Sample Contract

Comprehensive Care Pilot Program Provider Agreement
West Virginia Public Employees Insurance Agency (PEIA) Population

This AGREEMENT is entered into and effective July 1, 2015, by and between HealthSmart Benefit Solutions, Inc. (hereinafter "TPA") and XXX (hereinafter "Clinic"):

WHEREAS, TPA is the entity duly selected by PEIA to perform by contract on behalf of PEIA, inter alia, medical provider claims payment activities; and

WHEREAS, PEIA desires to conduct a Comprehensive Care Plan program whereby certain contractually participating medical providers will be paid a monthly global capitated amount to provide identified Primary Health Care Services to enrolled PEIA members who voluntarily enter the Program; and

WHEREAS, Clinic wishes to participate in the Program and to provide said Health Care Services to participating PEIA members on a capitated basis;

Now THEREFORE, the TPA and Clinic agree as follows:

1. Capitations/Reimbursement
    a. Clinic shall be paid a monthly Capitation Amount for each PEIA member properly enrolled in the Program at the Clinic. Payment for each respective member will begin in the month following initial enrollment in the Program. PEIA, TPA, and Clinic will agree, in writing, to appropriate member enrollment protocols.

b. The Capitation Amounts to be paid are as set forth in Exhibit 1, hereto.

c. The count for the member and category of PEIA members upon which the Capitation Amount is paid each month will be determined by PEIA upon the agreed written protocols and provided to TPA by PEIA via an Excel Spreadsheet or standard file transfers. TPA will process payments in the second claim run of the month (on or about the second Thursday of each month).

d. Capitations are due the month following the service month so that capitations will not be advance payments but, payments for services previously rendered, i.e., capitations for the month of May will be paid on the second claim run in the month of June.

e. Risk Pools –are defined in Exhibit 2:

    i. Non-Capitated services are all services not covered under the Capitation.

        1. Specific areas under non-capitated services which will be analyzed in the risk pools.

            a. Professional

            b. Hospital care

            c. ER Care

            d. Other facility

            e. Diagnostics

            f. Pharmacy

        2. Semi-annual Detail Reports will be posted to the CCP Portal at the end of the third month following the end of the quarter, for members with more than 12 months continuous eligibility in the program.

3. Failure of Clinic to achieve the required quality care guidelines and outcome measures listed below will void any shared saving for that time period (Exhibit 3).
4. Overall savings from expected to actual budget results will be settled as outlined in Exhibit 2. The savings payment will be paid based on the report generated for the quarter ending at the end of the initial 12-month period. Payment of the savings will be made within 30 days of validating the data, approximately 4 months.

f. Hold Harmless – For the provision of Primary Health Care Services to members participating in the Program, Clinic will accept as exclusive payment, the payments called for in this Agreement and Clinic will hold harmless any member enrolled in the Pilot Program from payment of any additional amount for Primary Health Care Services received at the Clinic. TPA will not be responsible for any payments to Clinic in excess of amounts funded by PEIA for Clinic payments.

2. Health Care Services

a. Clinic shall provide without limitation all specified Health Care Services to PEIA members who are properly enrolled in the Program. The Clinic is responsible for notifying PEIA and their enrolled members in writing of any changes to covered services which includes changes to doctors and covered specialties.

b. All Health Care Services provided by the Clinic's FEIN will be covered under the base capitation. Clinic will receive the same agreed upon Capitation Amount per month per Care Services which that member requires.

3. It is understood that PEIA members participating in the Program should receive their Primary Health Care at the Clinic, except for Emergency Situations and Out-of-State Travel Situations.
4. Care Coordination
    a. Clinic shall coordinate the medical care of PEIA members participating in the Program.
    b. Clinic shall encourage PEIA members participating in the Program to seek necessary referrals to other provider and/or specialist providers through the Clinic and Clinic shall keep appropriate records of such referrals.
    c. Although Clinic will receive only the agreed upon Capitation Amounts with respect to PEIA Members participating in the Program, Clinic will prepare and submit properly coded "claims" to TPA for all Basic Health Care Services provided to enrolled members to facilitate record keeping and care coordination. Such claims will be paid by TPA at a zero amount for all claims billed for the Clinic's FEIN numbers.
5. Quality Measures/Clinical Process and Outcome Measures Withhold
    a. The measures and goals set forth on Exhibit 3 will be tracked and reported bi-annually.
        i. Clinical process and outcome measures will be reported bi-annually at the end of the month following for members with more than 12 months continuous eligibility in the program.
        ii. Quality Goals:

        Clinic must achieve 70% of the quality measures to be eligible for their portion of the savings.
6. Reports
    a. Reports will be generated as agreed between PEIA, TPA, and Clinic, in writing, a list of reports will be attached hereto as Exhibit 5.

b. Examples of reports are:

i. Capitation comparison to fee for service claims cost.

ii. Risk pool comparison

iii. Clinical process and outcome measures comparison to goals

7. Notices and Correspondence

Any notice required or permitted to be given pursuant to this Agreement shall be in writing and shall be either hand-delivered or deposited in the United States mail, by registered or certified mail, return receipt requested, addressed as follows:

HealthSmart Benefit Solutions, Inc. (TPA)	Clinic
_____	_____
_____	_____
Address	Address
_____	_____

Notice shall be effective upon receipt. Either party may change the address to which notices are to be delivered by giving written notice to the other party as provided in this section.

HealthSmart Benefit Solutions, Inc. TPA

By:_____

Title:_____

Clinic

By:_____

Title:_____

Exhibit 1

WV PEIA Comprehensive Care Partnership Program
Provider Agreement
Capitation Development

Capitations for existing CCP providers will be developed based upon:

1. Enrollment with the CCP practice in FY2015
2. For PEIA members enrolled in a given CCP, the following are assembled:
    - A. Member months during FY2015
    - B. Medical claims incurred during those member months
    - C. Claims expense will be completed for FY2015 using a standard claim completion approach
3. The capitation paid to the CCP provider in FY2016 will be equal to the total allowed charges paid in FY2015 under the CCP provider's FEIN divided by the total member months during FY2015. This resulting per capita would be adjusted for the plan design changes effective July 1, 2015. The value of the reduction is 3.6%
4. The covered charges paid to other FEINs would be the basis for the risk pool calculations.

Capitation rates are based on actuarially adjusted services provided by the clinic. Capitation rates shall be developed based on the services historically rendered by the provider and the per member per month clinic claim cost for those services.

The capitation rate shall be $_____ per member per month.

Clinic Service List (To be completed by the clinic)
List Doctors and Specialties
(Attached list is acceptable)

Exhibit 2

WV PEIA
Comprehensive Care Partnership Program
Provider Agreement
Risk Pools

The following table lists and describes the risk pool elements for FY2016

1. Capitations paid - in developing risk pool, it is assumed that all claims paid to the practice's FEIN are 0 paid. This component is calculated as member months times the agreed capitation payment
2. Non practice primary care - defined as all claims paid to FEINs other than the practice's FEIN for GP, FP, IM, and PED and not billed on UB not in CPT4 ranges 7xxxx and 8xxxx
3. Non practice specialty care - defined as all claims paid to FEINs other than the practice's FEIN for specialties not listed above not billed on UB not in CPT4 ranges 7xxxx and 8xxxxx
4. Hospital care - defined as all claims paid for place of service 21 and 22 billed on UB
5. ER care - defined as all claims paid for place of service 23 billed on UB
6. Other facility - defined as all claims billed on UB, not in place of service 21, 22, 23
7. Diagnostics - defined as all claims paid not billed on UB for CPT4 ranges 7xxxx and 8xxxxx
8. Pharmacy - defined as all claims paid by PBM

Benchmark comparison - the targets will be set for patients enrolled in the provider's practice in year N+1 compared to year N.

1. Professional - capitations + non practice primary care + non practice specialty care
2. Hospital care
3. ER Care
4. Other facility
5. Diagnostics
6. Pharmacy

Capitations are reconciled by comparing capitation payments to FFS payments.

In order to smooth claim variation, a blending technique will be used that merges practice PMPM claim cost with comparable PEIA PMPM cost. The following table lists the size threshold and credibility assumptions:

CCP Size	Credibility
500+	100%
250 to 499	75%
100 to 249	50%
< 100	25%

For example, CCP providers with 500 or more members, the practice's experience will be 100% credible. For practices with 250 to 499 members, the practice's cost will receive 75% credibility and 25% will be given to the non-Medicare PEIA population PMPM.

Ultimately, the comparison is net risk adjusted PMPM for practice compared to net PMPM for year N+1 compared to year N for practice patients.

Exclusions / adjustments:

1. Specialty pharmacy (paid by PBM and medical vendor)

2. Claims in excess of 50,000 (member aggregate)

3. Composite risk adjustment (50% concurrent, 50% prospective)

Quality adjustments – Practice quality will be compared to the population and a benchmark will be Healthy People 2020

Performance reports will be generated semi-annually based upon baseline enrolled population claims experience and settled annually after 12 complete months of the program as outlined in the agreement. Risk Pools are adjusted for any demographic differences that exist between the enrolled population and the baseline population. Adjustments will be made for any demographic and risk differences that exist between the enrolled population and baseline population. The demographic adjustments (weighted 50%) are based on the following age / gender calls using a weighted enrollment approach:

1) Males, Under age 5
2) Males, 5-14
3) Males, 15-24

4) Males, 24-34
5) Males, 35-44
6) Males, 45-54
7) Males, 55-64
8) Males, 65-74
9) Males, 75+
10) Females, Under age 5
11) Females, 5-14
12) Females, 15-24
13) Females, 24-34
14) Females, 35-44
15) Females, 45-54
16) Females, 55-64
17) Females, 65-74
18) Females, 75+

Budget Savings Calculation:
Each of the six budgets will be computed separately under the following model:

Member Months X Budget PMPM = Established Budget

Established Budget – Risk and Demographically Adjusted Actual Costs of Services = Gross Savings

Budget Savings Settlement:
To be eligible to participate in the Budget Savings Settlement, the Clinic must meet the Quality Goals outlined in this agreement. The six budgets will be settled in aggregate under the following model:

Step 1 – $5 PMPM will be retained by PEIA for risk management
Step 2 – Determine the Quality Goal attainment percentage to calculate final budget savings amount:
(Gross savings – PEIA Risk Management Fee) = Net Savings
Step 3 - The Final Budget Savings is divided as follows:
Clinic - 70%
PEIA - 30%

Exhibit 3

Shared Savings Calculation Sample

3-Tab Report

Capitation Reconciliation

Age Group	Member Months	Capitation Payments	FFS Equivalent
00 - Under Age 1			
01 - Age 1 to 2			
02 - Age 3 to 5			
03 - Age 6 to 11			
04 - Age 12 to 18			
05 - Females age 19 to 24			
06 - Males age 19 to 24			
07 - Females age 25 to 34			
08 - Males age 25 to 34			
09 - Age 35 to 44			
10 - Age 45 to 54			
11 - Age 55 to 64			
12 - Age 65 to 74			
13 - Age 75+			

Risk Pools

Practice Risk Score - 2015
Practice Risk Score - 2016

Change in Risk (Applied to 2016 Spending)

Risk Pool	2015 PMPM	2016 PMPM	2016 PMPM (Risk Adjusted)	Savings
Capitations Paid				
Non Practice Primary Care				
Non Practice Specialty				
Hospital (Non ER)				

Emergency Room
Other facility
Non Practice Diagnostics (Lab and Radiology)
Pharmacy (Processed by PBM)
Total

Notes:

Excludes specialty pharmacy processed by both PBM and medical claims administrator
Medical claims are truncated at 50,000 per year)

Exhibit 4
Outcome/Quality Measures

	*GOALS (Healthy People 2020)**	*Clinic*
DIABETES MEASURES: All Pts 18-75 with Type 1 or 2 Diabetes		
% of members who have had A1c in last 12 months	71%	
% of members with Retinal or Dilated Eye Exam in last 12 months	59%	
% of Diabetic members with lipid profile or LDL-C test in last 12 months	58%	
PREVENTIVE CARE MEASURES:		
% of members 50 years or older with Influenza Vaccination in last 12 months	57%	
% of members 65 years or older with Pneumococcal Vaccination	90%	
% of female members 40-69 years of age with Mammogram Screening	81%	
% of female members 21-64 years of age who received a PAP test to screen for cervical cancer	93%	
% of members 50-75 years of age with appropriate Colorectal Cancer Screening	70%	
OTHER CHRONIC CONDITIONS		
% of members 5-56 years of age with Persistent Asthma with Rx for Long-Term Control	80%	
UTILZATION MEASURES		
ER visits per 1,000	307	

*CCP participants must meet a quality goal that meets or exceeds the percentage achieved by PEIA PPB participants, however, the goals set forth by Healthy People 2020 are the ultimate objective for quality.

Exhibit 5

WV PEIA Comprehensive Care Program Provider Agreements
Listing of Reports

Name	Description	Frequency
Clinic Capitations	Capitation rates based on age/gender for services provided by the clinic	Baseline. Annual report is used to generate savings to plan and clinic
Capitation to FFS Comparison	Fee for Service equivalent for services included in the capitation rate.	Baseline, yearly thereafter.
Benchmark Detail	PMPM costs for all PPB Plan members (all but enrolled Clinic members)	Semi-annual
Process and Outcome Measures	10 preventative care goals and measures for diabetes, preventative care, asthma and obesity	Baseline and semi-annually thereafter