

STATE OF NEW MEXICO
HUMAN SERVICES DEPARTMENT
PROFESSIONAL SERVICES CONTRACT

AMENDMENT No. 9

THIS AMENDMENT No. 9 to PROFESSIONAL SERVICES CONTRACT (PSC) 12-630-8000-0004 is made and entered into by and between the State of New Mexico **Human Services Department**, hereinafter referred to as "HSD", and **Total Community Care** doing business as **Innovage New Mexico**, hereinafter referred to as the "Contractor".

The purpose of this Amendment is to extend the term for FY19, increase compensation for the renewal period at increased per member per month rates, and amend the Scope of Work for various revisions.

UNLESS OTHERWISE SET OUT BELOW, ALL OTHER PROVISIONS OF THE ABOVE REFERENCED AGREEMENT REMAIN IN FULL EFFECT AND IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THAT AGREEMENT ARE AMENDED AS FOLLOWS.

Section 1, Scope of Work, has been amended and reads as follows:

1. **Scope of Work.**

The Contractor shall perform all services detailed in Exhibit A, Amended Scope of Work, attached hereto and incorporated in this amendment by reference.

Section 2, Compensation, Paragraph A is hereby amended to read as follows:

2. **Compensation**

A. The HSD shall pay to the Contractor in full payment for services satisfactorily performed at a rate of:

- 1) Two thousand six hundred sixty six dollars and twenty seven cents (**\$2,666.27**) per month for each dual eligible member (individuals who are both Medicare and Medicaid eligible);
- 2) Two thousand nine hundred forty seven dollars and nineteen cents (**\$2,947.19**) per month for each Medicaid-only member, and
- 3) Such compensation not to exceed thirteen million eighty four thousand three hundred ninety seven dollars and twenty eight cents (**\$13,084,397.28**) including gross receipts tax, if applicable, for the period beginning July 1, 2018 and ending June 30, 2019.

The total compensation for this agreement and all amendments shall not exceed ninety six million eight hundred eight thousand thirty one dollars and twenty eight cents

(\$96,808,031.28) including gross receipts tax, if applicable.

Such compensation shall not exceed eleven million three hundred thirteen thousand six hundred ninety six dollars and seventy eight cents (**\$11,313,696.78**) including gross receipts tax, if applicable, in FY12.

Such compensation shall not exceed eleven million eight hundred fifty eight thousand two hundred twenty six dollars and twenty four cents (**\$11,858,226.24**) including gross receipts tax, if applicable, in FY13.

Such compensation shall not exceed eleven million eight hundred fifty eight thousand fifty eight thousand two hundred twenty six dollars and twenty four cents (**\$11,858,226.24**) including gross receipts tax, if applicable, in FY14.

Such compensation shall not exceed eleven million eight hundred fifty eight thousand two hundred twenty six dollars and twenty four cents (**\$11,858,226.24**) including gross receipts tax, if applicable, in FY15.

Such compensation shall not exceed twelve million two hundred seventy eight thousand four hundred nineteen dollars and sixty eight cents (**\$12,278,419.68**) including gross receipts tax, if applicable, in FY16.

Such compensation shall not exceed twelve million two hundred seventy eight thousand four hundred nineteen dollars and sixty eight cents (**\$12,278,419.68**) including gross receipts tax, if applicable, in FY17.

Such compensation shall not exceed twelve million two hundred seventy eight thousand four hundred nineteen dollars and sixty eight cents (**\$12,278,419.68**) including gross receipts tax, if applicable, in FY18.

Such compensation shall not exceed thirteen million eighty four thousand three hundred ninety seven dollars and twenty eight cents (**\$13,084,397.28**) including gross receipts tax, if applicable, in FY19.

This amount is the maximum and not a guarantee that the work assigned to be performed by the Contractor under this PSC shall equal the amount stated herein. Any applicable New Mexico gross receipts tax levied on the amounts payable under this PSC shall be paid by the Contractor. The parties do not intend for the Contractor to continue to provide services without compensation when the total compensation amount is reached. The Contractor is responsible for notifying HSD when the services provided under this PSC reach the total compensation amount. In no event will the Contractor be paid for services provided in excess of the total compensation amount without this PSC being amended in writing prior to those services in excess of the total compensation amount being provided.

Section 3, Term, is hereby amended and reads as follows:

3. Term

THIS PSC is effective **July 1, 2011** and shall terminate on **June 30, 2019** unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Appropriations) in PSC 12-630-8000-0004. In accordance with Section 13-1-150 NMSA 1978, no contract term for a professional services contract, including extensions and renewals, shall exceed four (4) years, except as set forth in Section 13-1-150 NMSA 1978.

Exhibit A, Amended Scope of Work, is attached hereto and incorporated herein by reference.

All other Sections of PSC 12-630-8000-0004 remain the same

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IN WITNESS WHEREOF, the parties have executed this PSC as set forth below.

By: [Signature]
HSD Cabinet Secretary

Date: 6/23/18

By: [Signature]
HSD Chief Financial Officer

Date: 6-15-18

Approved for Legal Sufficiency

By: [Signature] Asst. G.C.
HSD Office of General Counsel

Date: 6/18/18

By: [Signature]
Contractor

Date: 6/11/2018

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

ID Number: 02-958498-001

Taxation and Revenue is only verifying the registration and will not confirm or deny taxability statements contained in this contract.

By: [Signature]
New Mexico Taxation and Revenue Department

Date: 6/27/18

Exhibit A
Amended Scope of Work

Performance Measures

The Contractor shall perform professional services including, but not necessarily limited to, comprehensive services integrating medical and long term care services for the frail elderly who are eligible for nursing facility care. The services provided will maximize each client's relative autonomy and continued community residence while maintaining quality care at a lower cost to Medicaid and Medicare through a capitated financing system.

1. The Contractor shall perform professional services as follows:

The purpose of this Contract is to continue the HSD's relationship with the Contractor, initiated under the Pre-PACE (Program of All-inclusive Care for the Elderly) Pilot Project, for the provision of PACE services to the frail elderly population. The Contractor has been and currently remains the only provider in New Mexico recognized by the Centers for Medicare & Medicaid Services (CMS) as an approved and sole source PACE provider. The PACE provider will provide a risk-based community service program that provides a complete package of acute and long term care services to a frail elderly population that meets nursing facility eligibility criteria. The PACE program provides access to an acute and comprehensive benefit package of services for the participants. The provider will provide all **Medicaid** services that are included in the **capitated rates**.

A. PACE CENTER

The Contractor shall operate an adult day health center. The purpose of the adult day health center will be to serve as the focal point for coordination and provision of the majority of the PACE services. The PACE Center will include a primary care clinic and areas for therapeutic recreation, restorative therapies, socialization, personal care and dining. The Center shall have facilities at all times that accommodate the needs of the participants enrolled in the program. The Center, which will be licensed by the NM DOH Division of Health Improvement, Health Facility Licensing & Certification Bureau, shall include the following areas;

1. Exam room(s).
2. Treatment room(s).
3. Therapy room(s).
4. Dining room(s).
5. Activity room(s).
6. Bathroom(s).
7. Personal Care room(s).
8. Administrative office(s).
9. Counseling office(s).
10. Pharmacy/medication room.
11. Laboratory.
12. Dental Clinic.

B. TARGET POPULATION

The Contractor's target population composition must include the following characteristics:

1. Enrollees must reside in Service Area as defined by the following zip codes associated with Bernalillo, Sandoval and Valencia counties.

<u>ZIP Code</u>	<u>City</u>	<u>County</u>
87102	Albuquerque	Bernalillo
87104	Albuquerque	Bernalillo
87105	Albuquerque	Bernalillo
87106	Albuquerque	Bernalillo
87107	Albuquerque	Bernalillo
87108	Albuquerque	Bernalillo
87109	Albuquerque	Bernalillo
87110	Albuquerque	Bernalillo
87111	Albuquerque	Bernalillo
87112	Albuquerque	Bernalillo
87113	Albuquerque	Bernalillo
87114	Albuquerque	Bernalillo
87119	Albuquerque	Bernalillo
87120	Albuquerque	Bernalillo
87121	Albuquerque	Bernalillo
87122	Albuquerque	Bernalillo
87123	Albuquerque	Bernalillo
87124*	Rio Rancho	Sandoval
87031****	Los Lunas	Valencia
87042**	Peralta	Valencia
87043***	Placitas	Sandoval
87048	Corrales	Sandoval
87068	Bosque Farms	Valencia
87004****	Bernalillo	Bernalillo

*The north and west boundaries of this zip code end at Northern Boulevard and Rainbow.

**The east boundary of this zip code is La Ladera Road.

***The north and east boundaries of this zip code end at Calle Las Iglesias and Homesteads Road.

***The north and west boundaries of this zip code end at Highway 313 and Highway 44.

****The south and east boundaries of this zip code end at North El Cerro Loop (Highway 263) and La Ladera.

2. Prospective Enrollees must be at least 55 years of age and meet nursing facility level of care criteria through evaluation of their medical and functional needs, as assessed by the PACE organization.

- a. Enrollees must be also assessed by the PACE provider's interdisciplinary team as being capable of residing in the community while receiving services offered under the Plan at the time of enrollment.
- b. Eligibility for institutional (nursing facility) level of care will be determined by the State's Third Party Assessor / Utilization Review Contractor.

C. OUTREACH AND MARKETING PLAN

The Contractor must follow policies and procedures necessary to accomplish the following outreach and marketing objectives:

1. Outline strategies of how prospective participants are provided adequate program descriptions. The program descriptions shall be written in a culturally competent format at a language level understandable by the participant no higher than sixth grade where possible. The format should be sensitive to the culture and language common to the service area and include the services available through the program, enrollment/discenrollment process, procedures to access services, after call-in system, provisions for emergency treatment, restrictions against using medical providers and/or services not authorized by the multidisciplinary team, and any other information necessary for prospective participants to make informed decisions about enrollment.
2. Outline target objectives for development of outreach and enrollment materials (including marketing brochures, enrollment agreements, member handbook, and enrollment forms). These materials must be submitted in draft form to the HSD for approval prior to publication. Distribution prior to approval, will be prohibited under contract arrangements.
3. Submit an active and ongoing marketing plan, with measurable enrollment objectives and a system for tracking its effectiveness. The plan shall also include, but not be limited to, the sequence and timing of promotional and enrollment activities and the resources needed for implementation.
4. Ensure through written policies and procedures and a monitoring mechanism that prohibited marketing activities are not conducted by its employees or its agents. Prohibited practices are:
 - a. Discrimination of any kind while maintaining the PACE requirements.
 - b. Statements or activities that could mislead or confuse potential participants, or misrepresent the Contractor, CMS, or the State Medicaid Agency.
 - c. Inducing enrollment through gifts or payments. The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and misdemeanor criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities and kickbacks.
 - d. Subcontracting outreach efforts to individuals or organizations whose sole

responsibility involves direct contact with elderly to solicit enrollment.

e. All of the documentation required in the **OUTREACH AND MARKETING PLAN** above must be submitted to the Contract Administrator within the first ninety (90) days of the contract period.

D. ENROLLMENT OF PARTICIPANTS

The Contractor must develop and implement written policies and procedures necessary to accomplish the following:

1. Ensure that the effective date for the PACE enrollment is the first day of the calendar month following the signing of the Enrollment Agreement (if all financial, non-financial, and medical eligibility criteria are met and an approved Level of Care (LOC) is in place).
2. Ensure that the potential participant signs an Enrollment Agreement, which includes, but is not limited to, the following information:
 - a. Enrollment and disenrollment data that will be collected and submitted to the HSD, including, but not limited to:
 - (i) Social Security number.
 - (ii) Health Insurance Claim Number (HIC).
 - (iii) Last name, first name, middle initial.
 - (iv) Date of Birth.
 - (v) Address of most current or recent residence.
 - (vi) Assigned ISD office address.
 - (vii) Medicare number and Part D information (Part A, Part B and Part D from Medicare participants).
 - (viii) Medicaid number.
 - (ix) Effective date of enrollment in PACE.
 - b. Benefits available, including all Medicare and Medicaid covered services and how services are allocated or can be obtained from the PACE provider including, but not limited to:
 - (i) Appropriate use of the referral system.
 - (ii) After hours call-in system.
 - (iii) Provisions for emergency treatment.
 - (iv) Hospitals to be used.
 - (v) The restriction that enrollees may not seek services or items from Medicaid providers without authorization from the team.
 - c. Participant premiums and procedures for payment, if any. This includes the medical care credit if the participant enters a nursing home.
 - d. Participant rights, grievance procedures, conditions for enrollment and disenrollment and Medicare and Medicaid appeal processes.

- e. Participant's obligation to notify the PACE provider of a move or absence from the provider's service area.
 - f. Information that assists participants in understanding all services must be received through the PACE provider (the lock-in" provision).
 - g. Information on how to obtain emergency services and urgent care.
 - h. Statements that the PACE provider is in contract with CMS and the State Medicaid Agency.
 - i. Participant's authorization for the disclosure and exchange of information between CMS, its agent the State Medicaid Agency and the PACE provider.
 - j. Participant's signature and date.
3. Ensure that once the participant signs the Enrollment Agreement, the participant receives the following:
 - a. A copy of the Enrollment Agreement.
 - b. The member Handbook (participant/provider contract and/or evidence of coverage), if different than the Enrollment Agreement.
 - c. A PACE membership card.
 - d. An emergency sticker to be posted in the participant's home in case of emergency.
 4. Ensure the Contractor informs the participant and the ISD office when enrollment is completed.
 5. Ensure that enrollment and services continue regardless of changes in health status until the participant either voluntarily disenrolls or involuntary disenrollment occurs as described below.

E. DISENROLLMENT OF PARTICIPANTS

The PACE provider's disenrollment procedures shall be included in the contracts with CMS and the HSD. All voluntary and involuntary disenrollments must be reported to the HSD on a monthly basis. Contractor must inform the ISD office when a participant is disenrolled either voluntarily or involuntarily. Disenrollment can only be effective on the last day of the month.

The Contractor must develop and implement written policies and procedures to include the following:

1. Voluntary Disenrollment

A PACE participant may voluntarily disenroll at anytime but the disenrollment will not be effective until the beginning of the next calendar month. For voluntary disenrollment's, the PACE provider shall use the most expedient process allowed by Medicare and Medicaid procedures while ensuring a coordinated disenrollment date. Until enrollment is terminated, the PACE participants are required to continue using the PACE services and remain liable for any premiums. The PACE provider shall continue to provide all needed services until the date of termination.

2. Involuntary Disenrollment

A PACE participant may be involuntarily disenrolled if the participant:

- a. Moves out of the PACE program service area.
- b. Is a person with decision-making capacity who consistently does not comply with the individual plan of care and poses a significant risk to self or others.
- c. Experiences a breakdown in the physician or team participant relationship such that the PACE provider's ability to furnish services to either the participant or other participant(s) is seriously impaired.
- d. Refuses services and or is unwilling to meet conditions of participation as they appear in the Enrollment Agreement.
- e. Refuses to provide accurate financial information, provides false information or illegally transfers assets.
- f. Is out of the PACE provider service area for more than thirty (30) days (unless arrangements have been made with the PACE provider).
- g. Is enrolled in a PACE program that loses its contracts and/or licenses that enable it to offer health care services.
- h. Ceases to meet the financial or non-financial criteria.
- i. Ceases to meet the Level of Care (LOC) at any time.
- j. Jeopardizes his/her health or safety or that of others by his/her behavior. This may include times when the participant physically attacked, verbally threatened or exhibited harassing behavior toward a PACE program staff member or other PACE program participant.

F. RETURN OF PARTICIPANT TO THE FEE-FOR-SERVICE SYSTEM

The Contractor shall develop and implement written policies and procedures that address the following:

1. How the Contractor will assist a participant who wishes to return to the fee-for-service system by making appropriate referrals and by making medical records available to the new providers; and,
2. How the Contractor will work with the State Medicaid Agency to return the participant to the fee-for-service system.

G. PROVISIONS FOR REINSTATEMENT OF PARTICIPANTS TO PACE

The Contractor shall develop and implement written policies and procedures necessary to accomplish reinstatement of a participant in the case of voluntary disenrollment. Reinstatement will be allowed if the participant continues to meet financial, non-financial, and medical eligibility criteria.

H. REDETERMINATION

The Contractor shall develop and implement written policies and procedures to assure redetermination. The Income Support Division (ISD) office will conduct a redetermination of all financial and non-financial criteria, per the standards of the

Institutional Care Medicaid program. LOC is determined by the HSD's utilization review Contractor.

I. PROJECT MANAGEMENT

1. The Contractor must submit to the HSD Contract Administrator within the first ninety (90) days of this contract a current organizational chart displaying corporate officers and relationships to any parent or other corporate subsidiaries or affiliates, and indicating the Contractor's relationship to the corporate board. Any change of key personnel in the organizational structure must be forwarded to CMS and the HSD at least sixty (60) days before the anticipated change. Changes must be approved by CMS and the HSD regarding key personnel qualifications.
2. The Contractor must describe the organizational, administrative and service delivery ability to effectively organize and guide operations and meet the contractual obligations that include, but are not limited to:
 - a. A policy making body that oversees operations and devotes resources sufficient to effectively plan, organize, administer and evaluate the Contractor's operations.
 - b. A Project Director whose responsibilities and duties are defined in writing.
 - c. A Medical Director whose responsibilities and duties are defined in writing.
 - d. Staff to directly provide the PACE Center services, including primary medical care.
 - e. A standing interdisciplinary team based in the PACE Center composed of but not limited to the following members: Primary Care Physician, Nurse Practitioner, Nurse, Dietician, Social Worker, Physical Therapist, Occupational Therapist, Speech Therapist, Recreational Therapist or Coordinator, Day Health Center Supervisor, Home Care Liaison, Health Workers/Aides, and Drivers. Some of the inter-disciplinary team members may be project staff and some may be subcontracted positions. All members must meet applicable state licensing and certification requirements and provide direct care and services appropriate to participant need.
 - f. Demonstrated separation of medical, social and supportive services from fiscal and administrative management sufficient to assure that medical decisions will not be unduly influenced by fiscal and administrative management.
 - g. Staff to report data required for management, as well as the Federal and State governments.
3. Within 90 days of this Amendment's execution, the Contractor must provide written description of:
 - a. Job titles and job descriptions for each of the positions in this Exhibit A, Scope of Work Paragraph I, Subsection 2b through e, above, indicating which positions have been filled and provide resumes for those positions.
 - b. The recruitment and screening for each of the positions in this Exhibit A, Scope of Work, Paragraph I, Subsection 2 b through e.
 - c. The initial orientation and ongoing training for each of the positions in this Exhibit A, Scope of Work, Paragraph I, Subsection 2b through e.

J. SERVICE DELIVERY PLAN

The Contractor's service package includes but is not limited to, all current Medicare and Medicaid services. The Contractor shall develop and implement written policies and procedures necessary to include the following:

Benefit Package

- a. The Contractor's description of how it will provide its participants with access to medical care and other services, as applicable, twenty four (24) hours per day, seven (7) days a week, three hundred sixty five (365) days per year.
- b. The Contractor's description of how it will provide the coordination, which will encourage the client to utilize PACE as the single source for primary care. This will assist the enrollee in the coordination of care by specialists.
- c. The Contractor's description of its capability to ensure access to an acute and comprehensive benefit package of services. The provider is required to provide and make available the following services:
 - (i) Inter-disciplinary assessment and treatment planning.
 - (ii) Social work services.
 - (iii) Nutritional counseling.
 - (iv) Recreational therapy.
 - (v) Meals.
 - (vi) Restorative therapies, including physical therapy, occupational therapy and speech therapy.
 - (vii) Home care (Personal care, nursing care and disposable medical supplies).
 - (viii) Transportation.
 - (ix) Drugs and biologicals.
 - (x) Prosthetics, medical supplies and durable medical equipment, corrective vision devices such as eyeglasses and lenses, hearing aids, dentures, and repairs and maintenance for these items.
 - (xi) Behavioral health services.
 - (xii) Nursing facility services, which include, but are not limited to the following: semi-private room and board, physician and skilled nursing services, custodial care, personal care and assistance, biologicals and drugs, physical, speech, occupational and recreational therapies if necessary, social services, and medical supplies and appliances.
 - (xiii) Urgent care services
- d. The Contractor's description of its responsibility for coordinating access to the following services:
 - (i) Primary care services including physician and nursing services.
 - (ii) Medical specialty services, which will include but are not limited to: anesthesiology, audiology, cardiology, dentistry, dermatology,

gastroenterology, gynecology, internal medicine, nephrology, neurosurgery, oncology, ophthalmology, oral surgery, orthopedic surgery, otolaryngology, plastic surgery, pharmacy consulting services, podiatry, psychiatry, pulmonary disease, radiology, rheumatology, surgery, thoracic and vascular surgery, urology.

- (iii) Laboratory and X-rays and other diagnostic procedures.
- (iv) Acute inpatient services, which include, but are not limited to the following: ambulance, emergency room care and treatment room services, semi-private room and board, general medical and nursing services, medical surgical/intensive care/coronary care unit as necessary, laboratory tests, x-rays and other diagnostic procedures, drugs and biologicals, blood and blood derivatives, surgical care, including the use of anesthesia, use of oxygen, physical, speech, occupational, and respiratory therapies, and social services.
- (v) Hospital emergency room services.

Excluded Services

The following services are neither the responsibility of the Contractor or Medicaid and are the financial responsibility of the participant:

- a. Any Medicaid capitated service that has not been authorized by the inter-disciplinary team.
- b. Prescription and over the-counter drugs not prescribed by the provider physician.
- c. Inpatient facilities, private room and private duty nursing, unless medically necessary and non-medical items for personal convenience such as telephone charges, radio, or television rental.
- d. Cosmetic surgery unless required for improved functioning of a malformed part of the body resulting from an accidental injury or for reconstruction following mastectomy.
- e. Experimental medical, surgical or other health procedures or procedures not generally available.
- f. Care in a government hospital (Veteran's Administration, federal/state hospital) unless authorized.
- g. Service in any hospital for the treatment of tuberculosis or chronic, medically uncomplicated drug dependency or alcoholism.
- h. Any services rendered outside of the United States.

K. PARTICIPANT TREATMENT PLANS

The Contractor shall develop and implement written policies and procedures to address the following:

1. The Contractor's methodology that will ensure that within a maximum of fourteen (14) calendar days of enrollment, an initial assessment and subsequent treatment plan for each participant is developed by the inter disciplinary team.
2. The Contractor's plans/provisions for how each Participant will be reassessed by the

inter-disciplinary team on a semi-annual basis and how a new Treatment Plan will be developed.

3. The Contractor's initial assessment, treatment plan and semi-annual reassessment of the treatment plan will include procedures for the participation of the enrollee and or enrollee's family.

L. SERVICE AVAILABILITY

The Contractor shall develop and implement written policies and procedures that contain the following:

1. Description of the Contractor's provision of a service delivery system that ensures prompt access to all covered services, including referral protocols, approved by the inter-disciplinary team.
2. Description of the Contractor's process for providing the PACE participants with access to medical care and other services as applicable, twenty four (24) hours per day, seven (7) days a week, three hundred sixty five (365) days per year.
3. Description of the Contractor's system to address in-area emergency care. All Medicaid reimbursable services will be reimbursed by PACE to the non-affiliated provider when these services are rendered within the PACE geographic service area. These emergency services will be reimbursed by PACE only until such time as the participant's condition permits travel to the nearest PACE-affiliated facility.
4. Description of the Contractor's system to address out-of-area emergency care that is provided in or en route to a hospital or hospital emergency room, in a clinic, or physician's office, or any other site outside of the PACE service area. Covered services will be paid by PACE when rendered in an out-of-area medical emergency, but only until such time as the participant's condition permits travel to the nearest PACE facility. NOTE: As stated in this Exhibit A, Scope of Work, Paragraph J, Subsection 2h, any services rendered outside of the United States are excluded.
5. Description of how the Contractor will ensure that the care and services set forth by the Contractor are provided and administered in accordance with the PACE Protocol.
6. Description of how the Contractor will ensure that all care and services set forth herein shall be available and shall be provided at such times and places, including the participant's home or elsewhere, as are necessary and practical.
7. The Contractor shall submit to the Contract Administrator, by the effective date of this Contract, a prospective list of contracts or subcontracts with participating hospitals, institutions, and service providers. A final list shall be submitted within sixty (60) days of the contract start date between the PACE provider and the HSD.

M. CLIENT FILE MEDICAL RECORD

The Contractor shall develop and implement written policies and procedures to address how it will accomplish the following:

1. Establishing and maintaining a client file/medical record for each participant that is consistent with current professional standards and State requirements.
2. Maintaining content components of the participant's file/medical record.
3. Addressing record retention, time lines for record reviews and updates, and confidentiality and security of information in accordance with the PACE regulations.

N. PARTICIPANT EDUCATION COMPONENT

The Contractor shall develop and implement written policies and procedures for educating and/or orienting participants to the PACE. These policies and procedures should be presented in a culturally competent format at a language level understandable by the participant or their families no higher than a sixth grade level, where possible, covering, at a minimum, the following:

1. The enrollment disenrollment process.
2. Services available through the program.
3. Procedures to access services.
4. After hours call in system.
5. Provisions for emergency treatment.
6. Restrictions against using medical providers and/or services not authorized by the inter-disciplinary team.

O. PARTICIPANT RIGHTS

The Contractor shall develop and implement written policies and procedures to ensure the rights of each participant. These policies and procedures must be written in a culturally competent format at a language level understandable by the participant or their families (no higher than a sixth grade level).

P. GRIEVANCE PROCEDURES

The Contractor shall develop and implement written Participant Grievance Procedures, which provide participants and their family members a process for expressing dissatisfaction with the services provided through the PACE Program, whether medical or non-medical in nature, and that allow for orderly resolution of informal and formal grievances.

The Contractor shall develop and implement written policies and procedures to ensure the following:

1. Provider Grievance Procedures and any changes thereto are prior-approved by the HSD in writing and included in the Participant Handbook.
2. A staff member is designated as having primary responsibility for the maintenance of

the Grievance Procedures, review of their operation and revision of related policies and procedures whenever necessary.

3. The Grievance Procedures clearly explain to participants both the HSD's hearing process and the Contractor's process and which staff members are assigned to receive formal and informal complaints, the expected procedure, and the time frames for doing so.
4. If the participant does not want to work with the Contractor to resolve the grievance, then the Contractor must inform the participant of his or her right to send a grievance, or submit a request for a Fair Hearing, directly to the New Mexico Department of Human Services. In such case, the Contractor will advise the participant to send the grievance, or submit the request for the Fair Hearing, to:

New Mexico Human Services Department
Fair Hearings Bureau
37 Plaza La Prensa
Santa Fe, New Mexico 87507
1-800-432-6217, press option 6 or (505) 476-6213

5. A copy of the Participant Grievance Procedures and complaint forms are made available to participants. Contractor is responsible for a mechanism for tracking, investigating, recording, resolving, and appealing decisions concerning grievances made by participants or others.
6. No discrimination against a participant solely on the grounds the participant filed a grievance. Policies and procedures must be written in a culturally competent format at a language level understandable by the participant or their families (no higher than a sixth grade level).

Q. QUALITY ASSURANCE SYSTEM

The Contractor shall have a written plan of Quality Assurance and Improvement, which provides for a system of ongoing assessment, implementation, evaluation, and revision of activities related to overall program administration and services.

The Contractor shall develop and implement written policies and procedures to address the following:

1. Standards that are incorporated into the provider's Policy and Procedure Manual. The Provider Standards must be based on the PACE regulations, applicable PACE standards and applicable licensing criteria.
2. Goals and objectives that provide a framework for quality improvement activities, evaluation and corrective action.
3. Quality indicators that are objectives and measurable variables related to the entire

range of services provided by the PACE provider. The methodology should assure that all demographic groups, all care settings, e.g., inpatient, the PACE Center and in-home, will be included in the scope of the quality assurance review.

4. Quality indicators that are selected for review on the basis of high volume, high-risk diagnosis or procedure, adverse outcomes, or some other problem focused method consistent with the state of the art.
5. Evaluation process and or procedures to review the effectiveness of the PACE interdisciplinary team in its ability to assess participant's care needs, identify the participants' treatment goals, assess effectiveness of interventions, evaluate adequacy and appropriateness of service utilization and reorganize treatment plan as necessary.
6. Composition and responsibilities of a Quality Assurance Committee.
7. Composition and responsibilities of an Ethics Committee.
8. Participant involvement in quality assurance plan and evaluation of satisfaction with services.
9. A designated individual to coordinate and oversee implementation of quality assurance activities. A Quality Assurance Committee will hold quarterly meetings with the Contractor. The Contractor will prepare quarterly written status reports for review at the Quality Assurance Committee meetings. Written status reports will include, as a minimum, a discussion of project progress, problems encountered and recommended solutions, identification of policy or management questions, and requested project plan adjustments.

R. DATA GATHERING and NONFINANCIAL REPORTING

During the PACE contract period, the Contractor is required to collect data and submit to the HSD accurate and timely reporting as specified below.

1. The Contractor shall develop and implement written policies and procedures to collect an agreed upon standardized set of data as to participant-specific intake, assessment and service utilization data coded according to the guidelines in the PACE Data Collection Manual. The definition of data and the manner in which it is collected may be modified to meet changes in CMS and HSD reporting requirements, in response to requests from PACE providers, the HSD, and others. Data uniformity shall be maintained across all PACE providers.
2. The Contractor shall provide HSD with a quarterly report of the following performance outcomes that are in addition to the activities and reports already required in the Agreement.
 - a. Percent of consumers who are at imminent risk of nursing home placement who are served with community-based services;
 - b. Percent of consumers who have a permanent nursing home placement
 - c. Percent of participants who have a diagnosed chronic mental health disorder

- d. Monthly Participant Infection Rates:
 - i. Urinary Tract Infections (UTI) - Target Rate <9% of census
 - ii. Bronchitis - Target Rate <3% of census
 - iii. Pneumonia - Target Rate <1% of census
 - iv. Clostridium difficile (C-Diff) - Target Rate <1% of census
 - e. Emergency Room (ER) Admission Rate - Target Rate Not >5% of total census annualized
 - f. Hospital and/or Nursing Home Readmissions within 31 Days - Target Rate Not >15% within 31 days of discharge.
3. Comply with the Minimum Requirements for CMS Medicaid Sample System (MSIS) Tape Specs & Data Dictionary or successor requirements.
 4. Maintain complete participant-specific utilization data on-site updated to one month prior to the present. Data shall be transmitted to the Contract Administrator on a monthly basis.
 5. Ensure the quality of the data. Data collection problems that are identified must be reported to the HSD. If the HSD determines that problems require correction, the PACE provider will be required to resolve them.
 6. Assure that the PACE provider will submit to the Contract Administrator, 45 days after the end of each quarter, the following quarterly reports:
 - a. Quarterly progress
 - b. Quarterly program statistical reports

The contents of these reports may be subject to change to adapt to the Federal and State reporting requirements and/or amended requirements or for the purpose of program monitoring.

The Contractor shall make no use of computer software developed pursuant to the contract except as provided in the contract or as specifically granted in writing by the HSD.

7. Submit to the Contract Administrator any other reporting details as requested by the HSD.

S. MAINTENANCE OF BOOKS AND RECORDS

During the PACE contract period, the PACE provider is required to maintain financial records, medical records and personnel records necessary to determine whether contractual obligations are met.

The Contractor shall develop and implement written policies and procedures to address the following:

1. Books and records to be made available to CMS and the HSD upon request.

2. Records are stored so as to be protected against loss, destruction, or unauthorized use for a period of six (6) years.

T. FINANCIAL REPORTING

During the PACE contract period, the PACE provider is required to submit accurate and timely financial reports, as specified below. The cumulative interim and final cost reports in item 3 below will be in the form and detail described by On Lok Senior Health Services/Nathional PACE Association. The Contractor shall develop and implement written policies and procedures to accomplish the following:

1. Submit a Budgeted versus Actual Financial Report for the current and year-to-date to the Contract Administrator. This report will be submitted on a quarterly basis, 45 days after the end of each quarter. The HSD reserves the right to extend the submission of this report on a monthly basis should provider performance indicate a need for more frequent monitoring.
2. The Contractor shall submit to the Contract Administrator cumulative cost reports due forty five (45) days after the end of each fiscal quarter, covering the period from the beginning of the fiscal year through the respective quarter. The Contractor shall further provide to the Contract Administrator an independently certified cost report in form and detail prescribed by CMS and the HSD, no later than one hundred eighty (180) days after the end of the Contractor's fiscal year.
3. Submit to the Contract Administrator a quarterly balance sheet for those PACE providers that are a separate corporate entity.
4. Submit to the Contract Administrator any other reporting details as requested by the HSD.

U. PAYMENT INFORMATION

The cost of this PSC for the twelve (12) month period beginning on **July 1, 2018** and ending **June 30, 2019**, shall not exceed thirteen million eighty four thousand three hundred ninety seven dollars and twenty eight cents (**\$13,084,397.28**) including gross receipts tax, if applicable, in **FY19**. This amount includes: the dual eligible capped rate of two thousand six hundred sixty six dollars and twenty seven cents (**\$2,666.27**) per month for **4,788** member months and the Medicaid-only capped rate of two thousand nine hundred forty seven dollars and nineteen cents (**\$2,947.19**) per month for **108** member months.

When adding new participants, the Contractor is required to identify those new enrollees who have been relocated/reintegrated to the home/community setting from a nursing facility population, and those new enrollees who are determined to be at imminent risk for nursing facility placement. The Contractor shall, by monthly separate reports, provide HSD with the total number of new enrollees, including those relocated from a nursing facility and those who were deemed at-risk for nursing facility placement. The criteria for deeming at-risk participants must be approved by HSD.

1. Payment schedule: The Contractor shall submit a UB 92 for each PACE member.
2. Payment made pursuant to a contract with the Contractor shall not forfeit the right of the HSD to recover excessive payments or those billed erroneously by the Contractor.
3. Not filing timely and appropriate reports, as outlined in this contract or as otherwise specified by the HSD, may be cause for the HSD to withhold payment. The requirement of any deliverable dates for quarterly, semi-annual, or annual reports due subsequent to **June 30, 2019**, as specified in this contract, shall survive the termination date of this contract.
4. HSD shall not be liable for any interest or penalty charges on late payments.
5. Upon notice from HSD of a change in: (i) program, (ii) governmental costs, taxes or fees, (iii) benefit modification, or (iv) a final judicial decision affecting reimbursement rates, the Contractor may initiate negotiations for a modification of the PSC's provisions, limited to: (a) changes in compensation and payment reimbursement for services; and (b) program changes, as provided in the notice from the HSD. Such changes shall be implemented pursuant to Paragraph 13, Amendment.

If the Contractor does not request negotiations for a modification of the PSC as set forth in the preceding paragraph, within the fifteen (15) working days of the notice from the HSD, then the change shall be implemented and become effective under the terms and conditions set by the HSD.