

## ADDENDUM XIV: BUDGET

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### MEDICAID POPULATION

Contract Period 2: July 1, 2020 – June 30, 2021:

Annual capitation payments shall be paid at an annual minimum amount of \$30.2 million (excluding increased ambulance provider rates) or \$32.4 million (including increased ambulance provider rates). During the period of this Agreement, if it is observed that the Medicaid population capitation payment totals fall below the established annualized minimums, EOHHS shall increase the rates to meet the applicable annualized minimum only if MTM's Medical Loss Ratio (MLR), measured as MTM's total direct payments to transportation providers divided by MTM's total revenue received from EOHHS, is steadily and consistently maintained equal to or greater than eighty percent ( 80%). Total direct payments and total revenue are measured using all programs, but the premium adjustment will only impact the Medicaid program premiums. If the MLR is not maintained equal to or greater than eighty percent (80%) and enrollment is reduced causing annualized total payments below the applicable minimum, no rate increase will be implemented.

During contract period 1 of this Agreement (July 1, 2019 to June 30, 2020) the ambulance provider rates to be paid by MTM to ambulance providers for NEMT services was increased resulting in a capitation rate increase. The capitation rate increase is set to expire on June 30, 2020. The legislature is currently considering EOHHS' request to extend this increase for another year to June 30, 2021. If the ambulance increased rates continue past June 30, 2020 the capitation rates for contract period 2 of this Agreement will be:

TB04	Children, 0-18	\$1.33
TB05	Adults 19-64	\$10.09
TB06	Aged, 65+	\$33.69

If the Legislature does not approve the ambulance increased rates, the capitation rates for contract period 2 of this Agreement will be:

TB04	Children, 0-18	\$1.22
TB05	Adults 19-64	\$9.26
TB06	Aged, 65+	\$30.91

For contract period 3 of this Agreement (July 1, 2021 to June 30, 2022), capitation rates would return to those outlined in the MTM response to the RFP unless the ambulance rate increase continues.

### **NON-MEDICAID POPULATION**

Contract Period 2: July 1, 2020 – June 30, 2021 and contract period 3 of this Agreement: July 1, 2021 –June 30, 2022, the rates for RI TANF only and the Elderly Transportation Program will be:

- \$82.25 per member per month for RI TANF only in contract period 2 and 3 of this Agreement.
- \$330,000 per month for the Elderly Transportation Program in contract period 2 of this Agreement.
- \$340,000 per month for the Elderly Transportation Program in contract period 3 of this Agreement.

EOHHS shall review this financial arrangement in six (6) months (January 2021) and thereafter shall annually review this financial arrangement for each respective fiscal year.