies that the proper safeguards, firewalls, etc., are in place to protect member data.
- 24. ECMPs must receive prior approval from ODJFS before adding any information to their website that would require ODJFS prior approval in hard copy form (e.g., PCP listings, member handbook information).

25. Pursuant to 42 CFR 438.106(b), the ECMP is prohibited from holding a member liable for services provided to the member in the event that the ODJFS fails to make payment to the ECMP.
26. In the event of an insolvency of an ECMP, the ECMP, as directed by ODJFS, must cover the continued provision of services to members until the end of the month in which insolvency has occurred.
27. Fraud and Abuse Program

In order to comply with OAC rule 5101:3-26-06, ECMPs must have a program that includes administrative and management procedures to guard against fraud and abuse.

- a. ODJFS or its designee, and the HHS may evaluate or audit a contracting ECMP's performance for the purpose of determining compliance with the requirements of Chapter 5101:3-26 of the Administrative Code, fraud and abuse statutes, applicable state and federal regulations, or requirements under federal waiver authority.
- b. ODJFS or its designee may conduct on-site audits and reviews as deemed necessary based on periodic analysis of financial, utilization, provider panel, and other information.
- c. The ECMP must submit required reports and additional information, as requested by ODJFS, as related to their duties and obligations and where needed to assure operation in accordance with all state and federal regulations or requirements.
- d. Failure of the ECMP to submit any ODJFS-requested materials, as specified in paragraph c, without cause as determined by ODJFS, on or before the due date, may result in application of any or all of the sanctions listed in rule 5101:3-26-10 of the Administrative Code.
- e. Record retention.

All hard copy or electronic records originated or prepared in connection with the ECMP's performance of its obligations under the provider agreement, including but not limited to working papers or information related to the preparation of reports, medical records, progress notes, charges, journals, ledgers, and fiscal reports, will be retained and safeguarded by the ECMP and its subcontractors in accordance with the requirements of OAC rule 5101:3-26-06.

- f. ECMPs must report all instances of fraud and abuse to ODJFS and member fraud to the County Department of Job and Family Services.

28. Data Certification.

In accordance with 42 CFR 438.602, as a condition for receiving payment under the Medicaid managed care program, the ECMP must comply with the applicable certification, program integrity, and prohibited affiliation requirements of that subpart of the federal regulations. ECMPs are required to provide certification as to the accuracy, completeness, and truthfulness of data and documents submitted to ODJFS which may affect ECMP payment. ECMPs must submit the appropriate ODJFS certification with the submission of the cost reports as specified in the appendix I. The ECMP data submission must be certified by one of the following:

- a. The ECMP's Chief Executive Officer;
- b. The ECMP's Chief Financial Officer, or
- c. An individual who has delegated authority to sign for, or who reports directly to, the ECMP's Chief Executive Officer or Chief Financial Officer

ODJFS may also require ECMPs to certify as to the accuracy, completeness, and truthfulness of additional submissions.

29. Prohibited Affiliations.

Pursuant to 42 CFR 438.610, ECMPs must not knowingly have a relationship with individuals debarred by federal agencies, as specified in Article XII of the baseline provider agreement.

## APPENDIX D

### ODJFS RESPONSIBILITIES

The following are ODJFS responsibilities or clarifications that are not otherwise specifically stated in OAC Chapter 5101: 3-26 or elsewhere in the ODJFS-ECMP provider agreement.

#### General Provisions

1. ODJFS will provide ECMPs with an opportunity to review and comment on the premium-setting time line, proposed premiums, and proposed changes to the OAC program rules or the provider agreement.
2. ODJFS will notify ECMPs of enhanced care program policy and procedural changes and, whenever possible, offer sufficient time for comment and implementation.
3. ODJFS will provide regular opportunities for ECMPs to receive program updates and discuss program issues with ODJFS staff.
4. ODJFS will provide technical assistance sessions where ECMP attendance and participation is required. ODJFS will also provide optional technical assistance sessions to ECMPs, individually or as a group.
5. ODJFS will provide ECMPs with an annual ECMP calendar of submissions outlining major submissions and due dates.
6. ODJFS will identify contact staff, including the Contract Administrator, selected for each ECMP.
7. ODJFS will recalculate the minimum PCP provider network panel specifications, if ODJFS determines that significant changes have occurred in the number and composition of the ECM eligible population.
8. On a monthly basis, ODJFS will provide ECMPs with an electronic file containing their ECMP's PCP provider panel as reflected in the ODJFS provider database.
9. On a monthly basis, ODJFS will provide ECMPs with an electronic Master Provider File containing all the Ohio Medicaid fee-for-service providers, which includes their Medicaid Provider Number.
10. Consumer information
  - a. ODJFS or its delegated entity will provide membership notices, informational materials, and instructional materials relating to members and eligible individuals in a manner and format that may be easily understood. At least annually, ODJFS will provide ECMP eligible individuals, including current ECMP members, with a Consumer Guide. The Consumer

Guide will describe the enhanced care management program and include information on the ECMP options in the service area and other information regarding the program as specified in 42 CFR 438.10.

- b. ODJFS will notify members or ask ECMPs to notify members about significant changes affecting contractual requirements, member services, or access to providers.
- c. If an ECMP elects not to provide a counseling service or referral service due to an objection to the service on moral or religious grounds, ODJFS will provide coverage and reimbursement for these services for the ECMP's members. ODJFS will provide information on what counseling services the ECMP will not cover and how and where the ECMP's members may obtain these services in the applicable Consumer Guides.

11. Membership Selection and Premium Payment

- a. Selection Services Entity (SSE) also known as Selection Services Contractor (SSC): The ODJFS-contracted SSC will provide unbiased education, selection services, and community outreach for the Medicaid enhanced care management program. The SSC shall operate a statewide toll-free telephone center to assist eligible individuals in selecting an ECMP. The SSC shall distribute the most current Consumer Guide that includes the enhanced care management program information as specified in 42 CFR 438.10, as well as ODJFS prior-approved ECMP materials, such as solicitation brochures and provider directories, to consumers who request additional materials.
- b. Assignments: ODJFS or the SSC shall assign to an ECMP those eligible individuals who fail to make a choice of whether or not to join the ECMP following receipt of notice to do so. Assignments shall be based on previous ECMP membership history or previous Medicaid FFS primary care relationships when possible.
- c. Consumer Contact Record (CCR): ODJFS or their designated entity shall forward CCRs to ECMPs on no less than a weekly basis.
- d. Monthly Premiums Payments: ODJFS will remit payment to the ECMPs via an electronic funds transfer (EFT), or at the discretion of ODJFS, by paper warrant.
- e. Remittance Advice: ODJFS will confirm all premium payments to the ECMP during the month via a monthly remittance advice (RA), which is sent to the ECMP according to an issue date calendar, usually the week following state cut-off.
- f. ECMP Reconciliation Assistance: ODJFS will work with an ECMP-designated contact(s) to resolve the ECMP's member eligibility and premium payment inquiries and discrepancies. Reconciliation inquiries should be made within 30 days receipt of the monthly member roster and remittance advice.

12. ODJFS will make available a website which includes current program information.
13. ODJFS will regularly provide information to ECMPs regarding different aspects of ECMP performance including, but not limited to, information on ECMP-specific and statewide external quality review organization surveys, focused clinical quality of care studies, consumer satisfaction surveys and provider profiles.

**APPENDIX E**  
**RATE METHODOLOGY**

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March 16, 2004

Ms. Mitali Ghatak  
Office of Health Plan Policy  
Ohio Department of Job and Family Services  
30 East Broad Street, 27th Floor  
Columbus, Ohio 43215-3414

**Subject:**

Enhanced Care Management Premiums Actuarial  
Certification: September 1, 2004 – August 31, 2006

Dear Mitali:

The Ohio Department of Job and Family Services (ODJFS) contracted with Mercer Government Human Services Consulting (Mercer) to develop actuarially sound premiums for the Enhanced Care Management Program (ECM) for use during September 1, 2004 through August 31, 2006. This letter details the methodology used to determine the premiums for covering the comprehensive care management services provided under the ECM program to a subset of Ohio's Medicaid fee-for-service (FFS) Aged, Blind or Disabled (ABD) population.

Non-institutionalized ABD adults with asthma, chronic obstructive pulmonary disease, congestive heart failure, coronary arterial disease, diabetes, or non-mild hypertension, and ABD children with asthma are eligible. ABD individuals who received services related to inpatient admission for solid organ transplants, AIDS, cancer, end stage renal disease, severe trauma, or hospice during the identification period and dual eligibles (Medicaid and Medicare eligible) are excluded from the program.

The ECM premiums cover services such as health assessment, care treatment plan development, care management, member outreach and education, measurement and reporting, health monitoring, utilization management, provider education and provider relations. The ECM premium is payment in full for these services, with the exception of a risk corridor settlement related to expected growth rate reduction. Claims for medical treatment or diagnostic services will continue to be paid by ODJFS on an FFS basis.

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This document will provide the payment development methodologies and the certification in the following sections:

- I. Premium Development
- II. Expected Growth Rate Reduction
- III. Certification of Premiums

## I. Premium Development

The premiums outlined below begin September 1, 2004, and will be effective for a two year period following this date. It should also be noted that the program will be phased in between September 1, 2004 and April 1, 2005. Any ECM provider who enters the program during this period will receive this premium. The rating groups were developed to accommodate economies/diseconomies of scale based on the size of the member population in the ECM provider's contract region. Providers may contract in multiple regions. The ECM provider's total ECM membership is used to determine the appropriate rating group.

### **Premiums by Rating Group**

<b>Rating Group</b>	<b>Monthly Premium</b>
Less than 2,500 Members	\$47.65
2,501 to 5,000 Members	\$43.62
5,001 to 10,000 Members	\$40.06
More than 10,000 Members	\$35.58

## **A. Data Sources**

Due to the innovative nature of the enhanced care management program, Ohio-specific historical data does not exist as a basis for premium development. As a result, the premium development process used several different data sources and assumptions which were adjusted, as necessary, for characteristics of a Medicaid population. Costs were developed for six components, including:

- Initial Health Assessment and Ongoing Care Management,
- Health Advice Line,
- Communication Materials/Education,

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- Measurement, Reporting and Monitoring,
- PCP Coordination Payment, and
- PCP Performance Payment.

## 1. Caseloads and Salaries

For the Initial Health Assessment and Ongoing Care Management component, costs per member are expected to vary by the severity of disease experienced by the member. Experienced Mercer clinicians developed caseload assumptions for each disease severity level and for each level of staff (i.e., Registered Nurse, Social Worker). Caseload assumptions considered characteristics of the Medicaid population, such as a greater need for home visits, as well as data from American Health Consultants and the Case Management Society of America.

Next, Mercer used eligible member totals developed by Medstat from the Ohio community-based ABD population in regions considered for ECM implementation<sup>1</sup>. The total eligible figures were broken down into low, moderate and high severity brackets for each disease so an overall distribution by severity level could be calculated. This distribution, along with the caseload assumptions, was used to develop the number of full-time equivalents (FTEs) needed for each level of staff. Additional FTEs were added for physician consultants and management staff. The number of FTEs for these additional positions varied based on the rating group (anticipated membership size.)

Average yearly compensation levels for care management staff were determined based on Mercer's 2003 Integrated Health Networks Compensation Survey Suite. Finally, the number of FTEs and the annual compensation levels were combined to produce an average cost per member per month for Initial Health Assessment and Ongoing Care Management.

The Health Advice Line component was calculated using the same basic methodology. However, the caseload estimate did not vary by disease severity. In addition, rates were increased slightly for smaller population sizes due to diseconomies of scale. Mercer compared these rates to other Health Advice Line experience in the Medicaid and commercial markets.

## 2. Fixed Budgets

For Communication and Education, and Measurement, Monitoring and Reporting, Mercer developed appropriate budgets based on our experience with disease-management programs. The costs of these components considered development and capital costs, in addition to ongoing

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<sup>1</sup> *Cuyahoga, Franklin, Hamilton, Lucas, Montgomery, Stark, and Summit counties, and the Zanesville Service Area (comprised of Muskingum, Coshocton, Guernsey, Morgan, Noble, and Perry counties).*

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maintenance. Generally, the majority of these costs were fixed and largely unaffected by the number of members. Budgets were set initially for the largest membership-based rating group (more than 10,000 members). A PMPM was developed from this, and diseconomies of scale factors were applied to calculate PMPM costs for the smaller rating groups who experience similarly sized budgets spread across fewer members. Where resources were available publicly (i.e. education materials), costs were reflective of obtaining these resources from public sources rather than development of the resources.

### 3. Costs

For the primary care provider (PCP) payments, both coordination and performance, average PMPM costs did not vary by rating group. These PMPM payments are expected to be passed through from the ECM provider to the member's PCP as compensation for the PCP's participation in development of the care treatment plan and other care management activities. Mercer based the PCP coordination fee on PCCM coordination fees for other Medicaid and commercial programs. The PCP Performance fee was based on ODJFS' expectation and goals for PCP responsibility and payment levels.

## B. ECM Provider Administrative Load

To provide coordinated care management services, there are account management and overhead costs the ECM providers incur in addition to the six components described above. Because a percentage of these costs are fixed, a larger load was allowed for smaller areas where these costs represent a larger portion of expense. The administrative load based on member population size were as follows:

<b>Member Size</b>	<b>Administration</b>
Less than 2,500 members	14% of premium
2,501 to 5,000 members	13% of premium
5,001 or more members	12% of premium

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## II. Expected Growth Rate Reduction

It is ODJFS' expectation that the ECM program, with its additional premiums, will cost no more than what would have been spent if these members remained in a FFS program (i.e. the ECM program did not exist.) The growth in medical expenses after implementation of this program is expected to be less than it would have been without the program. The savings in medical costs due to this reduced growth rate is expected to more than offset the ECM premium costs. To ensure ECM providers are held financially accountable, a risk corridor has been established. This risk corridor is based on a reduction in growth rate. The ECM non-member population's (ABD community population excluding ECM members) growth rate will be used as a proxy for the growth rate that would have been experienced without the program. This growth rate will be compared to the actual growth rate for the ECM-eligible population.

The amount of the expected growth rate reduction for the ECM-eligible population was determined based on return on investment (ROI) goals for the program. ROI is calculated as the ratio of average savings on medical expenses for the ECM-eligible population to the average premium paid for the ECM-eligible population. If the ECM provider achieves 2:1 or higher ROI, additional payments are to be made to the ECM provider. If the ECM provider does not achieve a 1:1 ROI, the ECM provider will return funds to ODJFS. At the center of the risk corridor is the expectation that the ECM provider will achieve a reduction in the growth rate of ECM member medical expenses that equates to a 1.5:1 ROI for ECM eligibles.

Because the growth rate is considered on an eligible population basis, low participation rates decrease the overall eligible growth rate reduction. To ensure extremely low participation rates do not nullify the program's impact, the ECM provider is required to reduce the eligible growth rate by a minimum of 5%. This 5% eligible reduction only impacts the calculation if participation is less than 30%. In this case, the effective ROI needed to earn an additional payment is greater than 1.5 to 1.

The structure of the risk corridor ensures that when risk corridor settlements are paid to the ECM providers, total ECM program payments would not exceed the amount Medicaid would have paid under the FFS program. At ROI levels which result in additional payments to the ECM provider (at least 2:1 ROI), at least twice the amount paid in program premiums is saved on medical expenses. The risk corridor payment is less than the premium paid, so a net savings always results. This is shown in the example calculation given below.

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Ms. Mitali Ghatak

Ohio Department of Job and Family Services

## Example Calculation

### **Assumptions:**

Premium = \$43.62

2:1 ROI achieved → 2.5% risk corridor percentage

### **Savings on Medical Expenses:**

2 (2:1 ROI) x Premium

2 x \$43.62 = \$87.24

### **Risk Corridor Settlement Earned:**

Premium x Risk Corridor Percentage

\$43.62 x 2.5% = \$1.09

### **Net Savings:**

Medical Expense Savings - Premium Paid - Risk Corridor Settlement Earned

\$87.24 - \$43.62 - \$1.09 = \$42.53

Attachment A has been included which is a table outlining the risk corridor ranges, settlements, and expected ROI at the midpoint of each range.

## III. Certification of Premiums

The following monthly premiums were developed for the contract period of September 1, 2004 through August 31, 2006:

- Less than 2,500 members,
- 2,501 to 5,000 members,
- 5,001 to 10,000 members, and
- More than 10,000 members.

A summary of the monthly premiums by rating group may be found in Section I of this document.

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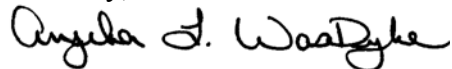
Ms. Mitali Ghatak

Ohio Department of Job and Family Services

Mercer certifies the above premiums were developed in accordance with generally accepted actuarial practices and principles by actuaries meeting the qualification standards of the American Academy of Actuaries for the populations and services covered under the enhanced care management contract. Premiums developed by Mercer are actuarial projections of future contingent events. Actual ECM provider costs will differ from these projections. Mercer has developed these premiums on behalf of ODJFS to demonstrate compliance with the CMS requirements under 42 CFR 438.6(c). The premiums are also developed in accordance with applicable law and regulations.

ECM providers are advised that the use of these premiums may not be appropriate for their particular circumstance and Mercer disclaims any responsibility for the use of these premiums by ECM providers for any purpose. Mercer recommends any ECM provider considering contracting with ODJFS should analyze its own projected expenses and premium needs before deciding whether to contract with ODJFS. Use of these premiums for purposes beyond that stated may not be appropriate.

Sincerely,



Angela L. WasDyke, A.S.A., M.A.A.A.

AW/SJ/KC/adl

Copy:

Stephanie Davis, Shereen Jensen, Kristin Coyle - Mercer

## Attachment A

### ECM Provider Risk Corridor Settlement for Growth Rate Reduction

Growth Rate Variance per Eligible		Risk Corridor Settlement as a Percentage of ECM Premium	ROI Range
Greater than	\$56.00	10.0%	ROI $\geq$ 3.5:1
\$42.01 to	\$56.00	7.5%	3:1 $\leq$ ROI < 3.5:1
\$28.01 to	\$42.00	5.0%	2.5:1 $\leq$ ROI < 3:1
\$14.01 to	\$28.00	2.5%	2:1 $\leq$ ROI < 2.5:1
\$14.00 to	-\$14.00	No Adjustment	1:1 $\leq$ ROI < 2:1
-\$14.01 to	-\$28.00	-2.5%	0.5:1 $\leq$ ROI < 1:1
-\$28.01 to	-\$42.00	-5.0%	0:1 $\leq$ ROI < 0.5:1
-\$42.01 to	-\$56.00	-7.5%	-0.5:1 $\leq$ ROI < 0:1
Less than	-\$56.00	-10.0%	ROI < -0.5:1

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## ECM Financial Reimbursement and Performance Measurement

The financial objective of the Enhanced Care Management (ECM) program is the reduction in the annual rate of growth in the medical costs of the ECM member population. This reduction must be of sufficient magnitude to reduce the rate of growth of the costs in the overall ECM eligible population as well as the Aged, Blind, or Disabled (ABD) population from which the ECM eligible population is derived. The ECM plan (ECMP) will be assessed penalties or paid incentives based on a comparison of the actual versus expected reduction in the rate of growth in the medical costs for the ECM member and eligible population.

Non-institutionalized ABD adults with asthma, chronic obstructive pulmonary disease, congestive heart failure, coronary arterial disease, diabetes, or non-mild hypertension, and ABD children with asthma are eligible. ABD individuals who received services related to inpatient admission for solid organ transplants, AIDS, cancer, end stage renal disease, severe trauma, or hospice during the identification period are excluded from the program. Also excluded are dual eligibles (Medicaid and Medicare eligible) and individuals residing in nursing homes and ICF/MR facilities. If an ECM member is participating in the program and presents with one of the exclusionary criteria, they have the option to remain in the program, but will not be included in the calculation of the Growth Rate Variance of the ECMP.

### ECM Premium

The ECM premium schedule is effective during September 1, 2004 through August 31, 2006 and covers services outlined in Appendix G. The ECM premium is payment in full for these services, with the exception of a risk corridor settlement related to expected growth rate reduction. Claims for medical treatment or diagnostic services will continue to be paid by the Ohio Department of Job and Family Services (ODJFS) on a fee-for-service (FFS) basis.

An ECM base premium of \$43.62 per member per month (PMPM) will be paid to the ECMP by ODJFS. The ECM base premium will be adjusted for the total number of members enrolled with each ECMP. The ECM base premium will be paid for membership ranging from 2,501 to 5,000 total members. If an ECMP enters additional counties, the premium will be adjusted to reflect the increased membership. Adjustments to the premium based on membership size are the following:

<b>ECMP Membership Size</b>	<b>Base Premium PMPM Adjustment</b>
2,500 or Less	\$4.03
2,501 – 5,000	-
5,001 – 10,000	-\$3.56

10,001 or More	-\$8.04
----------------	---------

The amount of the ECM base premium will be evaluated every two years. Adjustments in the premium paid to each ECMP resulting from changes in membership size will occur as necessary. A membership count to determine the level of premium payment will occur once per month at the time premium payments are made. The premium payment level determined at this time will be final for the applicable month and will not change in the future as a result of membership adjustments.

### Growth Rate Reduction Measurement and Targets

It is ODJFS' expectation that the ECM program, including premiums paid, will cost no more than what would have been spent if the ECM program did not exist. The growth in medical expenses after implementation of this program is expected to be less than it would have been without the program. The savings in medical costs due to this reduced growth rate is expected to more than offset the ECM premium costs. To ensure ECMPs are held financially accountable, a risk corridor has been established. This risk corridor produces incentive or penalty payments, which are based on the growth rate in medical costs.

The growth rate calculation compares the actual rate of growth in medical costs for the ECM eligible population after program implementation to the reduced rate of growth expected by ODJFS. The first step of the calculation is to determine the actual claims cost per member per month (CCPM) for a baseline period for the Base ABD Community Population (excluding ECM eligibles and program exclusions such as waiver participants or skilled nursing facility residents) and actual CCPM for the ECM eligible population for the same period.

The ABD baseline period CCPM is then compared to the actual CCPM for the same group for the performance period being measured. The resulting percentage or baseline growth rate is then annualized based on the number of months from the midpoints of the baseline period and the performance period. This Annualized Baseline Growth Rate is the basis for the ECM eligible population growth rate. A growth rate relativity factor, based on historical trend information, is applied to the Annualized Baseline Growth Rate to reflect potential differences between the ECM Eligible and Base ABD populations.

The ECM Eligible Growth Rate is the rate of growth that would be expected for the ECM eligible population in the absence of the ECM program. However, the ODJFS' expectation as a result of the ECM program is that the rate of growth will be reduced by either a minimum percentage of 5% for the ECM eligible population or a percentage reduction of 17% in the rate of growth for the ECM member population. Applying this reduction to the ECM Eligible Growth Rate produces an expected growth rate for ECM members. This is used to develop the Target Growth Rate for ECM Eligibles based on actual participation. The factors in determining the target growth rate may change as conditions, populations or counties covered under the ECM program are expanded.

The next step is to calculate the variance from the expected rate of growth based on the actual experience for each ECMP. To do this, the expected claims cost per ECM eligible for the performance period is determined by trending the CCPM costs for ECM eligibles (both ECM members and non-members) from the baseline period forward to the start of the Initial Performance Period at the ECM Eligible Growth Rate. This cost further trended to the midpoint of the performance period at the Target Growth Rate for ECM Eligibles. Trending the baseline CCPM forward this way holds the ECMP accountable for the reduced growth rate beginning with the Initial Performance Period. This is the CCPM that ODJFS will expect as a result of the ECM program. The amount will then be compared to the actual CCPM experience plus the ECM premiums paid during the performance period. The actual experience will be evaluated in aggregate across all counties serviced by the ECMP. The "Growth Rate Variance" per ECM eligible is the resulting difference between expected and actual costs and will be the measure used to determine the incentive or penalty.

The following **sample calculation** is based on the assumptions below. Items indicated in bold below will be updated based on actual experience during the performance period.

- Claims Cost Per Member Per Month in Baseline Period SFY 2003:
  - Base ABD Community Population (excludes ECM eligibles and program exclusions such as waiver participants or skilled nursing facility residents): \$556.46
  - ECM Eligible Population (includes both ECM members and non-members): \$999.42
- **Actual Claims Cost in the Performance Period (April 1, 2005 – December 31, 2005):**
  - **Base ABD Community Population (same definition): \$758.07**
  - **ECM Eligible Population (same definition): \$1,305.00**
- **ECM Participation Rate: 65%**
- Minimum ECM Eligible Growth Rate Reduction: 5%
- ECM Member Expected Growth Rate Reduction: 17%

### Sample Calculation

		Formula	Base ABD-Community Population	ECM-Eligible Population
<b>Development of Baseline Growth Rate</b>				
CCPM in Baseline Period:	A		\$556.46	
Actual CCPM in Performance Period:	B		<u>\$758.07</u>	
Baseline Growth Rate:	C	= (B/A - 1)	36.2%	
Months From Baseline to Performance Period	D		31.5	
Annualized Baseline Growth Rate	E	= [(1 + C) ^ (12/D)] - 1	12.5%	
<b>Development of Expected Annual Growth Rate</b>				
ECM Participation Rate:	F			65%
ECM Eligible Growth Rate Relativity:	G			1.00
ECM Eligible Growth Rate:	H	= E x G		12.5%
ECM Member Expected Growth Reduction:	I	See above		17.0%
Expected Growth Rate for ECM Members:	J	= H x (1-I)		10.4%
Baseline Growth Rate for Non-Participating Eligibles:	K	= H		12.5%
Expected Growth Rate for ECM Eligibles:	L	= (F x J) +(1 - F) x K		11.1%
Maximum Allowed Growth Rate (95% of Expected Growth Rate – see above):	M	= 95% x H		11.9%
Target Growth Rate for ECM Eligibles:	N	= Minimum (L or M)		11.1%
<b>Development of Growth Rate Variance</b>				
CCPM in Baseline Period per ECM Eligible <sup>1</sup> :	O			\$999.42
Expected Growth Rate to Initial Performance Period:	P	= H		12.5%
Number of Months to Initial Performance Period:	Q			27
Growth Rate to Initial Performance Period:	R	= [(1 + P) ^ (Q/12)] – 1		30.3%
Adjusted Baseline per ECM Eligible:	S	= O x (1 + R)		\$1,302.69
Expected Growth Rate to Midpoint of Performance Period:	T	= N		11.1%
Number of Months to Midpoint of Performance Period:	U			4.5
Target Growth Rate to Midpoint of Performance Period:	V	= [(1 + T)^(U/12)] – 1		4.0%
Expected CCPM in Performance Period:	W	= S x (1 + V)		\$1,355.14
Actual Eligible CCPM in Performance Period:	X			\$1,305.00
ECM Premium PMPM:	Y			\$43.62
ECM Participation Rate:	Z	= F		65%
ECM Premium per Eligible:	AA	= Y x Z		\$28.35
Actual Total ECM Eligible Cost:	AB	= X + AA		\$1,333.35
Growth Rate Variance per Eligible: (+ = savings)	AC	= W – AB		\$21.79

<sup>1</sup> Reflects SFY 2003 experience for the ECM-eligible population in the counties serviced by the ECMP as identified elsewhere in this agreement.

**Report Period:** The timing of the Baseline and Initial Performance Periods will vary, depending upon when the ECMP enters the program. The Initial Performance Period will start six months after enrollment begins and may vary in length to align all ECMPs with the same future performance period (i.e., calendar year). The schedule of dates outlined below assumes a program entry of October 1, 2004. The ECMP will be evaluated against the performance measures six months following the end of the performance period. The ECMP's Initial Performance Period is April 1, 2005 – December 31, 2005, performance will be evaluated July 1, 2006 to allow for a six-month claims lag. Experience for the Base ABD Community and ECM eligible populations will include any individuals with three months of continuous eligibility during the performance period. Experience during this time period will exclude individuals residing in nursing homes and ICF/MR facilities, as well as patients with an episode of care for any of the following:

- AIDS,
- Any type of cancer,
- End stage renal disease,
- Solid organ transplant,
- Severe trauma, or
- Hospice care received.

If an ECM member is participating in the program and presents with one of the exclusionary criteria, they have the option to remain in the program but will not be included in the Growth Rate Variance calculation for the ECMP.

	<b>Baseline Performance Period</b>	<b>Initial Performance Period</b>	<b>Initial Evaluation Date</b>	<b>Future Performance Periods</b>
<b>Period</b>	July 1, 2002 – June 30, 2003	April 1, 2005 – December 31, 2005	July 1, 2006	January 1 – December 31
<b>Purpose</b>	Determine Baseline claims costs	Evaluation of ECMP's growth rate reduction	Actual date of evaluation to allow for claims runoff and data collection.	Ongoing evaluation.

**Performance Incentives and Penalties:** Starting at the Initial Evaluation Date, the ECMP will be assessed incentives or penalties based on the Growth Rate Variance. ODJFS will determine incentives paid to, or penalties paid by the ECMP according to the *ECMP Incentives/Penalties for Growth Rate Reduction* table. The incentives and penalties in this table below are based on expectations for the first year of the ECM program. ODJFS expects ECMPs to produce a 1:1 or better return on investment (ROI) during the first year. ECMPs achieving this minimum level of ROI during the first year will not be penalized as detailed below. Over time, ODJFS expects the ECM program to produce an improved ROI and may make adjustments to the incentive/penalty associated with the Growth Rate Variance to correspond with future performance expectations.

### ECMP Incentives/Penalties for Growth Rate Reduction

Growth Rate Variance per Eligible	Incentive (+) / Penalty (-) As a Percentage of ECM Premium
Greater than \$56.00	10.0%
\$42.01 <i>to</i> \$56.00	7.5%
\$28.01 <i>to</i> \$42.00	5.0%
\$14.01 <i>to</i> \$28.00	2.5%
\$14.00 <i>to</i> -\$14.00	No adjustment
-\$14.01 <i>to</i> -\$28.00	-2.5%
-\$28.01 <i>to</i> -\$42.00	-5.0%
-\$42.01 <i>to</i> -\$56.00	-7.5%
Less than -\$56.00	-10.0%

The incentive/penalty percentage determined from the table will be applied to the ECMP's average PMPM premium during the performance period. The resulting PMPM incentive/penalty will then be multiplied by the ECMP's total member months during the performance period. A sample of an incentive/penalty payment calculation is outlined below.

### Sample Calculation

		Formula	Sample Incentive/Penalty Calculation
Growth Rate Variance Per Eligible:	A		\$21.79
Incentive/Penalty Percentage	B		+2.5%
ECMP Premium PMPM:	C		\$43.62
Incentive/Penalty PMPM:	D	= B x C	\$1.09
ECMP Member Months:	E		36,000
Total Incentive/Penalty Payment	F	= D x E	\$39,240

## APPENDIX G

### COVERAGE AND SERVICES

#### 1. Coverage

##### a. Definition of ECM-eligible population

Individuals eligible for the ECM program will be chosen based on the most current fee-for-service (FFS) claims data available and will include the following:

Selected Aged, Blind or Disabled (ABD) Medicaid consumers who have the following clinical diagnoses:

Adult ABD consumers with a diagnosis of congestive heart failure (CHF), coronary arterial disease (CAD), non-mild hypertension; diabetes; chronic obstructive pulmonary disease (COPD); or asthma;

ABD consumers under age 21 with asthma.

All Medicaid ABD consumers in the above groups will be considered eligible for the ECM program, except for those who are:

- residing in nursing facilities (NFs) or intermediate care facilities for the mentally retarded (ICFs-MR);
- enrolled in Medicaid home and community based waiver programs;
- receiving transplant, AIDS, cancer, end stage renal disease (ESRD), severe trauma, and/or hospice services; or
- Medicare eligible.

An ECMP member, who during the time of membership enters a NF for a short-term stay, will not be disenrolled except at the member's request. An individual who only begins receiving treatment for transplants, cancer, ESRD, AIDS or severe trauma, or who becomes Medicare-eligible, after becoming an ECMP member, will only be disenrolled from the ECMP at the member's request.

ODJFS may periodically add additional categories of ECM-eligible populations to the ECM program, such as Medicare eligible consumers (duals) or consumers with other chronic conditions, such as AIDS. As additional categories of ECM-eligibles are added for coverage, the ECMP rates will be adjusted accordingly and ECMPs will be required to cover the additional ECM-eligible population(s).

b. Member Cost-Sharing

Notwithstanding any provision in the Medicaid fee-for-service program which permits cost-sharing by Medicaid consumers, including provisions specific to the pharmacy benefit, ECMPs are prohibited from charging members any co-payment, cost sharing, down-payment, or similar charge, refundable or otherwise. ECMPs must also ensure compliance with OAC rule 5101:3-26-12(C)(5)(j) which prohibits ECMP subcontractors, including primary care physicians (PCPs) from charging members any co-payment, cost sharing, down-payment, or similar charge, refundable or otherwise.

2. Services

a. Ohio Medicaid Fee-for-Service Program

ECMP members will continue to have access to all medically-necessary services covered by the Ohio Medicaid fee-for-service (FFS) program.

For additional information on Ohio Medicaid-covered services, see the following ODJFS website:

<http://emanuals.odjfs.state.oh.us/emanuals>

b. Enhanced Care Management Benefit Package

Pursuant to OAC rules 5101:3-26-08.2 and 5101:3-26-12, the October 21, 2003 Request for Applications (RFA) and all documentation submitted as part of the RFA process and the RFA application review process, the ECMP must at a minimum, provide or arrange for enhanced care management services including, but not limited to, the following:

(i) Care Coordination

ECMPs must take a comprehensive and collaborative approach to managing the ECM eligible populations and targeted conditions through effective partnerships, provider and consumer participation, and the ability to address not only the specific diagnosis but also the complexities of multiple co-morbidities, including behavioral health, and related issues such as the lack of social or family support.

The ECMP must develop and implement strategies designed to minimize inappropriate utilization of the emergency department, inpatient services, and specialists. The ECMP, based on information received from

ODJFS regarding precertification of certain hospital admissions and prior authorization for certain services or procedures for ECM members is required to implement and monitor approaches through provider and member education to coordinate precertification and prior authorization requests submitted to ODJFS with the goal of improving service coordination, quality, and cost-effectiveness.

(ii) Outreach and Assessment

The ECMP is required to contact each ECM member either by telephone or a home visit to provide further information regarding the program and confirm existing sources of care. The ECMP must engage the ECM member according to the requirements in Appendix K, identify the ECM member's current providers, and make all efforts to assure continuity of care.

The ECMP must arrange for or conduct a comprehensive assessment of each ECM member in accordance with Appendix K to assess the member's health status and initiate the development of a treatment plan.

(iii) Case Management

Based on the ECMP's comprehensive assessment, the ECMP must assure and coordinate the development of a treatment plan for each ECM member in accordance with Appendix K. The ECM member (or authorized representative) and ECM member's primary care physician (PCP) must be actively involved in the development of the care treatment plan. The plan must arrange or provide for professional care management services that are performed collaboratively by a team of professionals (which may include physicians, physician assistants, nurses, specialists, pediatricians, pharmacists, and/or social workers) appropriate for the ECM member's condition. The treatment plan and team must reflect not only the ECM member's primary medical diagnosis and condition (i.e., the diagnosis that resulted in ECM eligibility), but also any co-morbidities as well as the ECM member's psychological and community support needs. The treatment plan must also include specific provisions for periodic (no less than annually) reviews of the ECM member's condition and appropriate updates to the plan. Where appropriate, the plan should include coordination with other local agencies or supportive services.

(iv) Member Education

The ECMP must increase ECM member self-management and participation by providing condition-specific health education, outreach, and other activities. These efforts include but are not limited to the following objectives:

- improved ECM member understanding of their health condition and how to use medical resources, including drugs, appropriately;
- prevention of emergency medical situations by recognizing acute symptoms earlier so appropriate care can be obtained; and
- ECM member participation in the development of and compliance with his/her treatment plan.

(v) 24/7 Health Advice Line

The ECMP must provide a twenty-four hour, seven days a week (24/7) toll-free health advice line as specified in OAC rule 5101: 3-26-08.2 and Appendix C of this provider agreement.

## **APPENDIX H**

### **COLLABORATIVE ARRANGEMENTS AND PCP PANEL SPECIFICATIONS**

#### **1. GENERAL PROVISIONS**

ECMPs must demonstrate that they have a collaborative arrangement and an appropriate primary care physician (PCP) panel for each ODJFS-designated service area they wish to serve. A service area may be either one county or multiple counties grouped as a region.

ECMPs must meet all applicable collaborative arrangement and PCP panel requirements prior to receiving a provider agreement with ODJFS and must remain in compliance with these requirements for the duration of the provider agreement.

Although PCPs used to meet the minimum required PCP panel must be located within the ECMP service area, ECMPs are strongly urged to consider the importance of geographic accessibility (i.e., within the county/service area or consistent with existing utilization patterns) in developing their PCP provider panel. Available and accessible PCPs have been found to be the essential element in attracting and retaining members.

#### **2. COLLABORATIVE ARRANGEMENTS**

The ECMP must demonstrate a comprehensive and collaborative approach to managing the ECM eligible populations and targeted conditions through effective partnerships, provider and consumer participation, and the ability to address not only the specific diagnosis but also the complexities of multiple co-morbidities, including behavioral health, and related issues such as the lack of social or family support (as specified in Section II of RFA). ECMPs must demonstrate collaborative arrangements in the form of, at a minimum, fully-executed letters of agreement (LOAs) which specify the respective roles and responsibilities of the ECMP and its collaborative entities, including which ECM requirement each party will perform and the mechanisms for coordination, as specified in Section IV of the RFA. Fully-executed means that the legal written agreement between an ECMP and a collaborative entity includes dated signatures by both parties. These signatures must be by persons legally authorized to represent those parties, including each signee's formal title. The ECMP must report to ODJFS within one working day any LOA additions, deletions, modifications, expirations, nonrenewals or terminations for their collaborative arrangements.

### **3. SUBCONTRACTING**

Unless otherwise specified in this Appendix or OAC rule 5101:3-26-12, all ECMPs will be required to enter into fully-executed subcontracts with their providers. These subcontracts must include either a Medicaid ECM model baseline subcontractual agreement or an ECMP-developed baseline subcontractual agreement with the appropriate ECM Medicaid model addendum. The ECM Medicaid model subcontractual agreements and addendums as developed by ODJFS incorporate all applicable OAC rule requirements specific to provider subcontracting and therefore cannot be modified by the ECMP except to add personalizing information, such as the ECMP's name. ECMPs may not employ or contract with providers excluded from participation in federal health care programs under either section 1128 or section 1128A of the Social Security Act.

ECMPs must submit documentation verifying that all necessary subcontract documents have been appropriately completed in accordance with OAC rule 5101:3-26-12. The documentation must provide a description of all ECMP financial arrangements (e.g., PCP payments; incentive sharing; other financial obligations) with the ECMP's subcontractors. For care management services rendered by PCPs, the documentation must also specify the intended reimbursement for the PCP coordination payments as well as the proposed methodology for PCP performance payments and other incentives.

As specified in OAC rule 5101:3-26-12, for subcontractors who are members of the ECM collaborative or PCPs, the ECMP must conduct at least annual surveys to assess their satisfaction and identify areas for improvement. The ECMP must submit a report to ODJFS with the results and proposed action to improve any identified deficiencies within ninety days of survey completion.

ECMPs must notify ODJFS of subcontract additions, deletions, modifications, expirations, nonrenewals or terminations as specified in OAC rule 5101:3-26-12.

#### **4. PCP PANEL REQUIREMENTS**

Primary Care Physicians (PCPs) may be individuals or group practices/clinics. Generally acceptable specialty types for PCPs are family/general practice, internal medicine, and pediatrics. (ODJFS reserves the right to request verification of a physician’s specialty type.) ODJFS expects, however, that ECMPs will need to utilize specialty physicians to serve as PCPs for some members.

ECMPs are required to have a fully-executed baseline Medicaid ECM model contractual agreement or an ECMP-developed baseline contractual agreement with the appropriate Medicaid model addendum with at least 30% of the ECM eligibles’ current PCPs in the existing Medicaid fee-for-service network documented in the Bureau of Managed Health Care’s report titled *ECM PCPs*. The following table shows 30% of the ECM eligibles who had a PCP based on the most current available data (SFY 2003 ECM eligible population data).

**ECM Eligible Population with historical PCPs by County (SFY 2003 data)**

<b>County</b>	<b>ECM Eligibles with historical “imputed” PCPs</b>	<b>30% of ECM eligibles</b>
Cuyahoga	4,373	1,312
Franklin	3,565	1,070
Hamilton	1,625	488
Lucas	1,794	538
Montgomery	1,411	423
Stark	964	289
Summit	1,093	328
Zanesville Cluster	1,093	328

In addition, ECMPs must meet or exceed a ratio of 1 PCP to 40 overall ECM-eligibles for their proposed service area. The ECMP’s PCPs may be selected from the universe of providers in the existing fee-for-service Medicaid network, whether or not they are currently serving ECM eligibles. The current overall ECM-eligible numbers and number of PCPs required to meet a 1 PCP to 40 overall ECM-eligibles ratio are shown below:

**ECM Eligible Population by County (SFY 2003 data)**

<b>County</b>	<b>Overall ECM Eligibles</b>	<b># of PCPs needed for 1:40 ratio</b>
Cuyahoga	8,119	203
Franklin	5,604	140
Hamilton	3,435	86
Lucas	2,808	70
Montgomery	2,546	64
Stark	1,423	36
Summit	2,218	55
Zanesville Cluster	1,330	33

## **5. PCP PANEL DIRECTORIES**

ECMP PCP directory formats must be prior-approved by ODJFS and include a county-specific listing of the PCPs who will serve the ECMP's members. The directory must also specify:

- PCP address(es) and phone number(s);
- foreign-language speaking PCPs and specialists and the specific foreign language(s) spoken;
- how members may obtain directory information in alternate formats that takes into consideration the special needs of eligible individuals including but not limited to, visually-limited, limited-English proficient (LEP), and limited-reading proficient (LRP) eligible individuals; and
- any PCP practice limitations.

An electronic copy of the monthly PCP directory in the ODJFS-approved format must be submitted to ODJFS by the 15<sup>th</sup> day of each month. A hardcopy of the most current monthly PCP directory in the ODJFS-approved format must be provided to all new members prior to their initial effective date of coverage and to eligible individuals upon request. The PCP directory must display all ECMP-contracted PCPs submitted to ODJFS on the monthly *ECMP PCP Panel File* as required by Appendix J of this provider agreement. ECMPs must ensure that the information listed in the ECMP's monthly PCP directory is an exact match of the data in the ECMP's monthly *ECMP PCP Panel File*.

If an ECMP wants to include a PCP panel directory on their website, this directory must include all information required for their hardcopy directory and the ECMP must receive prior approval from ODJFS before adding this directory to their website.

## **6. FEDERAL ACCESS STANDARDS**

ECMPs must demonstrate that they are in compliance with the following federally defined provider panel access standards as required by 42 CFR 438.206:

In establishing and maintaining their PCP panel, ECMPs must consider the following:

- The anticipated Medicaid membership.
- The expected utilization of services, taking into consideration the characteristics and health care needs of specific Medicaid populations represented in the ECMP.
- The geographic location of panel providers and Medicaid members, considering distance, travel time, the means of transportation ordinarily used by Medicaid members, and whether the location provides physical access for Medicaid members with disabilities.

ECMPs are required to also regularly monitor their PCP panels to determine their compliance with the federal access standards and if necessary take corrective action if there is failure to comply.

## **APPENDIX I**

### **FINANCIAL PERFORMANCE**

#### **1. SUBMISSION OF FINANCIAL STATEMENTS AND REPORTS**

ECMPs must submit the following financial reports to ODJFS:

- a. Hard copies of all annual and quarterly financial statements and any revision to such copies must be submitted to ODJFS, as outlined in Ohio Administrative Code (OAC) rule 5101:3-26-09(B). Financial statements must be compiled in accordance with Generally Accepted Accounting Principles (GAAP). The financial statements must include, but not be limited to, the following sections: Assets, Liabilities, Capital and Surplus Account, Income Statement, Cash Flow, and Five-Year Historical Data. The hard copy of the ECMP's annual audited financial statements, as audited by an independent auditor in accordance with GAAP, must be submitted no later than ninety days after the close of the calendar year or as otherwise specified by ODJFS.
- b. Hard copies of annual financial statements for those entities who have an ownership interest totaling five percent or more in the ECMP or an indirect interest of five percent or more, or a combination of direct and indirect interest equal to five percent or more in the ECMP as outlined in OAC rule 5101:3-26-09(B).
- c. Medicaid Enhanced Care Management Plan Annual ODJFS Cost Report no later than 90 days after the close of the calendar year or as otherwise specified by ODJFS. The annual cost report must be audited by an independent licensed auditor in accordance with GAAP, as outlined in OAC rule 5101:3-26-09(B).
- d. Financial, utilization, and statistical reports, when ODJFS requests such reports, based on a concern regarding the ECMP's quality of care, delivery of services, fiscal operations or solvency, in accordance with OAC rule 5101:3-26-06(D).

## 2. FINANCIAL PERFORMANCE MEASURES AND STANDARDS

This appendix establishes specific expectations concerning the financial performance of ECMPs. In the interest of administrative simplicity, ODJFS will focus only on a limited number of indicators and related standards to monitor plan performance. The three indicators and standards for this contract period are identified below, along with the calculation methodologies. The source for each indicator will be the annual financial statements.

a. **Indicator:** **Net Worth**

*Definition:* Net Worth = Total Admitted Assets minus Total Liabilities

*Standard:* A minimum net worth equal to the revenue from operations per month.

b. **Indicator:** **Current Ratio**

*Definition:* Current Ratio = Current Assets divided by Current Liabilities

*Standard:* Current Ratio is equal to or greater than 1 as determined from the annual Financial Statement submitted to ODJFS.

c. **Indicator:** **Positive Net Income**

*Definition:* Net Income = Total Revenue minus Total Expenses.

*Standard:* Net Income greater than zero as determined from the annual Financial Income Statement submitted to ODJFS.

*Report Period:* Compliance will be determined based on the annual financial statement.

*Penalty for noncompliance:* Failure to meet any standard on 2.a., 2.b., or 2.c. above will result in ODJFS requiring the ECMP to complete a corrective action plan (CAP) and specifying the date by which compliance must be demonstrated. Failure to meet the standard or otherwise comply with the CAP by the specified date will result in a new members selection freeze unless ODJFS determines that the deficiency does not potentially jeopardize access to enhanced care management services. Justifiable reasons for noncompliance may include one-time events (e.g., ECMP investment in information system products).

Failure to submit complete quarterly and annual financial statements on a timely basis will be deemed a failure to meet the standards and will be subject to the noncompliance penalties listed for indicators 2.a., 2.b., and 2.c., including the imposition of a new members selection freeze. The new members selection freeze will take effect at the first of the month following the month in which the determination was made that the ECMP was non-compliant for failing to submit financial reports timely.

### **3. PHYSICIAN INCENTIVE PLAN DISCLOSURE REQUIREMENTS**

ECMP's must comply with the physician incentive plan requirements stipulated in 42 CFR 438.6(h). If the ECMP operates a physician incentive plan, no specific payment can be made directly or indirectly under this physician incentive plan to a physician or physician group as an inducement to reduce or limit medically necessary services furnished to an individual.

In accordance with 42 CFR 417.479 and 42 CFR 422.210, ECMPs must maintain copies of the following required documentation and make this information available to ODJFS upon request:

- a. A description of the types of physician incentive arrangements the ECMP has in place which indicates whether they involve a bonus, capitation, or other arrangement.
- b. If a physician incentive arrangement involves a bonus, the percent of the bonus must be specified.

Upon request by a member or a potential member and no later than 14 calendar days after the request, the ECMP must provide, at a minimum, information on the structure and operation of the ECMP and any physician incentive plans that the ECMP operates, as outlined in OAC rule 5101:3-26-08.2(D)(4)(m). The ECMP must provide a summary of the survey results for the surveys required in accordance with the requirements of rule 5101:3-26-12 of the Administrative Code. The information provided by the ECMP must adequately address the member's request.

## APPENDIX J

### DATA QUALITY

A high level of performance on the data quality measures established in this appendix is crucial in order for the Ohio Department of Job and Family Services (ODJFS) to evaluate Medicaid consumers' quality of enhanced care management services. Data collected from Enhanced Care Management Plans (ECMPs) are used in key performance assessments such as utilization review, care coordination, and case management. The data will also be used in conjunction with the cost reports in setting the premium payment rates and to help evaluate the enhanced care management program.

Data sets collected from ECMPs with data quality standards include: enhanced care management outreach, level of intervention, members' primary care physician (PCP), and PCP panel.

#### 1. ENHANCED CARE MANAGEMENT OUTREACH DATA QUALITY STANDARD

The ECMP is responsible for submitting an enhanced care management outreach file every month. The outreach file will contain records for members' first outreach dates, assessment dates, and treatment plan development dates.

##### 1.a. Timely Submission of Outreach File

*Data Quality Submission Standard:* The ECMP must submit an Enhanced Care Management Outreach file on or before the 15<sup>th</sup> of each month according to the specifications established in *ODJFS' Enhanced Care Management Outreach and Level of Intervention File and Submission Specifications*.

*Penalty for Noncompliance:* If an ECMP is determined to be noncompliant with the standard, for two successive months, then the ODJFS will issue a Sanction Advisory. A Sanction Advisory is a letter informing the ECMP that a monetary sanction will be imposed if the ECMP is noncompliant in any future report period. Upon all subsequent measurements of performance, if an ECMP is again determined to be noncompliant with the standard, the ODJFS will impose a refundable monetary sanction of \$10,000. Once the ECMP is performing at standard levels and the violations/deficiencies are resolved to the satisfaction of ODJFS, the money will be refunded.

## **2. LEVEL OF INTERVENTION FILE DATA QUALITY STANDARDS**

The ECMP is responsible for submitting a level of intervention (LOI) file every month. The LOI file will contain information regarding the level of intervention of case management used by the ECMP for each of its members. This includes the following information for the reporting month: 1) the medical conditions with which the ECMP has assessed the member; 2) the number of calls to the member or the member's physician; 3) the number of visits by ECMP staff to the member at their home or in the hospital; 4) the number of educational mailings sent to or educational classes attended by the member; and 5) the professional status of the member's primary case manager.

### **2.a. Timely Submission of Level of Intervention File**

*Data Quality Submission Standard:* The ECMP must submit an Enhanced Care Management Level of Intervention file on or before the 15<sup>th</sup> of each month according to the specifications established in *ODJFS' Enhanced Care Management Outreach and Level of Intervention File and Submission Specifications*.

*Penalty for Noncompliance:* If an ECMP is determined to be noncompliant with the standard, for two successive months, then the ODJFS will issue a Sanction Advisory. A Sanction Advisory is a letter informing the ECMP that a monetary sanction will be imposed if the ECMP is noncompliant in any future report period. Upon all subsequent measurements of performance, if an ECMP is again determined to be noncompliant with the standard, the ODJFS will impose a refundable monetary sanction of \$10,000. Once the ECMP is performing at standard levels and the violations/deficiencies are resolved to the satisfaction of ODJFS, the money will be refunded.

### **2.b. Level of Intervention Data Completeness**

*Data Quality Measure:* ODJFS expects to receive a record each month for each ECM member. The percentage of the expected records for the reporting month that were submitted by the ECMP will be measured.

*Report Period and Frequency of Measurement:* Each month constitutes a report period. Results are calculated and performance is monitored monthly.

*Data Quality Standard:* A submission rate greater than 80%.

*Penalty for Noncompliance:* If an ECMP is determined to be noncompliant with the standard, for two successive months, then the ODJFS will issue a Sanction Advisory. A Sanction Advisory is a letter informing the ECMP that a monetary sanction will be imposed if the ECMP is noncompliant in any future report period. Upon all subsequent measurements of performance, if an ECMP is again

determined to be noncompliant with the standard, the ODJFS will impose a refundable monetary sanction of \$10,000. Once the ECMP is performing at standard levels and the violations/deficiencies are resolved to the satisfaction of ODJFS, the money will be refunded.

### **3. MEMBERS= PCP DATA QUALITY STANDARDS**

The ECMP is responsible for submitting a members' PCP file every month. This file is designed to capture each member's primary care physician (PCP) for a given month.

#### **3.a. Timely Submission of Members' PCP File**

*Data Quality Submission Standard:* The ECMP must submit a Members' PCP file on or before the 15<sup>th</sup> of each month according to the specifications established in *ODJFS' Enhanced Care Management Members' PCP File and Submission Specifications*.

*Penalty for Noncompliance:* If an ECMP is determined to be noncompliant with the standard, for two successive months, then the ODJFS will issue a Sanction Advisory. A Sanction Advisory is a letter informing the ECMP that a monetary sanction will be imposed if the ECMP is noncompliant in any future report period. Upon all subsequent measurements of performance, if an ECMP is again determined to be noncompliant with the standard, the ODJFS will impose a refundable monetary sanction of \$10,000. Once the ECMP is performing at standard levels and the violations/deficiencies are resolved to the satisfaction of ODJFS, the money will be refunded.

#### **3.b. Members' PCP Data Completeness**

*Data Quality Measure:* ODJFS expects to get a record for each ECM member. The percentage of the expected records for the reporting month that were submitted by the ECMP will be measured.

*Report Period and Frequency of Measurement:* Each month constitutes a report period. Results are calculated and performance is monitored monthly.

*Data Quality Standard:* A submission rate greater than 80%.

*Penalty for Noncompliance:* If an ECMP is determined to be noncompliant with the standard, for two successive months, then the ODJFS will issue a Sanction Advisory. A Sanction Advisory is a letter informing the ECMP that a monetary sanction will be imposed if the ECMP is noncompliant in any future report period. Upon all subsequent measurements of performance, if an ECMP is again determined to be noncompliant with the standard, the ODJFS will impose a refundable monetary sanction of \$10,000. Once the ECMP is performing at standard levels and the violations/deficiencies are resolved to the satisfaction of ODJFS, the money will be refunded.

#### **4. PCP PANEL DATA QUALITY STANDARD**

The ECMP is responsible for submitting a PCP Panel file every month. This file will contain information about the primary care physicians (PCPs) on the ECMP's panel.

##### **4.a. Timely Submission of PCP Panel File**

*Data Quality Submission Standard:* The ECMP must submit a PCP Panel File on or before the 15th of each month according to the specifications established in *ODJFS' Enhanced Care Management PCP Panel File & Submission Specifications*.

*Penalty for Noncompliance:* If an ECMP is determined to be noncompliant with the standard, for two successive months, then the ODJFS will issue a Sanction Advisory. A Sanction Advisory is a letter informing the ECMP that a monetary sanction will be imposed if the ECMP is noncompliant in any future report period. Upon all subsequent measurements of performance, if an ECMP is again determined to be noncompliant with the standard, the ODJFS will impose a refundable monetary sanction of \$10,000. Once the ECMP is performing at standard levels and the violations/deficiencies are resolved to the satisfaction of ODJFS, the money will be refunded.

#### **5. NOTES**

##### **5.a. Penalties and Monetary Sanctions for Noncompliance**

Penalties for noncompliance with standards outlined in this appendix, including monetary sanctions, will be imposed as the results are finalized

All notifications of the imposition of a fine or freeze will be made via certified or overnight mail to the identified ECMP Coordinator.

Pursuant to procedures specified by ODJFS, monetary sanctions/assurances must be remitted to ODJFS within thirty days of receipt of the invoice by the ECMP. In addition, per Ohio Revised Code Section 131.02, payments not received within forty-five days will be certified to the Attorney General's (AG's) office. ECMP payments certified to the AG's office will be assessed the appropriate collection fee by the AG's office.

Any monies collected through the imposition of a refundable sanction will be returned to the ECMP (minus any applicable collection fees owed to the Attorney General's Office, if the ECMP has been delinquent in submitting payment) after the ECMP has demonstrated full compliance with the particular program requirement and the violations/deficiencies are resolved to the satisfaction of ODJFS. If an ECMP does not comply within two years of the date of notification of noncompliance, then the monies will not be refunded.

### **5.b. Combined Remedies**

If ODJFS determines that one systemic problem is responsible for multiple deficiencies, ODJFS may impose a combined remedy which will address all areas of deficient performance.

### **5.c. Membership Freezes**

ECMPs found to have a pattern of repeated or ongoing noncompliance may be subject to a membership freeze.

### **5.d. Reconsideration**

Requests for reconsideration of monetary sanctions and enrollment freezes may be submitted as follows

- ECMPs notified of ODJFS' imposition of monetary sanctions will have five working days from the date of receipt to request reconsideration. (All notifications of the imposition of a fine or a freeze will be made via certified or overnight mail to the identified ECMP Contact.) Any information that the ECMP would like reviewed as part of the reconsideration must be submitted with the reconsideration request, unless ODJFS extends the time frame in writing.
- All requests for reconsideration must be submitted by either facsimile transmission or overnight mail to the Chief, Bureau of Managed Health Care, and received by the fifth working day after receipt of notification of the imposition of the remedial action by ODJFS. The ECMP will be responsible for verifying timely receipt of all reconsideration requests. All requests for reconsideration must explain in detail why the specified remedial action should not be imposed. The ECMP's justification for reconsideration will be limited to a review of the written material submitted by the ECMP. The Bureau Chief will review all correspondence and materials related to the violation in question in making the final reconsideration decision.
- Final decisions or requests for additional information will be made by ODJFS within five working days of receipt of the request for reconsideration.
- If additional information is requested by ODJFS, a final reconsideration decision will be made within three working days of the due date for the submission. Should

ODJFS require additional time in rendering the final reconsideration decision, the ECMP will be notified of such in writing.

- If a reconsideration request is decided, in whole or in part, in favor of the ECMP, the sanction will be rescinded or reduced

#### **5.e. Contract Termination, Nonrenewals, or Denials**

Upon termination either by the ECMP or ODJFS, nonrenewal, or denial of an ECMP provider agreement, all previously collected refundable monetary sanctions will be retained by ODJFS.

#### **5.f. Level of Intervention File**

To mitigate the immediate pressure on an ECMP who may not be able to comply with the Level of Intervention file submission requirements, ODJFS will consider extending the deadline to provide an ECMP sufficient time to develop an automated process for data extraction and reporting as required by ODJFS. All requests for such extension considerations must be submitted to the BMHC in writing prior to the first due date of the Level of Intervention file submission and must specify why the ECMP believes it will not be able to meet this requirement.

## APPENDIX K

### PERFORMANCE EVALUATION

This appendix identifies the initial clinical performance measures that are a component of the information captured to evaluate the quality of care received by ECM members. Additionally, the measures will assist with the ongoing assessment of ECMP performance and the establishment of performance standards for the ECMPs. The intent is to assure clinical quality and to maintain accountability. The ECMP's clinical performance is evaluated in the categories of Quality of Care, Access, and Consumer Satisfaction. The information source for the ECMP's performance evaluation include administrative data, medical records, and consumer surveys. The performance evaluation topics will consistently remain relevant to the ECM program and the ECM members. The performance evaluation indicators used to monitor the processes and outcomes of care are derived from nationally accepted clinical practice and treatment guidelines. The development and implementation of the performance evaluation study indicators includes clinical consultation about local medical practice / standards and takes into consideration the special needs of the ECM members. When possible, the performance evaluation measures and data specification methodologies align with national performance measurement standards (e.g., HEDIS). The performance evaluation includes at least two measures for each ECM program condition.

#### 1. ECM Clinical Performance Measures

The ECM Clinical Performance Measures will be used to hold ECMPs accountable for improved outcomes.

*Performance Measures:* The initial ECM program's clinical performance evaluation measures for each condition are listed below.

#### **Condition/Measure**

##### **Congestive Heart Failure (CHF) (Adults)**

- Overall discharge rate
- Overall ED visit rate
- Received ACE inhibitor/Angiotensin receptor blocker
- Readmission for cardiac-related symptoms within 30 days

##### **Coronary Artery Disease (CAD) (Adults)**

- Overall discharge rate
- Overall ED visit rate
- Readmission for cardiac-related symptoms within 30 days
- Beta-Blocker treatment after heart attack
- Received LDL-C screening after acute cardiovascular event

##### **Hypertension (Excluding Mild Hypertension) (Adults)**

- Overall discharge rate
- Overall ED visit rate

**Diabetes (Adults)**

Overall discharge rate

Overall ED visit rate

Eye exam

**Chronic Obstructive Pulmonary Disease (COPD) (Adults)**

Overall discharge rate

Overall ED visit rate

**Asthma (Non-COPD)(Adults & Children)**

Overall discharge rate

Overall ED visit rate

Use of appropriate medications for people with asthma

*Report Period:* The baseline performance period will include services provided from January 1, 2005 through December 31, 2005. In April 2006, the ECMP's baseline performance will be determined. The ECMP's initial evaluation period will be January 1, 2006, through December 31, 2006. In April 2007, the results will be calculated for the initial performance evaluation. (In addition to establishing ECMP baseline performance, the baseline evaluation phase will provide the opportunity to update or modify a particular measure and validate the performance measures' technical specifications.)

*Minimum Performance Standard:* In order to assure the value and validity of the measure, the minimum performance standard will be determined after the baseline year.

*Penalty for Noncompliance with the Minimum Performance Standard:* There will be no penalty for ECMPs that fail to meet five or less performance measures. For each noncompliant measure beyond five, ODJFS will impose a monetary sanction of one-third of one percent of the ECM premium paid during the evaluation period.

## 2. Informational Performance Measures

Informational performance measures focus on certain aspects of care but require more thoughtful specification and interpretation to measure the quality of care delivered or to serve as a marker for the probability of good quality care. The ECMPs will not be held accountable for the informational performance measures. Although the informational performances measures are too limited to fully inform, the measures will be used in quality improvement activities and program assessment.

*Performance Measures:* The ECM program's informational clinical measures are listed below:

### **Condition/Measure**

#### **Congestive Heart Failure (CHF) (Adults)**

Discharge rate with breakouts

CSS/quality of life survey

#### **Coronary Artery Disease (CAD) (Adults)**

Discharge rate with breakouts

LDL-C level after acute

cardiovascular events

CSS/quality of life survey

#### **Hypertension (Excluding Mild Hypertension) (Adults)**

Discharge rate with breakouts

Controlling high blood pressure

CSS/quality of life survey

#### **Diabetes (Adults)**

Discharge rate with breakouts

Eye exam

Foot exam

HbA1c

Triglyceride

HDL cholesterol

CSS/quality of life survey

#### **Chronic Obstructive Pulmonary Disease (COPD) (Adults)**

Discharge rate with breakouts

Episode rate

Spirometer

CSS/quality of life survey

#### **Asthma (non-COPD) (Adults & Children)**

Discharge rate with breakouts

Episode rate

Flare-up rate

Influenza/pneumonia

Lung assessments  
CSS/quality of life survey

*Report Period:* For measures that rely on administrative data, the information will be collected on the same schedule outlined for the ECM clinical performance measures. The measures that include activities that require a medical record information abstraction or a consumer survey will be collected during SFY 2005 and in consultation with the ECMP. (ODJFS has a contract with an independent external quality review organization to perform the medical record review and consumer survey.)

*Minimum Performance Standard:* There will not be a minimum performance standard for measures that are identified as informational clinical measures.

*Penalty for Noncompliance with the Minimum Performance Standard:* There is no ECMP performance penalty for measures that are identified as informational clinical measures.

### **3. ECM Outreach**

The ECMP is required to contact each ECM member either by telephone or a home visit to provide further information regarding the program and confirm existing sources of care. The goal is to engage the ECM member as soon as possible, identify the ECM member's current providers, and assure continuity of care. The ECMP must maintain evidence of the internal mechanisms and procedures that demonstrate due diligence efforts to contact ECM members.

*Performance Measure:* The percentage of ECMP members with an outreach contact within 30 days of the effective date of enrollment.

*Report Period:* Quarterly

*Minimum Performance Standard:* 85% of the ECMP members must have an outreach contact.

*Penalty for Noncompliance with the Minimum Performance Standard:* ECMPs that are noncompliant for 2 successive quarters, will be required to provide evidence of their due diligence efforts to contact members. ECMPs that are noncompliant for 3 successive quarters will be required to complete a corrective action plan. If after repeated corrective action plans, ECMPs that are noncompliant for 5 successive quarters may be subject to termination or nonrenewal of their provider agreement.

### **4. ECM Assessment**

The ECMP must arrange for or conduct a comprehensive assessment of each ECM member to assess health status and initiate the development of a care treatment plan.

*Performance Measure:* The percentage of ECMP members with a comprehensive assessment within 60 days of the effective date of enrollment.

*Report Period:* Quarterly

*Minimum Performance Standard:* 85% of the ECMP members must have a comprehensive assessment.

*Penalty for Noncompliance with the Minimum Performance Standard:* ECMPs that are noncompliant for 2 successive quarters will be required to provide evidence of their due diligence efforts to assess members. ECMPs that are noncompliant for 3 successive quarters will be required to complete a corrective action plan. If after repeated corrective action plans, ECMPs that are noncompliant for 5 successive quarters may be subject to termination or nonrenewal of their provider agreement.

## **5. ECM Case Management**

The ECMP must assure and coordinate the development of a treatment plan for each member. The ECM member (or authorized representative) and ECM member's primary care physician (PCP) must be actively involved in the development of the care treatment plan. The plan must arrange or provide for professional care management services that are performed collaboratively by a team of professionals (which may include physicians, physician assistants, nurses, specialists, pediatricians, pharmacists, and/or social workers) appropriate for the ECM member's condition. The treatment plan and team must reflect not only the ECM member's primary medical diagnosis and condition (i.e., the diagnosis that resulted in ECM eligibility), but also any co-morbidities as well as the ECM member's psychological and community support needs. The treatment plan must also include specific provisions for periodic reviews of the ECM member's condition and appropriate updates to the plan. Where appropriate, the plan should include coordination with other local agencies or supportive services.

*Performance Measure 1:* The percentage of ECMP members with a treatment plan within 90 days of the effective date of enrollment.

*Report Period 1:* Quarterly

*Minimum Performance Standard 1:* 85% of the ECMP members must have a treatment plan

*Penalty for Noncompliance with Minimum Performance Standard 1:* ECMPs that are noncompliant for 2 successive quarters, will be required to provide evidence of their due diligence efforts to develop and coordinate a care treatment plan. ECMPs that are noncompliant for 3 successive quarters will be required to complete a corrective action plan. If after repeated corrective action plans, ECMPs that are noncompliant for 5 successive quarters may be subject to termination or nonrenewal of

their provider agreement.

*Performance Measure 2:* The percentage of treatment plans that are reviewed annually.

*Report Period 2:* Annually

*Minimum Performance Standard 2:* 85% of the treatment plans must be reviewed annually

*Penalty for Noncompliance with Minimum Performance Standard 2:* ECMPs that are noncompliant with Minimum Performance Standard 2, will be required to complete a corrective action plan.

## **6. NOTES**

### **6.a. Penalties and Monetary Sanctions for Noncompliance**

Penalties for noncompliance with standards outlined in this appendix, including monetary sanctions, will be imposed as the results are finalized

All notifications of the imposition of a fine or freeze will be made via certified or overnight mail to the identified ECMP Coordinator.

Pursuant to procedures specified by ODJFS, monetary sanctions/assurances must be remitted to ODJFS within thirty days of receipt of the invoice by the ECMP. In addition, per Ohio Revised Code Section 131.02, payments not received within forty-five days will be certified to the Attorney General's (AG's) office. ECMP payments certified to the AG's office will be assessed the appropriate collection fee by the AG's office.

Any monies collected through the imposition of a refundable sanction will be returned to the ECMP (minus any applicable collection fees owed to the Attorney General's Office, if the ECMP has been delinquent in submitting payment) after the ECMP has demonstrated full compliance with the particular program requirement and the violations/deficiencies are resolved to the satisfaction of ODJFS. If an ECMP does not comply within two years of the date of notification of noncompliance, then the monies will not be refunded.

### **6.b. Combined Remedies**

If ODJFS determines that one systemic problem is responsible for multiple deficiencies, ODJFS may impose a combined remedy which will address all areas of deficient performance.

### **6.c. Membership Freezes**

ECMPs found to have a pattern of repeated or ongoing noncompliance may be subject to a membership freeze.

#### **6.d. Reconsideration**

Requests for reconsideration of monetary sanctions and enrollment freezes may be submitted as follows

- ECMPs notified of ODJFS' imposition of monetary sanctions will have five working days from the date of receipt to request reconsideration. (All notifications of the imposition of a fine or a freeze will be made via certified or overnight mail to the identified ECMP Contact.) Any information that the ECMP would like reviewed as part of the reconsideration must be submitted with the reconsideration request, unless ODJFS extends the time frame in writing.
- All requests for reconsideration must be submitted by either facsimile transmission or overnight mail to the Chief, Bureau of Managed Health Care, and received by the fifth working day after receipt of notification of the imposition of the remedial action by ODJFS. The ECMP will be responsible for verifying timely receipt of all reconsideration requests. All requests for reconsideration must explain in detail why the specified remedial action should not be imposed. The ECMP's justification for reconsideration will be limited to a review of the written material submitted by the ECMP. The Bureau Chief will review all correspondence and materials related to the violation in question in making the final reconsideration decision.
- Final decisions or requests for additional information will be made by ODJFS within five working days of receipt of the request for reconsideration.
- If additional information is requested by ODJFS, a final reconsideration decision will be made within three working days of the due date for the submission. Should ODJFS require additional time in rendering the final reconsideration decision, the ECMP will be notified of such in writing.

## APPENDIX L

### RECONSIDERATIONS (APPEALS)

Requests for reconsideration of any sanction imposed on the ECMP in accordance with the provisions of OAC rule 5101:3-26-10 or as specified elsewhere in this provider agreement may be submitted as follows:

- ECMPs notified of ODJFS' imposition of a sanction will have five working days from the date of receipt to request reconsideration, although ODJFS will impose new member selection freezes based on an access to care concern concurrent with initiating notification to the ECMP. (All notifications of a fine or freeze will be made via certified or overnight mail to the identified ECMP Medicaid Contact.) Any information that the ECMP would like reviewed as part of the reconsideration must be submitted with the reconsideration request, unless ODJFS extends the time frame in writing.
- All requests for reconsideration must be submitted by either facsimile transmission or overnight mail to the Chief, Bureau of Managed Health Care, and received by no later than the fifth working day after receipt of notification of the sanction by ODJFS. The ECMP will be responsible for verifying timely receipt of all reconsideration requests. All requests for reconsideration must explain in detail why the sanction should not be imposed. The ECMP's justification for reconsideration will be limited to a review of the written material submitted by the ECMP. The Bureau Chief will review all correspondence and materials related to the violation/deficiency in question in making the final reconsideration decision.
- Final decisions or requests for additional information will be made by ODJFS within five working days of receipt of the request for reconsideration. Should ODJFS require additional time in rendering the final reconsideration decision, the ECMP will be notified of such in writing.
- If a reconsideration request is decided, in whole or in part, in favor of the ECMP, the penalty associated with the incident, will be rescinded or reduced. The ECMP may still be required to submit a corrective action plan (CAP) if the Bureau Chief believes that a CAP is still warranted.

## APPENDIX M

### ECMP TERMINATIONS/NON RENEWALS/AMENDMENTS

Upon termination either by the ECMP or ODJFS, non renewal or denial of an ECMP provider agreement, all previously collected refundable monetary sanctions will be retained by ODJFS.

#### ECMP-INITIATED TERMINATIONS/NON RENEWALS

If an ECMP provides notice of the termination/non renewal of their provider agreement to ODJFS, pursuant to Article VIII of the agreement, the ECMP will be required to submit a refundable monetary assurance. This monetary assurance will be held by ODJFS until such time that the ECMP has submitted all outstanding monies owed and reports, including, but not limited to, care management and cost report data related to time periods through the final date of service under the ECMP's provider agreement. The monetary assurance must be in an amount of either \$7,500 or 5% of the capitation amount paid by ODJFS in the month the termination/non renewal notice is issued, whichever is greater.

The ECMP must also submit a refundable monetary assurance to ODJFS for the Growth Rate Variance Risk Corridor (hereinafter referred to as the risk corridor) calculation. This monetary assurance must be in the amount of 10% of the capitation amount paid for any outstanding reconciliation periods where the risk corridor calculation has not been completed yet. Any overpayment will be determined by completing the risk corridor calculation and will be returned to the ECMP following the end date of the provider agreement.

The ECMP must remit the monetary assurance and the risk-corridor amount in the specified amounts via separate electronic fund transfers (EFT) payable to *Treasurer of State, State of Ohio (ODJFS)*. The ECMP should contact their Contract Administrator to obtain an invoice number prior to submitting the monetary assurance in the specified amount. Information from the invoice must be included with the EFT to ensure monies are deposited in the appropriate ODJFS Fund account. In addition, the ECMP must send a copy of the EFT bank confirmation and a copy of the invoice to their Contract Administrator.

If the monetary assurance and the risk-corridor amount are not received as specified above, ODJFS will withhold the ECMP's monthly premium payments until such time that ODJFS receives documentation that the monetary assurance and the risk-corridor amount are received by the Treasurer of State. If within one year of the date of issuance of the invoice, an ECMP does not submit all outstanding monies owed and reports, including but not limited to, care management and cost report data related to time periods through the final date of service under the ECMP's provider agreement, the monetary assurance and the risk-corridor amount will not be refunded to the ECMP.

### ODJFS-INITIATED TERMINATIONS

If ODJFS initiates the proposed termination, non-renewal, or amendment of an ECMP's provider agreement and the ECMP appeals that proposed action, the ECMP's provider agreement will be extended through the duration of the appeals process. During this time, the ECMP will continue to be at-risk for the risk corridor amount.

Pursuant to OAC rule 5101:3-26-10(H), if ODJFS has proposed the termination, non-renewal, denial, or amendment of a provider agreement, ODJFS may notify the ECMP's members of this proposed action and inform the members of their right to immediately terminate their membership with that ECMP without cause. If ODJFS has proposed the termination, non-renewal, denial, or amendment of a provider agreement and access to medically-necessary covered services is jeopardized, ODJFS may propose to terminate the membership of all of the ECMP's members. The appeal process for reconsideration of either of these proposed actions is as follows:

- \$ All notifications of such a proposed ECMP membership termination will be made by ODJFS via certified or overnight mail to the identified ECMP Contact.
- \$ ECMPs notified by ODJFS of such a proposed ECMP membership termination will have three working days from the date of receipt to request reconsideration.
- \$ All reconsideration requests must be submitted by either facsimile transmission or overnight mail to the Deputy Director, Office of Ohio Health Plans, and received by 5 PM on the third working day following receipt of the ODJFS notification. (For example, if ODJFS notification is received on August 6 the ECMP's request for reconsideration must be delivered to the Deputy Director by no later than 5 PM on August 9.) The address and fax number to be used in making these requests will be specified in the ODJFS notification document.
- \$ The ECMP will be responsible for verifying timely receipt of all reconsideration requests. All requests must explain in detail why the proposed ECMP membership termination is not justified. The ECMP's justification for reconsideration will be limited to a review of the written material submitted by the ECMP.

- § A final decision or request for additional information will be made by the Deputy Director within three working days of receipt of the request for reconsideration. Should the Deputy Director require additional time in rendering the final reconsideration decision, the ECMP will be notified of such in writing.
  
- § The proposed ECMP membership termination will not occur while an appeal is under review and pending the Deputy Director's decision. If the Deputy Director denies the appeal, the ECMP membership termination will proceed at the first possible effective date. The date may be retroactive if the ODJFS determines that it would be in the best interest of the members.