

Contract
Between

**United States Department of Health and Human Services Centers for
Medicare & Medicaid Services**

In Partnership with

**The State of New York,
Department of Health**

and

PARTNERS HEALTH PLAN, INC.

CMS Contract ID: H9869

NYS CONTRACT NO.: C031307

Effective: November 1, 2023

This Contract, made on January 19, 2016, amended by addendums effective August 1, 2020 and January 1, 2021, is hereby amended and restated effective November 1, 2023, is between the United States Department of Health and Human Services, acting by and through the Centers for Medicare & Medicaid Services (CMS) and the State of New York, acting by and through the State of New York, Department of Health (State/NYSDOH) and PARTNERS HEALTH PLAN, INC. (the FIDA-IDD Plan). The Fully Integrated Duals Advantage for Individuals with Intellectual and Developmental Disabilities (FIDA-IDD) Plan's principal place of business is 2500 Halsey Street, Bronx, New York 10461. Further, the NYSDOH has entered into a Letter of Agreement (LOA) with the New York State Office for People With Developmental Disabilities (OPWDD) to delegate certain program management responsibilities within the scope of OPWDD's authority under the laws and regulations of the State of New York and as outlined in this Contract.

WHEREAS, CMS is an agency of the United States, Department of Health and Human Services, responsible for the administration of the Medicare, Medicaid, and State Children's Health Insurance Programs under Title XVIII, Title IX, Title XI, Title XIX, and Title XXI of the Social Security Act;

WHEREAS, pursuant to Article 44 of the New York State Public Health Law (PHL), the NYSDOH is authorized to issue Certificates of Authority to establish Health Maintenance Organizations (HMOs), PHL §4400 et seq., Managed Long Term Care Plans (MLTCPs), PHL §4403-f, and Article Seven, Section 364j(27) of the Social Services Law;

WHEREAS, the FIDA-IDD Plan is in the business of providing medical and Long Term Support services, and CMS and the State desire to purchase such services from the FIDA-IDD Plan;

WHEREAS, the FIDA-IDD Plan agrees to furnish these services in accordance with the terms and conditions of this Contract and in compliance with all Federal and State laws and regulations;

WHEREAS, this Contract amends the Contract entered into by CMS, NYSDOH, and FIDA-IDD Plan executed January 19, 2016 and as amended August 1, 2020 and January 1, 2021, as stated below

NOW, THEREFORE, in consideration of the mutual promises set forth in this Contract, the Parties agree as follows:

1. This Addendum adds a new Section 3.3 as follows:

3.3. Demonstration Transition (Phase-Out)

3.3.1. For purposes of meeting the Demonstration phase-out requirements set forth in Section III.L.4 of the MOU, a phase-out plan does not need to be published on the NYSDOH website for public comment if the following conditions are met:

- 3.3.1.1. Ongoing stakeholder engagement;
- 3.3.1.2. Public comment related to any new or amended Medicaid waivers associated with the Demonstration;
- 3.3.1.3. Stakeholder engagement and beneficiary testing of notifications of Participant coverage decisions related to the Demonstration ending; and
- 3.3.1.4. Ongoing collaboration and planning with CMS to ensure Participants will be successfully enrolled in a Part D plan upon termination of the Demonstration.

3.3.2. NYSDOH will comply with all other requirements set forth in Section III.L.4 of the MOU.

3.3.3. For purposes of extending the Demonstration through December 31, 2024, the State shall meet the requirements set forth in Sections 5.5.2.2.2 and 5.5.2.2.3.

2. This Addendum deletes and replaces **Subsection** 4.3.2.5.4 as follows:

4.1.2.1 Capitation Rate updates will take place on January 1st of each calendar year, however savings percentages and quality withhold percentages (see Sections 4.2.3.1 and 4.3.4 will be applied based on Demonstration Years, as follows:

Demonstration	Calendar Dates
1	April 1, 2016 - December 31, 2017
2	January 1, 2018 - December 31, 2018
3	January 1, 2019 - December 31, 2019
4	January 1, 2020 - December 31, 2020
5	January 1, 2021 - December 31, 2021
6	January 1, 2022 - December 31, 2022

7	January 1, 2023 - December 31, 2023
8	January 1, 2024 - December 31, 2024

3. This Addendum deletes and replaces **Subsection 4.2.3** as follows:

4.2.4 Aggregate Savings Percentages Aggregate savings percentages will be applied equally, as follows, to the baseline spending amounts for the Medicare Parts A/B Component and Medicaid Component of the capitated rate herein.

4.2.3.1.1. Demonstration Year 1: .25%

4.2.3.1.2. Demonstration Year 2: .5%

4.2.3.1.3. Demonstration Years 3-8: 0.75%

4. This Addendum amends **Subsection 4.3.3.4** to read as follows:

4.3.3.4 Medical Loss Ratio Target:

The MMP has a target MLR of eighty-six percent (86%) for Demonstration Year 5, eighty-seven (87%) for Demonstration Year 6, and eighty-eight (88%) for Demonstration Years 7 and 8. As described above, any collected remittances would be proportionally distributed back to the Medicaid and Medicare programs on a percent of premium basis. For Demonstration Years 5 through 8, in addition to remitting the amount by which eighty-five percent (85%) exceeds the FIDA-IDD Plan's MLR multiplied by the total Capitation Rate revenue, the FIDA-IDD Plan will also remit according to the following schedule:

5. This Addendum amends **Subsection 4.3.3.4.1** to read as follows:

4.3.3.4.1 For Demonstration Years 7 and 8, if the FIDA-IDD Plan's MLR is below eighty-eight percent (88%), the FIDA-IDD Plan would remit:

6. This addendum deletes and replaces the language in **Subsection 4.4.4.6** with the following:

4.4.4.6 Withhold Measures in Demonstration Years 2-8

4.4.4.6.1 The quality withhold will increase to two percent (2%) in Demonstration Year 2, three percent (3%) in Demonstration Years 3 and 4, and four percent (4%) for Demonstration Years 5-8.

7. This addendum deletes and replaces **Figure 4.2** with the following:

Figure 4.2: Quality Withhold Measures for Demonstration Years 2-8

Measure	Source	CMS Core Withhold Measure	State Withhold Measure
Customer Service (DY 3 Only)	AHRQ/CAHPS	X	
Getting Appointments and Care Quickly (DY 3 Only)	AHRQ/CAHPS	X	
Encounter Data	CMS defined process measure	X	
Plan All-cause Readmissions	NCQA/HEDIS	X	
Annual Flu Vaccine	AHRQ/CAHPS	X	
Follow-up after Hospitalization for Mental Illness	NCQA/HEDIS	X	
Reducing the Risk of Falling	NCQA/HEDIS/HOS	X	
Controlling Blood Pressure	NCQA/HEDIS	X	
Part D Medication Adherence for Diabetes Medications	CMS/PDE Data	X	
Annual Dental Visit (Demonstration Years 3-8 Only)	State-defined measure		X
ICF-IID Diversion	State-defined measure		X

8. This addendum adds **Subsection 5.5.2.2** :

5.5.2.2. CMS shall have the right to terminate this Contract, without appeal, by providing notice to the parties ninety (90) days prior to the termination date, effective June 30, 2024, in the event that the State and the FIDA-IDD Plan fail to satisfy the following conditions to extend the Demonstration through December 31, 2024:

5.5.2.2.1. By November 1, 2023, submission by the FIDA-IDD Plan to CMS and the State of a term sheet that includes the final terms, as previously approved by the State and CMS, of any joint venture partnership, subordinated loan, or other capital investment that will allow the FIDA-IDD plan to meet all financial viability provision as specified in Section 2.1.19.1.2 of this contract;

5.5.2.2.2. By November 1, 2023, submission by the State to CMS of proposed updates to the Medicaid capitation rates as per Section 4.2.1, and a preliminary approach to

Medicaid rate setting under a FIDE SNP product.

5.5.2.2.3. By November 1, 2023, submission by the State to CMS of an updated transition plan for FIDA-IDD, outlining the transition from the Financial Alignment Initiative to an integrated Dual-eligible Special Needs Plan (D-SNP), that includes additional details on items such as the Medicaid product design, State procurement strategy, and any necessary State authorizations.

9. This Addendum amends Appendix J – Additional Medicare Waivers:

J.3 Section 1851(h), Section 1852(c), and Section 1860 D-4 of the Social Security Act and the implementing regulations at 42 C.F.R. 422 and 423, Subparts C and V, only insofar as such provisions are inconsistent with the state-specific marketing guidance developed for the Demonstration.

J.4 Sections 1851(a), and 1852(b) of the Social Security Act and the implementing regulations at 42 C.F.R. Part 422, Subpart B only insofar as such provisions are inconsistent with excluding beneficiaries with end stage renal disease from enrollment.

J.5 Section 1857 (c) and (d) of the Social Security Act and the implementing regulations at 42 C.F.R. §§ 422.506(a)(2)(ii), 422.2267(e)(1), 422.2267(e)(3), 422.2267(e)(10) insofar as such provisions are inconsistent with communicating with beneficiaries earlier than 90 days until the end of the Demonstration, and tailoring the beneficiary communications to include alternative enrollment options that provide integrated care as well as allowing the affiliated D-SNPs to utilize a customized Annual Notice of Change and Evidence of Coverage for the transition of members from Contractor to D-SNPs.

J.6. Section 1851(c) of the Social Security Act and the implementing regulations at 42 C.F.R. § 422.60(g) insofar as such provisions are inconsistent with transitioning Contractor beneficiaries into an affiliated dual special needs plan at the end of the Demonstration.

Notices to the Parties as to any matter hereunder will be sufficient if given in writing and sent by certified mail, postage prepaid, or delivered in hand to:

To: Centers for Medicare & Medicaid Services

Medicare-Medicaid Coordination Office

7500 Security Boulevard, S3-13-23

Baltimore, MD 21244

To: State of New York, Department of Health

Amir Bassiri

Medicaid Director & Deputy Commissioner, Office of Health Insurance Programs

One Commerce Plaza, Suite 1211

Albany, NY 12210

Copies to:

Susan Montgomery

Director, Division of Health Plan Contracting and Oversight

One Commerce Plaza, Room 1620

Albany, NY 12210

Electronic copies to:

Krista McNally, Krista.McNally@health.gov

Joseph Shunk, joseph.shunk@health.ny.gov

James Kaufman, James.Kaufman@opwdd.ny.gov

Kate Marlay, Katherine.Marlay@opwdd.ny.gov

Kerry Delaney, Chief Executive Officer, kdelaney@phpcares.org

Lisa John, Chief Compliance Officer, ljohn@phpcares.org

Chris Masi, Chief Financial Officer, cMasi@phpcares.org

NYS CONTRACT NO.: C031307

IN WITNESS WHEREOF, CMS, the NYSDOH, and the FIDA-IDD Plan hereto have executed or approved this AGREEMENT as of the dates appearing under their signatures.

PARTNERS HEALTH PLAN INC.,
SIGNATURE

STATE AGENCY SIGNATURE

By: _____

Printed Name

By: _____

Printed Name

Title: _____

Title: _____

Date: _____

Date: _____

State Agency Certification:
In addition to the acceptance of this Contract, I also certify that original copies of this signature page will be attached to all other exact copies of this Contract.

STATE OF NEW YORK)
County of _____) SS.:

On the _____ day of _____ in the year _____, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose names(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their/ capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary

Approved:

Approved:

ATTORNEY GENERAL

STATE COMPROLLER

Title: _____

Title: _____

Date: _____

Date: _____

In Witness Whereof, CMS, the State, and PARTNERS HEALTH PLAN, INC., have caused this Contract to be executed by their respective authorized officers:

United States Department of Health and Human Services, Centers for Medicare & Medicaid Services:

Kathryn Coleman

Date

Director

Medicare Drug & Health Plan Contract Administration Group

Centers for Medicare & Medicaid Services

United States Department of Health and Human Services

In Witness Whereof, CMS, the State, and PARTNERS HEALTH PLAN, INC., have caused this Contract to be executed by their respective authorized officers:

United States Department of Health and Human Services, Centers for Medicare & Medicaid Services:

Lindsay Barnette

Date

Director

Director, Models, Demonstrations & Analysis Group

Medicare-Medicaid Coordination Office

Centers for Medicare & Medicaid Services

United States Department of Health and Human Services