

MCO will complete this template and submit to Libby Bunzli, Director of Health System Transformation by April 1st with copy of AE MCO base contract.

A separate base contract for each AE APM arrangement should be submitted if there is significant variation between each contractual arrangement.

Please complete information in yellow highlighted fields below:

Medicaid Managed Care Organization

Accountable Entity

Proposed MCO/AE Contract Execution Date

Date of Submission to EOHHS

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	MCO AE Contract	To be Completed by MCO		For Use by EOHHS		
		Contract Section and Page #	Comment	Reviewer	Decision	Comments
	<p>Minimum membership: Does the contract require that the AEs have at least 5,000 attributed members and at least 2,000 attributed members with the MCO?</p>					
	<p>AE-specific historical cost data: Does the contract reflect or is it consistent with the following:</p> <ul style="list-style-type: none"> - The MCO will calculate the TCOC Historical Base; - The Historical Base will include 2 years of AE-specific cost data; - The two Baseline Years will be aligned with the two baseline years used to calculate MCO capitation rates for the state fiscal year that covers the same period as the Performance Year; - The Historical Base will be limited to members attributed to the AE in the final month of the member's enrollment in that year; - The Historical Base will be based on the provider roster as of March 31 the year before the start of the Performance Year (that is, for a Performance Year starting July 1, 2021, the Historical Base will use the provider roster as of March 31, 2021); and - The Historical Base will exclude claims paid more than 6 months after the end of the Baseline Year in which they were incurred (that is, does the contract reflect that there are no IBNR adjustments)? 					
	<p>Services and costs included in the Historical Base and Performance Period: Does the contract reflect or is it consistent with the following:</p> <ul style="list-style-type: none"> - Expenditures in the Historical Base and Performance Period will include all costs from covered services that are in EOHHS's contract with the MCO, including maternity; - Service cost is measured by FFS claims paid by the MCO and encounter expenditures for the MCO's sub-capitated vendors; and - Excluded expenditures include: those not paid through FFS or sub-capitated vendors, non-claims-based case management programs, services covered under stop-loss provisions between the MCO and EOHHS, HSTP incentive and CTC payments, value-added services provided by the MCO, recoveries made outside the MCO or sub-capitated vendor system (e.g., reinsurance), amounts attributable to PBM administrative spread, and services in the managed care program in the baseline but not the performance year. 					

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	<p>Claims threshold for high-cost claims: Does the contract reflect or is it consistent with the Historical Base and Performance Period TCOC expenditures excluding costs over the threshold for an individual member in a single year and that this threshold is applied before risk and trend adjustments? Note that the threshold for SFY22 will be provided before the start of the contract year and may not yet be available for review of the base contracts.</p>					
	<p>Adjust for trend assumptions: Is the contract consistent with or does it reflect that EOHHS will adjust Baseline Year 1 to account for trends, program and policy changes, and managed care efficiency adjustments?</p>					
	<p>Risk adjustment for Baseline Years: Is the contract consistent with or does it reflect that EOHHS will apply risk adjustment to Baseline Year 1 to make it more comparable to Baseline Year 2? The contract may note that the adjustment is applied by rate cell, that a concurrent risk adjustment algorithm will be used, and that the risk adjustment software will be determined by EOHHS and the same software will be used in both Baseline years and the Performance Period. If the contract does not note this, it must not be inconsistent with this.</p>					
	<p>Special adjustments for changes in payment mechanisms or reporting: Is the contract consistent with or does it reflect that EOHHS reserves the right to make an additional adjustment to account for changes in MCO payment mechanisms or expenditure reporting between Baseline Years and Performance Period?</p>					
	<p>Blend Baseline Years: Is the contract consistent with or does it reflect that EOHHS will combine TCOC PMPM Expenditures for both Baseline Years to arrive at the Risk Adjusted Historical Base?</p>					
	<p>Adjust Historical Base Relative to Market Average: Is the contract consistent with or does it reflect that:</p> <ul style="list-style-type: none"> - The MCO will make an additional adjustment to the Historical Base to reflect the AE's experience relative to peers; - This adjustment is determined by comparing the AE's risk-adjusted historical base to the risk-adjusted historical base for all the MCO's members (calculated in the same way as the AE's base), including those not attributed to any AE; - The adjustment is a multiplicative factor that applies to all rate cells in the Historical Base; and - The factor is calculated as directed by EOHHS in the TCOC Guidance. 					

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<p>Calculate TCOC Expenditure Target for the Performance Period: Is the contract consistent with or does it reflect that:</p> <ul style="list-style-type: none"> - The Final Historical Base must be trended forward to the Performance Period to create an AE-specific TCOC-Expenditure Target; - EOHHS will develop assumptions for trend, program and policy changes, and managed care efficiency adjustments; - To get the Final Target Adjusted for Changes in the Attributed Population's Risk Profile, EOHHS will also apply, separately by rate cell, a risk adjustment methodology consistent with the methodology used in developing the adjusted historical base. This risk adjustment will account for changes in the AE population's risk profile from Baseline Year 2 to the Performance Period; and - EOHHS reserves the right to modify the Final AE-specific TCOC Expenditure Target after the Performance Period for extraordinary and unforeseen circumstances. 						
<p>Calculate actual expenditures for the Performance Period: Does the contract reflect or is it consistent with:</p> <ul style="list-style-type: none"> - The MCO calculating Actual Expenditures, by rate cell, for the Performance Period consistent with the Historical Base methodology; and - Actual Expenditures excluding claims paid more than 6 months after the end of the Performance Period. 						
<p>Calculate Shared Savings/(Loss) Pool - Minimum Savings Rate: Does the contract reflect or is it consistent with EOHHS calculating a minimum savings rate for upside-only contracts?</p>						
<p>Impact of Quality on Savings/(Loss) Pools: Does the contract reflect that any Shared Savings Pool that exists after the minimum savings rate is applied will be adjusted by multiplying by the Overall Quality Score?</p> <p>Does the contract reflect that any Shared Loss Pool will be adjusted through the following steps:</p> <ol style="list-style-type: none"> 1) The Overall Quality Score will be divided by 4; 2) The result of step 1 will be multiplied by the total Shared Loss Pool; 3) The result of step 2 will be subtracted from the total Shared Loss Pool. 						

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	Calculate Shared Savings/(Loss) Pool - Risk Exposure Cap: If the contract includes downside risk and establishes a Risk Exposure Cap, is the cap at least the lesser of 1% of TCOC or 3% of AE revenue? Does the contract reflect that savings or losses above 10% of TCOC will trigger a review by EOHS to determine if all calculations were correct?					
	Determine AE Share of Savings/(Loss) Pool: For shared savings only models, is the AE's share of any savings between 10% and 50%? For downside risk contracts, is the AE's share of savings 60% or more and the AE's share of losses 30% or more?					
	Reporting by MCO to AE: Does the contract reflect that the MCO will provide quarterly updates to the AE on its Performance Year TCOC expenditures? The contract may note that the reports will include adjustments by EOHS for rate cell mix and PBM spread.					
Quality	Quality Measure Slate: Does the contract include the AE Quality measure slate and a description of the AE quality performance reporting process, including what data is shared and on what cadence, i. e., what quality reporting is provided to support AE in quality efforts? The contract must be consistent with the requirements in Attachment J: Attachment A and the Quality and Outcome Measure Implementation Manual.					
	Quality Multiplier and Methodology: Does the contract include a description of the AE quality scoring methodology and a description of how the methodology is implemented, including details regarding clinical data exchange? The contract must be consistent with the requirements in Attachment J: Attachment A and the Quality and Outcome Measure Implementation Manual.					
Attribution/Data	Attribution Files: Does the contract include language requiring the MCO to provide monthly attribution files to the AE? Does the contract describe the quarterly attribution reconciliation process? If so, is that reconciliation process consistent with requirements in Attachment M?					
	Data Exchange: Does the contract require the MCO to provide reports to the AE, including a data exchange/ full claims extract and/or other data analytic support? Is there evidence that the MCO will provide the AE with an AE analytic profile?					

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Incentive	AE Incentive Program: Does the contract describe MCO administration of the Incentive program and adherence to incentive funding requirements, including but not limited to: the set performance reporting schedule; performance milestones and measures; and payment and reconciliation terms? The contract must be consistent with Attachment K: Infrastructure Incentive Program.					
	Reporting Milestone Achievement: Does the contract describe the type of reporting an AE must provide to the MCO for the incentive program?					
	Evaluating Milestone Achievement: Does the contract include a defined process and timeline for how the MCO will evaluate whether the AE earned a specific milestone and/or measure?					
	Failure to Achieve Milestones: Does the contract describe the process following AE failure to achieve performance metrics for <i>Variable Allocation HSTP Project Based measures</i> ?					
	BH/SDOH Allocation: Does the contract describe what evidence/information AE must provide regarding CBO, BH, SUD agreements and 10% allocation of funding to said agreements?					
Compliance	Sub-contractor Compliance: Does the contract describe a monitoring plan and or how the MCO will oversee the AE as a managed care sub-contractor (compliance, marketing, member choice)? This should include information on vendor management and oversight.					
	Delegation of Functions: Does the contract include delegation of MCO functions such as care management etc.? If yes, is there an established process for assess capacity of sub-contractor for said function?					
	Distinction of Roles: Does the contract describe a shared management structure between AE and MCO, and include information on vendor management and oversight?					

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