Washington State Health Care Authority	**Washington Apple Health – Integrated Managed Care Contract**	HCA Contract Number: Resulting from Solicitation Number (If applicable):

THIS AMENDMENT is between the Washington State Health Care Authority, hereinafter referred to as "HCA," and the party whose name appears below, hereinafter referred to as the "Contractor."

CONTRACTOR NAME		
CONTRACTOR ADDRESS	WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI)	
CONTRACTOR CONTACT	CONTRACTOR TELEPHONE	CONTRACTOR E-MAIL ADDRESS

HCA PROGRAM Managed Care Program	HCA DIVISION/SECTION
HCA CONTACT NAME AND TITLE	HCA CONTACT ADDRESS
HCA CONTACT TELEPHONE	HCA CONTACT E-MAIL ADDRESS
IS THE CONTRACTOR A SUBRECIPIENT FOR PURPOSES OF THIS CONTRACT? ☐YES ☒NO	CFDA NUMBER(S) ; ; ;

CONTRACT START DATE Effective Date		**CONTRACT END DATE**
PRIOR MAXIMUM CONTRACT AMOUNT N/A	**AMOUNT OF INCREASE OR DECREASE** **N/A**	**TOTAL MAXIMUM CONTRACT AMOUNT** Per Member Per Month

PURPOSE OF CONTRACT: Fully Integrated Managed Care (FIMC) Services to Apple Health

ATTACHMENTS/EXHIBITS. When the box below is marked with an X, the following Exhibits/Attachments are attached and are incorporated into this Contract by reference:

☒ Exhibit(s) (specify): Exhibit A - FIMC – Rates; Exhibit A – BHSO Rates; Exhibit B, FIMC Contracted Services and Exclusions; Exhibit C, Health Homes, Exhibit D, Access to Care Standards; Exhibit E – RAC Codes; Exhibit F, Critical Incident Report Form; Exhibit G, Designation of Behavioral Health Providers; Exhibit H, Value-Based Purchasing; Exhibit I, Data Use, Security and Confidentiality; and Exhibit J, Service Areas.

☒ Attachment(s) (specify): Attachment a, Apple Health Quarterly Encounter/General Ledger Reconciliation, Form D; Attachment 2, Non-Disclosure of HCA Confidentiality Information; Attachment 3, RFP Apple Health – Integrated Managed Care (incorporated by reference, available upon request); Attachment 4, Contractors Response to RFP (incorporated by reference, available upon request); Attachment 5, 2018 Performance Measures and Attachment 6 – Monthly Certification Letter

The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise, regarding the subject matter of this Contract. The parties signing below warrant that they have read and understand this Contract, and have authority to execute this Contract. This Contract shall be binding on HCA only upon signature by HCA.

CONTRACTOR SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED
HCA SIGNATURE	PRINTED NAME AND TITLE	DATE SIGNED

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1. DEFINITIONS

1.1 Access

"Access" as it pertains to external quality review, means the timely use of services to achieve optimal outcomes, as evidenced by the Contractor's successful demonstration and reporting on outcome information for the availability and timeliness elements defined in the Network Adequacy Standards and Availability of Services described in this Contract. (42 C.F.R. § 438.320).

1.2 Access to Care Standards (ACS)

"Access to Care Standards (ACS)" means minimum eligibility requirements for Medicaid eligible persons to access mental health services administered through the Department of Social and Health Services.

1.3 Accountable Community of Health (ACH)

"Accountable Community of Health (ACH)" means a regionally governed, public-private collaborative that is tailored by the region to achieve healthy communities. ACHs coordinate systems that influence health, including: public health, health care providers and systems that influence social determinants of health.

1.4 Actuarially Sound Capitation Rates

"Actuarially Sound Capitation Rates" means capitation rates that have been developed in accordance with generally accepted actuarial principles and practices; are appropriate for the populations to be covered and the services to be furnished under the Contract; and have been certified as meeting the requirements of 42 C.F.R. § 438.6(c) by actuaries who meet the qualification standards established by the American Academy of Actuaries and follow the practice standards established by the Actuarial Standards Board (42 C.F.R. § 438.6(c)).

1.5 Acute Withdrawal Management Services

"Acute Withdrawal Management Services" means withdrawal management services provided to an individual to assist in the process of withdrawal from psychoactive substance in a safe and effective manner. Acute withdrawal management provides medical care and physician supervision for withdrawal from alcohol or other drugs.

1.6 Administrative Day

"Administrative Day" means one or more days of a hospital stay in which an acute inpatient or observation level of care is not medically necessary, and a lower level of care is appropriate (WAC 182-550-1050).

1.7 Administrative Hearing

"Administrative Hearing" means an adjudicative proceeding before an Administrative Law Judge or a Presiding Officer that is governed by Chapter 34.05 RCW, the agency's hearings rules found in Titles 388 or 182 WAC, or other law.

1.8 **Advance Directive**

"Advance Directive" means a written instruction, such as a living will or durable power of attorney for health care, recognized under the laws of the state of Washington, relating to the provision of health care when an individual is incapacitated (WAC 182-501-0125, 42 C.F.R. § 438.3, 438.10, 422.128, and 489.100).

1.9 **Adverse Benefit Determination**

"Adverse Benefit Determination" means the denial or limited authorization of a requested service, including: The type or level of service; requirements for medical necessity, appropriateness, setting or effectiveness of a covered benefit; the reduction, suspension or termination of a previously authorized service; the denial, in whole or in part, of payment for a service; the failure to provide services or act in a timely manner as required herein; failure of the Contractor to act within the timeframes for disposition, resolution, and notification of appeals and grievances; the denial of an enrollee's request to dispute a financial liability, including cost sharing, copayments, premiums, deductibles, coinsurance, and other enrollee financial liabilities; or, for a rural area resident with only one Managed Care Organization (MCO) available, the denial of an Enrollee's request under 42 C.F.R. § 438.52(b)(2)(ii) to obtain services outside the Contractor's network.

1.10 **Alcohol/Drug Screening and Brief Intervention**

"Alcohol/Drug Screening and Brief Intervention" is a combination of services designed to screen for risk factors that appear to be related to alcohol and other drug disorders, provide interventions to enhance patient motivation to change and make appropriate referrals as needed.

1.11 **All Payer Claims (APC) Database**

"All Payer Claims Database" means a centralized repository maintained by the Washington State Office of Financial Management and encompasses claims data submitted by MCOs.

1.12 **Allegation of Fraud**

"Allegation of Fraud" means an unproved assertion: an assertion, especially relating to wrongdoing or misconduct on the part of the individual, entity or provider. An allegation has yet to be proved or supported by evidence.

An Allegation of Fraud is an allegation, from any source, including but not limited to the following:

1.12.1 Fraud hotline complaints;

1.12.2 Claims data mining; and

1.12.3 Patterns identified through provider audits, civil false claims cases, and law enforcement investigations.

1.13 **Alternative Benefit Plan (ABP)**

"Alternative Benefit Plan (ABP)" means the new, mandatory Medicaid benefits for the newly eligible Medicaid expansion group of adults ages nineteen through sixty-four (19-64) with modified adjusted

gross income that does not exceed one hundred thirty eight percent (138%) of the Federal Poverty Level (FPL) established by the Federal Patient Protection and Affordable Care Act (ACA) of 2010. For the purposes of this Contract, we refer to this population as Apple Health Adult Coverage – Medicaid Expansion.

1.14 **American Society of Addiction Medicine (ASAM) Criteria**

"American Society of Addiction Medicine (ASAM) Criteria" means criteria that allows a clinician to systematically evaluate the severity and diagnosis of a patient's need for treatment along six (6) dimensions, and then utilize a fixed combination rule to determine which of four levels of care a substance using patient will respond to with the greatest success. ASAM also includes the recommended duration of Substance Use Disorder (SUD) treatment.

1.15 **American Society of Addiction Medicine Level of Care Guidelines" (ASAM Guidelines)**

"American Society of Addiction Medicine Level of Care Guidelines (ASAM Guidelines)" means a professional society dedicated to increasing access and improving the quality of SUD treatment. ASAM Guidelines are a set of criteria promulgated by ASAM used for determining SUD treatment placement, continued stay and transfer/discharge of Enrollees with SUD and co-occurring disorders.

1.16 **Ancillary Services**

"Ancillary Services" means additional services ordered by the provider to support the core treatment provided to the patient. These services may include, but are not limited to, laboratory services, radiology services, drugs, physical therapy, occupational therapy, and speech therapy (WAC 182-500-0010).

1.17 **Appeal**

"Appeal" means review by the Contractor of an Adverse Benefit Determination.

1.18 **Appeal Process**

"Appeal Process" means the Contractor's procedures for reviewing an Adverse Benefit Determination.

1.19 **Assessment (Substance Use Disorder (SUD))**

"Assessment" means activities conducted to evaluate an individual to determine placement in accordance with the American Society of Addiction Medicine (ASAM) patient placement criteria, as listed in Exhibit B, Fully Integrated Managed Care (FIMC) and Behavioral Health Services Only Contracted Services and Exclusions, Substance Use Disorder Outpatient Services.

1.20 **Behavioral Health**

"Behavioral Health" means mental health and/or Substance Use Disorders and/or conditions and related benefits.

1.21 **Behavioral Health Assessment System (BHAS)**

"Behavioral Health Assessment System (BHAS)" means an online Child and Adolescent Needs and

Strengths (CANS) data entry and reporting system that provides CANS data in real time to clinicians, supervisors, agency administrators, BHO and AH - FIMC administrators, as well as DSHS and HCA staff for quality improvement purposes. The reports in this system are explicitly designed to provide on-demand, multi-level feedback and are updated in real-time.

1.22 **Behavioral Health Administrative Services Organization (BH-ASO)**

"Behavioral Health Administrative Services Organization (BH-ASO)" means an entity selected by HCA to administer behavioral health services and programs, including Crisis Services for residents in a defined Regional Service Area. The BH-ASO administers Crisis Services for all residents in its defined service area, regardless of ability to pay, including Medicaid eligible members.

1.23 **Behavioral Health Organization (BHO)**

"Behavioral Health Organization (BHO)" means a single or multiple-county authority or other entity operating as a prepaid inpatient health plan through which the agency or the agency's designee contracts for the delivery of community outpatient and inpatient mental health and Substance Use Disorder services in a defined geographic area to Enrollees who meet Access to Care Standards.

1.24 **Behavioral Health Services Only (BHSO)**

"Behavioral Health Services Only (BHSO)" means those Enrollees who receive only behavioral health benefits through this Contract and the companion non-Medicaid Contract.

1.25 **Breach**

"Breach" means the acquisition, access, use, or disclosure of Protected Health Information (PHI) in a manner not permitted under the HIPAA Privacy Rule which compromises the security or privacy of PHI, with the exclusions and exceptions listed in 45 C.F.R. § 164.402.

1.26 **Brief Intervention**

"Brief Intervention" means a time limited, structured behavioral intervention using Substance Use Disorder Brief Intervention techniques, such as evidence-based motivational interviewing, and referral to treatment services when indicated. Services may be provided at, but not limited to, sites exterior to treatment facilities such as hospitals, medical clinics, schools or other non-traditional settings.

1.27 **Brief Intervention (Mental Health)**

"Brief Intervention" means solution-focused and outcomes-oriented cognitive and behavioral interventions intended to resolve situational disturbances. These services do not require long term-treatment, and do not include ongoing care, maintenance, or monitoring of the individual's current level of function or assistance with self-care or life skills training.

1.27.1 An agency providing Brief Intervention treatment services to individuals must meet the individual service plan requirements in WAC 388-877-0620 and ensure the individual service plan identifies a course of treatment to be completed in six (6) months or less.

1.27.2 The additional assessment and individual service plan requirements in WAC 388-877A-0130 and 388-877A-0135 do not apply to Brief Intervention treatment.

1.27.3 An individual may move from Brief Intervention treatment to longer-term outpatient mental health services at any time.

1.28 **Brief Outpatient Treatment (Substance Use Disorder)**

Costs incurred for a program of care and treatment that provides a systematic, focused process that relies on assessment, client engagement, and rapid implementation of change strategies. (The service as described satisfies the level of intensity in ASAM Level 1).

1.29 **Business Associate Agreement**

"Business Associate Agreement" means an agreement under the federal Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA), between a HIPAA covered entity HIPAA business associate. The agreement protects Personal Health Information (PHI) in accordance with HIPAA guidelines.

1.30 **Business Hours**

"Business Hours" means 8:00 am to 6:00 pm Pacific Time, Monday through Friday.

1.31 **Capacity Threshold**

"Capacity Threshold" means the capacity to serve at least sixty (60) percent of Apple Health - Fully Integrated Managed Care eligibles in a service area in each of the following six (6) critical provider types: hospital, behavioral health, primary care, pharmacy, obstetrical, and pediatricians.

1.32 **Care Coordination**

"Care Coordination" means an approach to healthcare in which all of an Enrollee's needs are coordinated with the assistance of a Care Coordinator. The Care Coordinator provides information to the Enrollee and the Enrollee's caregivers, and works with the Enrollee to make sure that the Enrollee gets the most appropriate treatment, while ensuring that health care is not duplicated.

1.33 **Care Coordination Organization (CCO)**

"Care Coordination Organization (CCO)" means an organization that is responsible for delivering Health Home services to the participating Enrollee.

1.34 **Care Coordinator (CC)**

"Care Coordinator (CC)" means a health care professional or group of professionals, licensed in the state of Washington, who are responsible for providing Care Coordination services to Enrollees. Care Coordinators may be:

1.34.1 A Registered Nurse, Social Worker, Mental Health Professional or Chemical Dependency Professional employed by the Contractor or primary care provider or Behavioral Health agency; and/or

1.34.2 Individuals or groups of licensed professionals, or paraprofessional individuals working under their licenses, located or coordinated by the primary care provider/clinic/Behavioral

Health agency.

Nothing in this definition precludes the Contractor or care coordinator from using allied health care staff, such as Community Health Workers or Certified Peer Counselors and others to facilitate the work of the Care Coordinator or to provide services to Enrollees who need assistance in accessing services but not Care Coordination services.

1.35 **Caregiver Activation Measure (CAM)**

"Caregiver Activation Measure (CAM)" means an assessment that gauges the knowledge, skills and confidence essential to providing care for a person with chronic conditions.

1.36 **Care Management**

"Care Management" means a set of services designed to improve the health of Enrollees. Care management includes a health assessment, development of a care plan and monitoring of Enrollee status, care coordination, ongoing reassessment and consultation and crisis intervention and case conferencing as needed to facilitate improved outcomes and appropriate use of health services, including moving the Enrollee to a less intensive level of population health management as warranted by Enrollee improvement and stabilization. Effective care management includes the following:

1.36.1 Actively assisting Enrollees to navigate health delivery systems, acquire self-care skills to improve functioning and health outcomes, and slow the progression of disease or disability;

1.36.2 Utilization of evidence-based practices in screening and intervention;

1.36.3 Coordination of care across the continuum of medical, behavioral health, oral health, and long-term services and supports, including tracking referrals and outcomes of referrals;

1.36.4 Ready access to integrated behavioral and physical health services; and

1.36.5 Use of appropriate community resources to support individual Enrollees, families and caregivers in managing care.

1.37 **Care Manager (CM)**

"Care Manager (CM)" means an individual employed by the Contractor or a contracted organization who provides Care Management services. Care Managers shall be licensed as registered nurses, advanced registered nurse practitioners, practical nurses, psychiatric nurses, psychiatrists, physician assistants, clinical psychologists, mental health counselors, agency affiliated counselors, marriage and family therapists, social workers with a Masters in Social Work (MSW), or shall be social service or healthcare professionals with a Bachelors in Social Work or closely related field, Indian Health Service (IHS) Community Health Representatives (CHR), or certified chemical dependency professionals.

1.38 **Centers for Medicare and Medicaid Services (CMS)**

"Centers for Medicare and Medicaid Services (CMS)" means the federal agency within the U.S. Department of Health and Human Services (DHHS) that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance

Program (CHIP), and health insurance portability standards.

1.39 **Certified Chemical Dependency Professional (CDP)**

"Certified Chemical Dependency Professional (CDP)" means an individual who is certified according to RCW 18.205.020 and the certification requirements of WAC 246-811-030 to provide chemical dependency counseling (Substance Use Disorder [SUD] services).

1.40 **Certified Peer Counselor (CPC)**

"Certified Peer Counselor (CPC)" means individuals that have met the requirements in WAC 388-865-0238 who help consumers and families identify goals that promote recovery and resiliency and help to identify services and activities to reach these goals. For more information: https://www.dshs.wa.gov/node/8976.

1.41 **Case Management (SUD)**

Case management services are services provided by a Chemical Dependency Professional (CDP), CDP Trainee, or person under the clinical supervision of a CDP who will assist clients in gaining access to needed medical, social, education, and other services. Does not include direct treatment services in this sub element. This covers costs associated with case planning, case consultation and referral services, and other support services for the purpose of engaging and retaining clients in treatment or maintaining clients in treatment. This does not include treatment planning activities required in WAC 388-877B.

1.42 **Child and Family Team (CFT)**

"Child and Family Team (CFT)" means a team that includes the Enrollee, their family, the child's natural and professional support system, and behavioral health providers involved with the family. This team collaborates to develop, evaluate and modify a cross system care plan in accordance with the Washington Children's Mental Health System Principles to support the restoration of a higher level of functions for the youth and family.

1.43 **Child Study and Treatment Center (CSTC)**

"Child Study and Treatment Center (CSTC)" means the Department of Social and Health Services' child psychiatric hospital.

1.44 **Children's Behavioral Health Measures of Statewide Performance (CBH-MSP)**

"Children's Behavioral Health Measures of Statewide Performance (CBH-MSP)" means a framework of goals, outcomes, and indicators developed by a group of Washington State children's mental health stakeholders. The goals, outcomes, and measures are used to monitor and evaluate the performance of Washington State's System of Care for children and adolescents with mental health and/or alcohol or Substance Use Disorder treatment needs. These measures are maintained by the Washington Department of Social and Health Services, Research and Data Analysis Administration. (See https://www.dshs.wa.gov/sites/default/files/BHSIA/dbh/Mental%20Health/Childrens_Behav_Health_Measures_v28.pdf)

1.45 **Children's Health Insurance Program (CHIP)**

"Children's Health Insurance Program (CHIP)" means a program to provide access to medical care for children under Title XXI of the Social Security Act, the Children's Health Insurance Program Reauthorization Act of 2009, RCW 74.09.470 and WAC 182-505.

1.46 **Children's Long Term Inpatient Program (CLIP)**

"Children's Long Term Inpatient Program (CLIP)" means the Washington state inpatient program that provides inpatient care for children and Youth who need extended inpatient mental health services.

1.47 **Children's Long Term Inpatient Programs Administration (CLIP Administration)**

"Children's Long Term Inpatient Programs Administration (CLIP Administration)" means the state appointed authority for policy and clinical decision-making regarding admission to and discharge from Children's Long Term Inpatient Programs.

1.48 **Children with Special Health Care Needs**

"Children with Special Health Care Needs" means children under 19 years of age who are any one of the following:

1.48.1 Eligible for Supplemental Security Income (SSI) under Title XVI of the Social Security Act;

1.48.2 Eligible for Medicaid under section 1902(e) (3) of the Act;

1.48.3 In foster care or other out-of-home placement;

1.48.4 Receiving foster care or adoption assistance; and/or

1.48.5 Receiving services through a family-centered, community-based, coordinated care system that receives grant funds under section 501(a) (1) (D) of Title V of the Social Security Act.

1.49 **Chronic Condition**

"Chronic Condition" means a physical or behavioral health condition that is persistent or otherwise long lasting in its effects.

1.50 **Chronic Disease Self-Management Education (CDSME)**

"Chronic Disease Self-Management Education (CDSME)" means programs that enable individuals with multiple Chronic Conditions to learn how to manage their overall health, symptoms, and risk factors. An example is the Stanford University Chronic Disease Self-Management Program, which has been shown in randomized trials to improve symptoms such as pain, shortness of breath and fatigue, improve ability to engage in everyday activities, reduce depression and decrease costly health care such as emergency department visits.

1.51 **Clinical Data Repository (CDR)**

"Clinical Data Repository (CDR)" means a tool HCA is using to advance Washington's capabilities to collect, share and use integrated physical and behavioral health information from provider EHR systems. The CDR is a real time database that consolidates data from a variety of clinical sources to present a unified view of a single patient. It allows clinicians to retrieve data for a single patient

rather than a population of patients with common characteristics. Typical data types, which are often found within a CDR include: CCD, C-CDA, problem lists, clinical laboratory test results, patient demographics, pharmacy information, radiology reports and images, pathology reports, hospital discharge summaries, diagnosis, and progress notes. The use of standard data inputs helps manage the cost and complexity of data contributed by many different care providers. The CDR will be operated by the State Health Information Exchange (HIE) on behalf of sponsoring organizations. HCA will be the initial sponsoring organization. The CDR will also include claims and encounter information so that aggregate data can be provided for quality reporting and population health management.

1.52 **Code of Federal Regulations (C.F.R.)**

"Code of Federal Regulations (C.F.R.)" means the codification of the general and permanent rules and regulations, sometimes called administrative law, published in the Federal Register by the executive departments and agencies of the federal government of the United States.

1.53 **Cold Call Marketing**

"Cold Call Marketing" means any unsolicited personal contact by the Contractor or its designee, with a potential Enrollee or a current Enrollee of another contracted Managed Care organization for the purposes of marketing (42 C.F.R. § 438.104(a)).

1.54 **Community Behavioral Health Advisory (CBHA) Board**

"Community Behavioral Health Advisory (CBHA) Board" means an advisory board representative of the demographic characteristics of the region. Representatives to the board shall include, but are not limited to, representatives of Enrollee and families, clinical and community service resources, including law enforcement. Membership shall be comprised of at least fifty one percent (51%) Enrollee or Enrollee family members. Composition of the Advisory Board and the length of terms shall be submitted to HCA upon request.

1.55 **Community Health Workers (CHW)**

"Community Health Workers (CHW)" means individuals who serve as a liaison/link/intermediary/advocate between health/social services and the community to facilitate access to services and improve the quality and cultural competence of service delivery. CHWs include Community Health Representatives (CHR) in the Indian Health Service funded, Tribally contracted/granted and directed program.

1.56 **Community Mental Health Agency (CMHA)**

"Community Mental Health Agency (CMHA)" means a local mental health entity that is licensed by the state of Washington to provide mental health services.

1.57 **Comparable Coverage**

"Comparable Coverage" means an Enrollee has other insurance that HCA has determined provides a full scope of health care benefits.

1.58 **Complex Case Management (CCM)**

"Complex Case Management (CCM)" means Care Management services delivered to Enrollees with multiple or complex conditions to obtain access to care and services and coordination of their care. Enrollees receiving CCM services are provided according to standards defined by the National Committee for Quality Assurance (NCQA).

1.59 **Comprehensive Assessment Report and Evaluation (CARE)**

"Comprehensive Assessment Report and Evaluation (CARE)" means a person centered, automated assessment tool used for determining Medicaid functional eligibility, level of care for budget and comprehensive care planning, as defined in Chapter 388-106 WAC.

1.60 **Concurrent Review**

"Concurrent Review" means the Contractor's review of care and services at the time the event being reviewed is occurring. Concurrent review includes an assessment of the Enrollee's progress toward recovery and readiness for discharge while the Enrollee is hospitalized or in a nursing facility; and may involve an assessment of the medical necessity of tests or procedures while the Enrollee is hospitalized or in a nursing facility.

1.61 **Confidential Information**

"Confidential Information" means information that is exempt from disclosure to the public or other unauthorized persons under Chapter 42.56 RCW or other federal or state law. Confidential Information includes, but is not limited to, Personal Information.

1.62 **Consumer Assessment of Healthcare Providers and Systems (CAHPS®)**

"Consumer Assessment of Healthcare Providers and Systems (CAHPS®)" means a family of standardized survey instruments, including a Medicaid survey used to measure Enrollee experience of health care.

1.63 **Continuity of Care**

"Continuity of Care" means the provision of continuous care for chronic or acute medical and behavioral health conditions to maintain care that has started or been authorized in one setting as the Enrollee transitions between: facility to home; facility to facility; providers or service areas; Managed Care Contractors; and Medicaid fee-for-service and Managed Care arrangements. Continuity of Care occurs in a manner that prevents secondary illness, health care complications or re-hospitalization and promotes optimum health recovery. Transitions of significant importance include but are not limited to: from acute care settings, such as inpatient physical health or behavioral (mental health/substance use) Health Care Settings or emergency departments, to home or other Health Care Settings such as outpatient settings; from hospital to skilled nursing facility; from skilled nursing to home or community-based settings; from one primary care practice to another; and from substance use care to primary and/or mental health care.

1.64 **Continuity of Care Document (CCD)**

"Continuity of Care Document (CCD)" means an electronic document exchange standard for sharing patient care summary information. Summaries include the most commonly needed pertinent information about current and past health status in a form that can be shared by all computer applications, including web browsers, electronic medical record (EMR) and Electronic Health Record

(EHR) software systems. The industry is already moving toward the Consolidated Clinical Document Architecture (C-CDA) as the emerging industry standard and the clinical exchange of choice. For purposes of the Clinical Data Repository requirements in this Contract this patient care summary is referred to as the CCDA.

1.65 **Contract**

"Contract" means the entire written agreement between HCA and the Contractor, including any Exhibits, documents, and materials incorporated by reference. The parties may execute this Contract in multiple counterparts, each of which is deemed an original and all of which constitutes as one agreement. E-mail (electronic mail) transmission of a signed copy of this Contract shall be the same as delivery of an original.

1.66 **Contractor**

"Contractor" means the individual or entity performing services pursuant to this Contract and includes the Contractor's owners, officers, directors, partners, employees, and/or agents, unless otherwise stated in this Contract. For purposes of any permitted subcontract, "Contractor" includes any subcontractor and its owners, officers, directors, partners, employees, and/or agents.

1.67 **Contracted Services**

"Contracted Services" means Covered Services that are to be provided by the Contractor under the terms of this Contract.

1.68 **Covered Services**

"Covered Services" means health care services that HCA determines are covered for Enrollees.

1.69 **Credible Allegation of Fraud**

"Credible Allegation of Fraud" means the Contractor has investigated an Allegation of Fraud and concluded that the existence of Fraud is more probable than not (42 C.F.R. § 455.2).

1.70 **Crisis Services**

"Crisis Services" means evaluation and treatment of mental health crisis to all Medicaid-enrolled individuals experiencing a crisis. A mental health crisis is defined as a turning point in the course of anything decisive or critical, a time, a stage, or an event or a time of great danger or trouble, whose outcome decides whether possible bad consequences will follow. Crisis Services shall be available on a 24-hour basis. Crisis Services are intended to stabilize the person in crisis, prevent further deterioration and provide immediate treatment and intervention in a location best suited to meet the needs of the individual and in the least restrictive environment available. Crisis Services may be provided prior to completion of an Intake Evaluation. Services are provided by or under the supervision of a Mental Health Professional.

1.71 **Day Support**

"Day Support" means an intensive rehabilitative program which provides a range of integrated and varied life skills training (e.g., health, hygiene, nutritional issues, money management, maintaining living arrangement, symptom management) for Medicaid Enrollees to promote improved functioning or a restoration to a previous higher level of functioning. The program is designed to assist the individual in the acquisition of skills, retention of current functioning or improvement in the current level of functioning, appropriate socialization and adaptive coping skills. Eligible individuals must demonstrate restricted functioning as evidenced by an inability to provide for their instrumental activities of daily living. This modality may be provided as an adjunctive treatment or as a primary intervention. The staff to client ratio is no more than 1:20 and is provided by or under the supervision of a Mental Health Professional in a location easily accessible to the client (e.g., community mental health agencies, clubhouses, community centers). This service is available 5 hours per day, five (5) days per week.

1.72 **Debarment**

"Debarment" means an action taken by a federal official to exclude a person or business entity from participating in transactions involving certain federal funds.

1.73 **Department of Social and Health Services (DSHS)**

"Department of Social and Health Services (DSHS)" means the Washington State agency responsible for providing a broad array of health care and social services. DSHS administrations with which the Contractor may interface include, but are not limited to:

1.73.1 Behavioral Health Administration is responsible for providing mental health services in State psychiatric hospitals and community settings and SUD inpatient and outpatient treatment, recovery and prevention services.

1.73.2 Aging and Long-Term Support Administration is responsible for providing a safe home, community and nursing facility array of long-term supports for Washington citizens.

1.73.3 Children's Administration is responsible for keeping Washington children safe, strengthening families and supporting foster children in their communities.

1.73.4 Developmental Disabilities Administration is responsible for providing a safe, high quality, array of home, community and facility-based residential services and employment support for Washington citizens with disabilities.

1.74 **Division of Behavioral Health and Recovery (DBHR)**

"Division of Behavioral Health and Recovery (DBHR)" means the DSHS-designated state behavioral health authority to administer state only, federal block grant, and Medicaid funded behavioral health programs.

1.75 **Director**

"Director" means the Director of HCA. In his or her sole discretion, the Director may designate a representative to act on the Director's behalf. Any designation may include the representative's authority to hear, consider, review, and/or determine any matter.

1.76 **Driving Under the Influence (DUI) Assessment**

For DUI assessments, the assessment services must meet the program approval standards for this service outlined in WAC 388-877B or its successor.

1.77 **Duplicate Coverage**

"Duplicate Coverage" means an Enrollee covered by the Contractor on a third party basis at the same time the Enrollee is covered by the Contractor under this Contract.

1.78 **Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)**

"Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)" means screening, diagnostic, and treatment services covered by Medicaid for children under the age of twenty-one (21) as defined in the Social Security Act (SSA) Section 1905(r) and described in the HCA EPSDT program policy and Provider Guide.

1.79 **Electronic Health Record (EHR)**

"Electronic Health Record (EHR)" means a systematic collection of electronic health information about an individual Enrollee or population. It is capable of being shared across different Health Care Settings. This sharing can occur by way of network-connected, enterprise-wide information systems and other information networks or exchanges. EHRs include a range of data, including demographics, medical history, medication and allergies, immunization status, laboratory test results, radiology images, vital signs, behavioral health and personal statistics like age and weight. EHRs capture the data collected in a traditional health record.

1.80 **Emergency Fill**

"Emergency Fill" means the dispensing of a prescribed medication to an Enrollee by a licensed pharmacist who has used his or her professional judgment in identifying that the Enrollee has an Emergency Medical Condition for which lack of immediate access to pharmaceutical treatment would result in, (a) placing the health of the individual or, with respect to a pregnant woman, the health of the woman or her unborn child, in serious jeopardy; (b) serious impairment to bodily functions; or (c) serious dysfunction of any bodily organ or part.

1.81 **Emergency Care for Mental Health Condition**

"Emergency Care for Mental Health Condition" means services provided for an individual, that, if not provided, would likely result in the need for crisis intervention or hospital evaluation due to concerns of potential danger to self, others, or grave disability according to Chapter 71.05 RCW.

1.82 **Emergency Medical Condition**

"Emergency Medical Condition" means a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in: (a) placing the health of the individual or, with respect to a pregnant woman, the health of the woman or her unborn child, in serious jeopardy; (b) serious impairment to bodily functions; or (c) serious dysfunction of any bodily organ or part (42 C.F.R. § 438.114(a)).

1.83 **Emergency Services**

"Emergency Services" means inpatient and outpatient contracted services furnished by a provider qualified to furnish the services needed to evaluate or stabilize an emergency medical condition (42 C.F.R. § 438.114(a)).

1.84 **Encrypt**

"Encrypt" means to encipher or encode electronic data using software that generates a minimum key length of one hundred twenty eight (128) bits.

1.85 **Enrollee**

"Enrollee" means an individual who is enrolled in Managed Care through a Managed Care Organization (MCO) having a Contract with HCA (42 C.F.R. § 438.10(a)).

1.86 **Essential Behavioral Health Administrative Functions**

"Essential Behavioral Health Administrative Functions" means utilization management, Grievance and appeals, network development and management, provider relations, quality management, data management and reporting, and claims and financial management.

1.87 **Evidence-based Practices**

"Evidence-based Practices (PH and BH Practices)" means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled evaluation, or both, where the weight of the evidence from review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and, when possible, is determined to be cost-beneficial per the (Washington State Institute for Public Policy (WSIPP).

1.88 **Exception to Rule (ETR)**

"Exception to Rule (ETR)" means a request by an Enrollee or a requesting provider to receive a non-covered health care service according to WAC 182-501-0160.

1.89 **External Entities (EE)**

"External Entities (EE)" means organizations that serve eligible Medicaid clients and include the Department of Social and Health Services, Department of Health, local health jurisdictions, community-based service providers and HCA services/programs as defined in this Contract.

1.90 **External Quality Review Organization (EQRO)**

"External Quality Review Organization (EQRO)" means an organization that meets the competence and independence requirements set forth in 42 C.F.R. § 438.354, and performs external quality review, other EQR-related activities as set forth in 42 C.F.R. § 438.358, or both (42 C.F.R. § 438.320).

1.91 **External Quality Review Report (EQRR)**

"External Quality Review Report (EQRR)" means a detailed technical report that describes the manner in which the data from all activities described in External Quality Review provisions of Section 7.6 and conducted in accordance with 42 C.F.R. § 438.358 were aggregated and analyzed and conclusions drawn as to the quality, timeliness, and access to the care furnished by the Contractor.

1.92 **Facility**

"Facility" means, but is not limited to, a hospital, an inpatient rehabilitation center, Long-Term and Acute Care (LTAC) center, skilled nursing facility, and nursing home.

1.93 **Family Connect**

"Family Connect" means enrolling a family member into the same Apple Health - Fully Integrated Managed Care plan that other family members are enrolled in.

1.94 **Family Treatment**

"Family Treatment" means behavioral health counseling provided for the direct benefit of a Medicaid-enrolled individual. Service is provided with family members and/or other relevant persons in attendance as active participants. Treatment shall be appropriate to the culture of the client and his/her family and should reinforce the family structure, improve communication and awareness, enforce and reintegrate the family structure within the community, and reduce the family crisis/upheaval. The treatment shall provide family-centered interventions to identify and address family dynamics and build competencies to strengthen family functioning in relationship to the client. Family Treatment may take place without the client present in the room but service must be for the benefit of attaining the goals identified for the individual in his/her Individual Service Plan (ISP). This service is provided by or under the supervision of a Mental Health Professional.

1.95 **Federally Qualified Health Center (FQHC)**

"Federally Qualified Health Center (FQHC)" means a community-based organization that provides comprehensive primary care and preventive care, including health, dental, and behavioral health services to people of all ages, regardless of their ability to pay or health insurance status.

1.96 **First Responders**

"First Responders" means police, sheriff, fire, emergency, medical and hospital emergency rooms, and 911 call center.

1.97 **Foundation for Health Care Quality**

"Foundation for Health Care Quality" means a nonprofit organization that sponsors or conducts health care quality improvement programs and evaluation and measurement activities. Among the projects sponsored by the Foundation are the Bree Collaborative, the Clinical Outcomes Assessment Program (COAP), the Surgery Clinical Outcomes Assessment Program (SCOAP), and the Obstetrics Clinical Outcomes Assessment Program (OBCOAP).

1.98 **Fraud**

"Fraud" means an intentional deception or misrepresentation made by a person (individual or entity) with the knowledge that the deception could result in some unauthorized benefit to him- or herself or some other person. It includes any act that constitutes Fraud under applicable federal or state law (42 C.F.R § 455.2).

1.99 **Freestanding Evaluation and Treatment**

"Freestanding Evaluation and Treatment" means services provided in freestanding inpatient residential (non-hospital/non-Institution for Mental Disease (IMD) facilities licensed by the Department of Health and certified by DSHS to provide medically necessary evaluation and treatment to the Medicaid-enrolled individual who would otherwise meet hospital admission criteria.

At a minimum, services include evaluation, stabilization and treatment provided by or under the direction of licensed psychiatrists, nurses, and other Mental Health Professionals, and discharge planning involving the individual, family, significant others so as to ensure continuity of mental health care. Nursing care includes, but is not limited to performing routine blood draws, monitoring vital signs, providing injections, administering medications, observing behaviors and presentation of symptoms of mental illness. Treatment modalities may include individual and family therapy, milieu therapy, psycho-educational groups and pharmacology. The individual is discharged as soon as a less-restrictive plan for treatment can be safely implemented.

This service is provided for individuals who pose an actual or imminent danger to self, others, or property due to a mental illness, or who have experienced a marked decline in their ability to care for self-due to the onset or exacerbation of a psychiatric disorder. The severity of symptoms, intensity of treatment needs or lack of necessary supports for the individual does not allow him/her to be managed at a lesser level of care. This service does not include cost from room and board. DSHS must authorize exceptions for involuntary length of stay beyond a fourteen (14) day commitment.

1.100 **Global Appraisal of Individual Needs Shorter Screener (GAIN-SS)**

"Global Appraisal of Individual Needs Shorter Screener (GAIN-SS)" means the integrated, comprehensive screening for behavioral health conditions as required by Chapter 70.96C RCW.

1.101 **Grievance**

"Grievance" means an expression of dissatisfaction about any matter other than an Adverse Benefit Determination. Possible subjects for Grievances include, but are not limited to, the quality of care or services provided, and aspects of interpersonal relationships such as rudeness of a provider or employee, or failure to respect the Enrollee's rights (42 C.F.R. § 438.400(b)).

1.102 **Grievance Process**

"Grievance Process" means the procedure for addressing Enrollees' Grievances (42 C.F.R. § 438.400(b)).

1.103 **Grievance and Appeal System**

"Grievance and Appeal System" means the processes the Contractor implements to handle appeals of Adverse Benefit Determinations and Grievances, as well as the processes to collect and track information about them.

1.104 **Group Treatment Services**

"Group Treatment Services" means services provided to Medicaid-enrolled individuals designed to assist in the attainment of goals described in the Individual Service Plan (ISP). Goals of Group Treatment may include: developing self-care and/or life skills enhancing interpersonal skills; mitigating the symptoms of mental illness and lessening the results of traumatic experiences; learning from the perspective and experiences of others and counseling/psychotherapy to establish and/or maintain stability in living, work or educational environment. Individuals eligible for Group Treatment must demonstrate an ability to benefit from experiences shared by others, demonstrate the ability to participate in a group dynamic process in a manner that is respectful of others' right to confidential treatment and must be able to integrate feedback from other group members. This service is provided by or under the supervision of a Mental Health Professional to two or more Medicaid-enrolled individuals at the same time. Staff to client ratio is no more than 1:12. Maximum group size is twenty-four (24).

1.105 **Guideline**

"Guideline" means a set of statements by which to determine a course of action. A Guideline streamlines utilization management decision-making processes according to a set routine or sound evidence-based clinical practice. By definition, following a Guideline is never mandatory. Guidelines are not binding and are not enforced.

1.106 **Habilitative Services**

"Habilitative Services" means Medically Necessary Services provided to assist the Enrollee in partially or fully attaining, learning, keeping, improving, or preventing deterioration of developmental-age appropriate skills that were never present as a result of a congenital, genetic, or early acquired health condition and are required to maximize, to the extent practical, the Enrollee's ability to function within his or her environment (WAC 182-545-400).

1.107 **Health Care Authority (HCA)**

"Health Care Authority (HCA)" means the Washington State Health Care Authority, any division,

section, office, unit or other entity of HCA, or any of the officers or other officials lawfully representing HCA.

1.108 **Health Care Professional**

"Health Care Professional" means a physician or any of the following acting within his or her scope of practice; an applied behavior analyst, certified registered dietician, naturopath, podiatrist, optometrist, optician, osteopath, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist, therapist assistant, speech language pathologist, audiologist, registered or practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse midwife), licensed midwife, licensed certified social worker, licensed mental health counselor, licensed marriage and family therapist, registered respiratory therapist, pharmacist and certified respiratory therapy technician (42 C.F.R. § 438.2).

1.109 **Health Care Provider (HCP)**

"Health Care Provider (HCP)" for purposes of this Contract, means a Primary Care Provider, Mental Health Professional or Chemical Dependency Professional.

1.110 **Health Care Services**

"Health Care Services" means all Medicaid services provided by a managed care entity under contract with HCA in any setting, including but not limited to medical care, behavioral health care, and long-term services and supports.

1.111 **Health Care Settings (HCS)**

"Health Care Settings (HCS)" for the purpose of this Contract, means health care clinics where primary care services are delivered, community mental health agencies or certified chemical dependency agencies.

1.112 **Healthcare Effectiveness Data and Information Set (HEDIS®)**

"Healthcare Effectiveness Data and Information Set (HEDIS®)" means a set of standardized performance measures designed to ensure that health care purchasers and Enrollees have the information they need to reliably compare the performance of managed health care plans. HEDIS® also includes a standardized survey of Enrollees' experiences that evaluates plan performance in areas such as customer service, access to care and claims processing. HEDIS® is sponsored, supported, and maintained by National Committee for Quality Assurance (NCQA).

1.113 **Healthcare Effectiveness Data and Information Set (HEDIS®) Compliance Audit Program**

"Healthcare Effectiveness Data and Information Set (HEDIS®) Compliance Audit Program" means a set of standards and audit methods used by an NCQA certified auditor to evaluate information systems (IS) capabilities assessment (IS standards) and a Contractor's ability to comply with HEDIS® specifications (HD standards).

1.114 **Health Technology Assessment (HTA)**

"Health Technology Assessment (HTA)" means a program that determines if health services used

by Washington State government are safe and effective. The program examines scientific evidence for new technologies that is then reviewed by a committee of practicing clinicians. The purpose of the program is to ensure medical treatments and services paid for with state health care dollars are safe and proven to work. HTA contracts for scientific, evidence-based reports about whether certain medical devices, procedures and tests are safe and work as promoted.

1.115 **High Intensity Treatment**

"High Intensity Treatment" means intensive levels of service provided to Medicaid-enrolled individuals who require a multi-disciplinary treatment team in the community that is available upon demand based on the individual's needs. Twenty-four (24) hours per day, seven (7) days per week, access is required if necessary. Goals for High Intensity Treatment include the reinforcement of safety, the promotion of stability and independence of the individual in the community, and the restoration to a higher level of functioning. These services are designed to rehabilitate individuals who are experiencing severe symptoms in the community and thereby avoid more restrictive levels of care such as psychiatric inpatient hospitalization or SUD residential placement.

The team consists of the individual, Mental Health Care Providers, under the supervision of a Mental Health Professional, and other relevant persons as determined by the individual (e.g., family, guardian, friends, and neighbor). Other community agency members may include probation/parole officers, teacher, minister, physician, chemical dependency counselor, CHW, etc. Team members' work together to provide intensive coordinated and integrated treatment as described in the Individual Service Plan. The team's intensity varies among individuals and for each individual across time. The assessment of symptoms and functioning shall be continuously addressed by the team based on the needs of the individual allowing for the prompt assessment for needed modifications to the Individual Service Plan or crisis plan. Team members provide immediate feedback to the individual and to other team members. The staff to client ratio for this service is no more than 1:15.

1.116 **Improper Payment**

"Improper Payment" means any payment made to a provider, contractor or subcontractor that was more or less than the sum to which the payee was legally entitled, including amounts in dispute.

1.117 **Indian Health Care Provider (IHCP)**

"Indian Health Care Provider (IHCP)" means the Indian Health Service and/or any Tribe, Tribal organization, or Urban Indian Health Program (UIHP) that provides Medicaid-reimbursable services.

1.118 **Individual Service Plan (ISP)**

"Individual Service Plan (ISP)" means a written agreement between the Enrollee and his or her healthcare team to help guide and manage the delivery of diagnostic and therapeutic services and the Enrollee's engagement in self-management of his or her health (may also be called treatment plan).

1.119 **Individuals with Intellectual or Developmental Disability (I/DD)**

"Individuals with Intellectual or Developmental Disability (I/DD)" means people with a disability characterized by significant limitations in both intellectual functioning and in adaptive behavior, which covers many everyday social and practical skills. This disability originates before the age of 18.

1.120 **Individual with Special Health Care Needs**

"Individual with Special Health Care Needs" means an Enrollee who meets the diagnostic and risk score criteria for Intensive Care Management Services; or is a Child with Special Health Care Needs; or has a chronic or disabling condition that meets all of the following conditions:

1.120.1 Has a biologic, psychological, or cognitive basis;

1.120.2 The Enrollee is likely to continue to have the chronic disease or disabling healthcare condition for more than one (1) year; and

1.120.3 Produces one or more of the following conditions stemming from a disease:

1.120.4 Significant limitation in areas of physical, cognitive, or emotional functions; or

1.120.5 Dependency on medical or assistive devices to minimize limitations of function or activities.

1.121 **Individual Treatment Services**

"Individual Treatment Services" means a set of treatment services designed to help a Medicaid-enrolled individual attain goals as prescribed in his/her Individual Service Plan (ISP). These services shall be congruent with the age, strengths, and cultural framework of the individual and shall be conducted with the individual, his or her family, or others at the individual's behest who play a direct role in assisting the individual to establish and/or maintain stability in his/her daily life. These services may include developing the individual's self-care/life skills; monitoring the individual's functioning; counseling and psychotherapy. Services shall be offered at the location preferred by the Medicaid-enrolled individual. This service is provided by or under the supervision of a Mental Health Professional.

1.122 **Inpatient/Residential Substance Use Treatment Services**

"Inpatient/Residential Substance Abuse Treatment Services" means rehabilitative services including diagnostic evaluation and face-to-face individual or group counseling using therapeutic techniques directed toward Enrollees who are harmfully affected by the use of mood-altering chemicals or have been diagnosed with a Substance Use Disorder (SUD). Techniques have a goal of abstinence for individuals with SUDs. Provided in certified residential treatment facilities with sixteen (16) beds or less. Excludes room and board. Residential treatment services require additional program-specific certification by DSHS, Division of Behavioral Health and Recovery and include:

1.122.1 Intensive inpatient services. WAC 388-877B-2050;

1.122.2 Recovery house treatment services. WAC 388-877B-0260;

1.122.3 Long-term residential treatment services. WAC 388-877B-0270; and

1.122.4 Youth residential services. WAC 388-877B-0280.

1.123 **Intake Evaluation**

"Intake Evaluation" means an evaluation that is culturally and age relevant initiated prior to the provision of any other mental health services, except Crisis Services, Stabilization Services and Freestanding Evaluation and Treatment. The intake evaluation must be initiated within ten (10) business days of the request for services, establish the medical necessity for treatment and be completed within thirty (30) business days. Routine services, such as Rehabilitation Case Management may begin before the completion of the intake once medical necessity is established. This service is provided by a Mental Health Professional.

1.124 **Intensive Inpatient Residential Services**

"Intensive Inpatient Residential Services" means a concentrated program of Substance Use Disorder treatment, education, and related activities for individuals diagnosed with a Substance Use Disorder excluding room and board in a twenty-four-hour-a-day (24) supervised facility in accordance with WAC 388-877B. (The service as described satisfies the level of intensity in ASAM Level 3.5).

1.125 **Intensive Outpatient Treatment**

"Intensive Outpatient Treatment" means services provided in a non-residential intensive patient centered outpatient program for treatment of alcohol and other drug addiction. (The service as described satisfies the level of intensity in ASAM Level 2.1).

1.126 **Interdisciplinary Care Conferences (ICCs)**

"Interdisciplinary Care Conferences (ICCs)" means structured and documented communication between the Enrollee and Health Care Providers to establish prioritize and achieve Enrollee-centric health care and social service treatment goals.

1.127 **Institute for Mental Disease (IMD)**

"IMD or Institute for Mental Disease" means, per P.L. 100-360, an institution for mental diseases as a hospital, nursing Facility, or other institution of more than 16 beds that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases, including medical attention, nursing care, and related services. An institution is an IMD if its overall character is that of a Facility established and maintained primarily for the care and treatment of Individuals with mental diseases.

1.128 **Involuntary Treatment Act (ITA)**

"ITA or Involuntary Treatment Act" allows Individuals to be committed by court order to a mental hospital or institution for a limited period of time. Involuntary civil commitments are meant to provide for the evaluation and treatment of Individuals with a mental disorder and who may be either gravely disabled or pose a danger to themselves or others, and who refuse or are unable to enter treatment on their own. An initial commitment may last up to seventy-two (72) hours, but, if necessary, Individuals can be committed for additional periods of fourteen (14), ninety (90), and

one hundred eighty (180) calendar days (RCW 71.05.240 and 71.05.920).

1.129 **Level of Care Guidelines**

"Level of Care Guidelines" means the criteria the Contractor uses in determining which individuals within the target groups identified in the Contractor's policy and procedures will receive services.

1.130 **Limitation Extension (LE)**

"Limitation Extension (LE)" means a request by an Enrollee or the Enrollee's health care provider to extend a covered service with a limit according to WAC 182-501-0169.

1.131 **List of Excluded Individuals/Entities (LEIE)**

"List of Excluded Individuals/Entities (LEIE)" means an Office of Inspector General's List of Excluded Individuals/Entities and provides information to the health care industry, patients, and the public regarding individuals and entities currently excluded from participation in Medicare, Medicaid, and all other federal health care programs. Individuals and entities who have been reinstated are removed from the LEIE.

1.132 **Local IHCP Provider**

"Local IHCP Provider" means an IHCP Provider with a Facility in the Contractor's Regional Service Area or with a client residing in the Contractor's Regional Service Area.

1.133 **Local Tribe**

"Local Tribe" means a federally recognized tribe that has all or part of its Contract Health Service Delivery Areas (as established by 42.C.F.R. 136.22 and is updated from time to time within the Federal Register) within the Contractor's Regional Service Area.

1.134 **Long Term Care Residential Treatment**

"Long Term Care Residential Treatment" means the care and treatment of chronically impaired individuals diagnosed with Substance Use Disorder with impaired self-maintenance capabilities including personal care services and a concentrated program of Substance Use Disorder treatment, individual and group counseling, education, vocational guidance counseling and related activities for individuals diagnosed with Substance Use Disorder excluding room and board in a twenty-four-hour-a-day, supervised Facility in accordance with WAC 388-877B. (The service as described satisfies the level of intensity in ASAM Level 3.3)

1.135 **Managed Care**

"Managed Care" means a prepaid, comprehensive system of medical and behavioral health care delivery including preventive, primary, specialty, and ancillary health services.

1.136 **Managed Care Organization (MCO)**

"Managed Care Organization (MCO)" means an organization having a certificate of authority or certificate of registration from the Washington State Office of Insurance Commissioner that contracts with HCA under a comprehensive risk contract to provide prepaid health care services to

eligible HCA Enrollees under HCA Managed Care programs.

1.137 **Marketing**

"Marketing" means any promotional activity or communication with a potential Enrollee that is intended to increase a Contractor's membership or to "brand" a Contractor's name or organization. These activities are directed from the Contractor to a Potential Enrollee or Enrollee who is enrolled with another HCA-Contracted MCO that can be reasonably interpreted as intended to influence them to enroll with the Contractor or either not enroll or to end their enrollment with another HCA-Contracted MCO. Marketing communications include: written, oral, in-person (telephonic or face-to-face) or electronic methods of communication, including email, text messaging, and social media (Facebook, Instagram and Twitter).

1.138 **Marketing Materials**

"Marketing Materials" means materials that are produced in any medium, including written or electronic, such as email, social media and text messaging, by or on behalf of the Contractor, that can be reasonably interpreted as intended to market the Contractor to Potential Enrollees (42 C.F.R. § 438.104(a)).

1.139 **Material Provider**

"Material Provider" means a Participating Provider whose loss would negatively affect access to care in the service area in such a way that a significant percentage of Enrollees would have to change their Provider or Contractor, receive services from a Non-Participating Provider, or consistently receive services outside the service area.

1.140 **Maternity Support Services (MSS)**

"Maternity Support Services (MSS)" means a component of HCA's First Steps Program. This voluntary program is designed to increase access to prenatal care as early in the pregnancy as possible and improve birth outcomes, including low birth weight babies (Chapter 182-533 WAC).

1.141 **Medicaid Fraud Control Unit (MFCU)**

"Medicaid Fraud Control Unit (MFCU)" means the Washington State Medicaid Fraud Control Unit that investigates and prosecutes abuse of clients of fraud committed by any entity, facility, agency, health care professional, health care provider, primary care provider, provider or individual. The MFCU is part of the Washington State Office of the Attorney General.

1.142 **Medicaid State Plan**

"Medicaid State Plan" means the binding written agreement between the state and CMS that describes how the Medicaid program is administered and determines the Covered Services for which the state will receive federal financial participation.

1.143 **Medically Necessary Services**

"Medically Necessary Services" means a requested service which is reasonably calculated to prevent, diagnose, correct, cure, alleviate, or prevent worsening of conditions in the Enrollee that endanger life, or cause suffering of pain, or result in an illness or infirmity, or threaten to cause or

aggravate a handicap, or cause physical deformity, or malfunction. There is no other equally effective, more conservative, or substantially less costly course of treatment available or suitable for the Enrollee requesting the service. For the purpose of this Contract, "course of treatment" may include mere observation or, where appropriate, no medical treatment at all (WAC 182-500-0070).

1.144 **Medical Loss Ratio (MLR)**

"Medical Loss Ratio (MLR)" means the measurement of the share of Enrollee premiums that the Contractor spends on medical claims, as opposed to other non-claims expenses such as administration or profits.

1.145 **Medication Assisted Treatment (MAT)**

"Medication Assisted Treatment" means the use of medications, in combination with counseling and behavioral therapies, to provide a whole-patient approach to the treatment of substance use disorders.

1.146 **Medication Management**

"Medication Management" means the prescribing and/or administering and reviewing of medications and their side effects. This service shall be rendered face-to-face by a person licensed to perform such services. Medication management includes only minimal psychotherapy.

1.147 **Medication Monitoring**

"Medication Monitoring" means face-to-face, one-on-one cueing, observing, and encouraging a Medicaid-enrolled individual to take medications as prescribed. Also includes reporting back to persons licensed to perform Medication Management services for the direct benefit of the Medicaid-enrolled individual. This activity may take place at any location and for as long as it is clinically necessary. This service is designed to facilitate medication compliance and positive outcomes.

Enrollees with low medication compliance history or persons newly on medication are most likely to receive this service. This service is provided by or under the supervision of a Mental Health Professional. Time spent with the Enrollee is the only direct service billable component of this modality.

1.148 **Mental Health Advance Directive or Directive**

"Mental Health Advance Directive" or "Directive" means a written document in which the principal makes a declaration of instructions, or preferences, or appoints an agent to make decisions on behalf of the principal regarding the principal's mental health treatment, or both, and that is consistent with the provisions of Chapter 71.32 RCW.

1.149 **Mental Health Group Treatment Services**

"Mental Health Group Treatment Services" means services provided to Medicaid-enrolled individuals designed to assist in the attainment of goals described in the Individual Service Plan (ISP). Goals of Group Treatment may include: developing self-care and/or life skills enhancing interpersonal skills; mitigating the symptoms of mental illness and lessening the results of

traumatic experiences; learning from the perspective and experiences of others and counseling/psychotherapy to establish and/or maintain stability in living, work or educational environment. Individuals eligible for Group Treatment must demonstrate an ability to benefit from experiences shared by others, demonstrate the ability to participate in a group dynamic process in a manner that is respectful of others' right to confidential treatment and must be able to integrate feedback from other group members. These services are provided by or under the supervision of a Mental Health Professional to two or more Medicaid-enrolled individuals at the same time. Staff to client ratio is no more than 1:12. Maximum group size is twenty-four (24).

1.150 **Mental Health Parity**

"Mental Health Parity" means the Washington Office of the Insurance Commissioner rules for behavioral health parity, inclusive of mental health and Substance Use Disorder benefits shall apply to this Contract (WAC 284-43-7000 through 284-43-7080).

1.151 **Mental Health Professional**

"Mental Health Professional" means:

1.151.1 A psychiatrist, psychologist, psychiatric nurse, or social worker as defined in Chapters 71.05 and 71.34 RCW;

1.151.2 A person who is licensed by the Department of Health as a mental health counselor, mental health counselor associate, marriage and family therapist, or marriage and family therapist associate;

1.151.3 A person with a master's degree or further advanced degree in counseling or one of the behavioral sciences from an accredited college or university. Such persons shall have, in addition, at least two years of experience in direct treatment of persons with mental illness or emotional disturbance, such experience gained under the supervision of a Mental Health Professional;

1.151.4 A person who meets the waiver criteria of RCW 71.24.260, which was granted before 1986;

1.151.5 A person who has an approved exception to perform the duties of a Mental Health Professional by the DSHS Division of Behavioral Health and Recovery before July 1, 2001; or

1.151.6 A person who has been granted a time-limited exception of the minimum requirements of a Mental Health Professional by the DSHS Division of Behavioral Health and Recovery consistent with WAC 388-865-0238.

1.152 **Mental Health Services Provided in Residential Settings**

"Mental Health Services provided in Residential Settings" means a specialized form of rehabilitation service (non-hospital/non IMD) that offers a sub-acute psychiatric management environment. Medicaid enrolled individuals receiving this service present with severe impairment in psychosocial functioning or has apparent mental illness symptoms with an unclear etiology due to their mental illness and treatment cannot be safely provided in a less Intensity Treatment. The Mental Health Care Provider is sited at the residential location (e.g., boarding homes, supported

housing, cluster restrictive environment and do not meet hospital admission criteria. Individuals in this service require a different level of service than High housing, SRO apartments) for extended hours to provide direct mental health care to a Medicaid Enrollee. Therapeutic interventions both in individual and group format may include Medication Management and monitoring, stabilization, and cognitive and behavioral interventions designed with the intent to stabilize the individual and return him/her to more independent and less restrictive treatment.

1.153 **Multidisciplinary Team**

"Multidisciplinary Team" means a group of clinical and non-clinical staff, such as Primary Care Providers, Mental Health Professionals, chemical dependency treatment providers, and social workers, Community Health Workers, peer counselors or other non-clinical staff that facilitates the work of the Complex Care Manager. Optional team members may include nutritionists/dieticians, direct care workers, pharmacists, peer specialists, family members or housing representatives.

1.154 **National Correct Coding Initiative (NCCI)**

"National Correct Coding Initiative (NCCI)" means CMS-developed coding policies based on coding conventions defined in the American Medical Association's CPT manual, national and local policies and edits.

1.155 **National Committee for Quality Assurance (NCQA)**

"National Committee for Quality Assurance (NCQA)" is an organization responsible for the accreditation of MCOs and other health care related entities and for developing and managing health care measures that assess the quality of care and services that Managed Care Enrollees receive. HCA requires contracted MCOs to achieve and maintain NCQA accreditation.

1.156 **Natural Supports**

"Natural Supports" means personal associations and relationships developed in the community that enhance quality and security of life.

1.157 **Network Adequacy**

"Network Adequacy" means a network of providers for the Contractor that is sufficient in numbers and types of providers/facilities to ensure that all services are accessible to Enrollees without unreasonable delay. Adequacy is determined by a number of factors including, but not limited to provider/patient ratios, geographic accessibility and travel distance.

1.158 **Neurodevelopmental Centers**

"Neurodevelopmental Centers" means a group of community non-profit and hospital-based agencies as designated by the Department of Health who provide therapy and related services to young children with neuromuscular or developmental disorders. Services may include speech, occupational and physical therapies, along with other specialties such as nutrition, social work, and adaptive equipment.

1.159 **New Individual**

"New Individual" means a person who was not enrolled in an Apple Health - Fully Integrated

Managed Care program within the six (6) months immediately preceding enrollment, and who does not have a family member enrolled in Apple Health - Fully Integrated Managed Care.

1.160 **Non-Participating Provider**

"Non-Participating Provider" means a person, Health Care Provider, practitioner, Facility, or entity acting within their scope of practice and licensure, that does not have a written agreement with the Contractor to participate in a Managed Care Organization's provider network, but provides health care services to Enrollees.

1.161 **Office of Inspector General (OIG)**

"Office of Inspector General (OIG)" means the Office of Inspector General within the United States Department of Health and Human Services.

1.162 **OneHealthPort (OHP)**

"OneHealthPort (OHP)" means the lead HIE organization for Washington State, designated under Chapter 300, Laws of 2009 (SSB 5501). The HIE is operated by OneHealthPort under the oversight of HCA and an Oversight Board. The CDR is operated as a service of the HIE. The HIE also delivers connectivity services for a variety of Trading Partners in Washington State and other states. The HIE is the connectivity path for organizations transacting data with the CDR. Organizations transacting data with the CDR will be required to connect to the HIE in some manner.

1.163 **Opiate Substitution Treatment (OST)**

"Opiate Substitution Treatment (OST)" provides assessment and treatment to opiate dependent patients. Services include prescribing and dispensing of an approved medication, as specified in 212 C.F.R. Part 291, for opiate substitution services in accordance with WAC 388-877B. Both withdrawal management and maintenance are included, as well as physical exams, clinical evaluations, individual or group therapy for the primary patient and their family or significant others. Additional services include guidance counseling, family planning and educational and vocational information. (The service as described satisfies the level of intensity in ASAM Level 1).

1.164 **Outcomes**

"Outcomes" means changes in Enrollee health, functional status, satisfaction or goal achievement that result from health care and/or supportive services.

1.165 **Outpatient Treatment (Substance Use Disorder)**

"Outpatient Treatment (SUD)" means services provided in a non-residential Substance Use Disorder treatment Facility. Outpatient treatment services must meet the criteria in the specific modality provisions set forth in WAC 388-877B. Services are specific to client populations and broken out between group and individual therapy. (The service as described satisfies the level of intensity in ASAM Level 1).

1.166 **Overpayment**

"Overpayment" means any payment from HCA to the Contractor in excess of that to which the

Contractor is entitled by law, rule, or this Contract, including amounts in dispute.

1.167 **Parent Patient Activation Measure (PPAM)**

"Parent Patient Activation Measure (PPAM)" is an assessment that gauges the knowledge, skills and confidence of the parent's management of their child's health.

1.168 **Participating Rebate Eligible Manufacturer**

"Participating Rebate Eligible Manufacturer" means any manufacturer participating in the Medicaid Drug Rebate Program and who has a signed National Drug Rebate Agreement with the Secretary of Health and Human Services.

1.169 **Participating Provider**

"Participating Provider" means a person, medical or behavioral Health Care Provider, practitioner, or entity, acting within their scope of practice and licensure, with a written agreement with the Contractor to provide services to Enrollees under the terms of this Contract.

1.170 **Partnership Access Line (PAL)**

"Partnership Access Line (PAL)" means a resource that provides access to consultation with a child psychiatrist to assist prescribers in meeting the needs of an enrolled child with a mental health diagnosis.

1.171 **Patient Activation Measure (PAM)**

"Patient Activation Measure (PAM)" means an assessment that gauges the knowledge, skills and confidence essential to managing one's own health and health care. The PAM assessment categorizes consumers into one of four progressively higher activation levels. A PAM score can also predict healthcare outcomes including medication adherence, emergency department usage, and hospital utilization. The PAM is used to:

1.171.1 Measure activation and behaviors that underlie activation including ability to self-manage, collaborate with providers, maintain function, prevent decline and access appropriate and high quality health care;

1.171.2 Target tools and resources commensurate with the Enrollee's level of activation; and

1.171.3 Provide insight into how to improve unhealthy behaviors, and grow and sustain healthy behaviors to lower medical costs and improve health.

1.172 **Patient Days of Care**

"Patient Days of Care" means all voluntary patients and involuntarily committed patients under Chapter 71.05 RCW, regardless of where in the State Hospital they reside. Patients who are committed to the State Hospital under 10.77 RCW are not included in the Patient Days of Care. Patients who are committed under RCW 10.77.088 by municipal or district courts after failed competency restoration and dismissal of misdemeanor charges are not counted in the Patient Days of Care until a petition for ninety (90) calendar days of civil commitment under Chapter 71.05 RCW has been filed in court. Patients who are committed under RCW 10.77.086 by a superior

court after failed competency restoration and dismissal of felony charges are not counted in the Patient Days of Care until the patient is civilly committed under Chapter 71.05 RCW.

1.173 **Patient Health Questionnaire (PHQ-9)**

"Patient Health Questionnaire (PHQ-9)" means a nine-item depression scale of the Patient Health Questionnaire used by primary care clinicians in diagnosing depression as well as selecting and monitoring treatment.

1.174 **Pediatric Concurrent Care**

"Pediatric Concurrent Care" means medically necessary services delivered at the same time as hospice services, to provide treatment leading to a curative state (WAC 182-551-1860) for children twenty (20) years of age and younger.

1.175 **Pediatric Palliative Care**

"Pediatric Palliative Care" means medical care and treatment for children twenty (20) years of age and younger who are not enrolled in Hospice and have a serious and chronic illness that requires pain relief and symptom management rather than cure.

1.176 **Pediatric Symptom Checklist – 17**

"Pediatric Symptom Checklist - 17" means a brief screening questionnaire that is used by pediatricians and other health professionals to improve the recognition and treatment of psychosocial problems in children.

1.177 **Peer Support**

"Peer Support" means services provided by peer counselors to Medicaid-enrolled individuals under` the consultation, facilitation, or supervision of a Mental Health Professional who understands rehabilitation and recovery. This service provides scheduled activities that promote socialization, recovery, self-advocacy, development of natural supports, and maintenance of community living skills. Clients actively participate in decision-making and the operation of the programmatic supports.

1.178 **Personal Information**

"Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, Social Security Numbers, driver license numbers, other identifying numbers, and any financial identifiers.

1.179 **Physician Group**

"Physician Group" means a partnership, association, corporation, individual practice association, or other group that distributes income from the practice among its members. An individual practice association is a Physician Group only if it is composed of individual physicians and has no subcontracts with Physician Groups.

1.180 **Physician Incentive Plan**

"Physician Incentive Plan" means any compensation arrangement between the Contractor and a physician or Physician Group that may directly or indirectly have the effect of reducing or limiting services to Enrollees under the terms of this Contract.

1.181 **Physician's Orders for Life Sustaining Treatment (POLST)**

"Physician's Orders for Life Sustaining Treatment (POLST)" means a set of guidelines and protocols for how emergency medical personnel shall respond when summoned to the site of an injury or illness for the treatment of a person who has signed a written directive or durable power of attorney requesting that he or she not receive futile emergency medical treatment (RCW 43.70.480).

1.182 **Plan Reconnect**

"Plan Reconnect" means an individual who has regained eligibility for Apple Health - Fully Integrated Managed Care and who was enrolled in an Apple Health contractor (Apple Health Managed Care or Apple Health - Fully Integrated Managed Care) within the six (6) months immediately preceding reenrollment.

1.183 **Post-service Review**

"Post-service Review" means the Contractor's review of health care services that have already been received by the Enrollee, but were not prior authorized according to Contractor policy.

1.184 **Post-Stabilization Services**

"Post-Stabilization Services" means contracted services, related to an Emergency Medical Condition and emergency care for a health condition that are provided after an Enrollee is stabilized in order to maintain the stabilized condition or to improve or resolve the Enrollee's condition (42 C.F.R. § 438.114 and 422.113).

1.185 **Potential Enrollee**

"Potential Enrollee" means any individual who HCA determines is eligible for enrollment in Apple Health - Fully Integrated Managed Care and who, at the time of HCA's determination, is not enrolled with any Apple Health - Fully Integrated Managed Care Contractor (42 C.F.R. § 438.10(a)).

1.186 **Practice Transformation Hub**

"Practice Transformation Hub" means providing training, tools, and technical assistance to support Health Care Providers in transformative practice change efforts that promote optimal preventive services and chronic disease management.

1.187 **Primary Care Provider (PCP)**

"Primary Care Provider (PCP)" means a Participating Provider who has the responsibility for supervising, coordinating, and providing primary health care to Enrollees, initiating referrals for

specialist care, and maintaining the continuity of Enrollee care. PCPs include, but are not limited to Pediatricians, Family Practitioners, General Practitioners, Internists, Naturopathic physicians, medical residents (under the supervision of a teaching physician), Physician Assistants (under the supervision of a physician), or Advanced Registered Nurse Practitioners (ARNPs), as designated by the Contractor. The definition of PCP is inclusive of primary care physician as it is used in 42 C.F.R. § 438.2. All federal requirements applicable to primary care physicians will also be applicable to primary care providers as the term is used in this Contract.

1.188 **Predictive Risk Intelligence System (PRISM)**

"Predictive Risk Intelligence System (PRISM)" means a DSHS-secure web-based predictive modeling and clinical decision support tool. It provides a unified view of medical, behavioral health, and long-term care service data that is refreshed on a weekly basis. PRISM provides prospective medical risk scores that are a measure of expected medical costs in the next twelve (12) months based on the patient's disease profile and pharmacy utilization.

1.189 **Primary Point of Contact (PPC)**

"Primary Point of Contact (PPC)" means the Health Care Provider that the Enrollee self-identifies as the provider that the Enrollee most often sees and views as his/her current Health Care Provider. The provider may be a Mental Health Professional (MHP), Primary Care Provider (PCP) or a Certified Chemical Dependency Professional (CDP). If the Enrollee does not self-identify a PPC, then the Contractor shall facilitate referrals to a PCP for an assessment and if appropriate, referrals to other providers such as MHPs or CDPs to meet unmet needs or gaps in health care services identified through screening of the Enrollee.

1.190 **Program Integrity**

"Program Integrity" means a system of reasonable and consistent oversight of the Medicaid program. Program Integrity effectively encourages compliance; maintains accountability; protects public funds; supports awareness and responsibility; ensures providers, contractors and subcontractors meet participation requirements; ensures services are medically necessary; and ensures payments are for the correct amount and for covered services. The goal of Program Integrity is to reduce and eliminate Fraud, Waste, and Abuse (FWA) in the Medicaid program. Program Integrity activities include prevention, algorithms, investigations, audits, reviews, recovery of improper payments, education, and cooperation with Medicaid Fraud Control Unit, and other state and federal agencies. See chapter 182-502A WAC.

1.191 **Promising Practice**

"Promising Practice (PPractices)" means a practice that, based on statistical analyses or a well-established theory of change, shows potential for meeting the evidence-based or research-based criteria that may include the use of a program that is evidence-based for outcomes. (WSIPP 3/2015).

1.192 **Provider**

"Provider" means an individual medical or behavioral health professional, hospital, skilled nursing Facility, other Facility, or organization, pharmacy, program, equipment and supply vendor, or other entity that provides care or bills for health care services or products.

1.193 **Provider Access Payment (PAP) Program**

"Provider Access Payment (PAP) Program" means a federally funded program that provides additional payments to eligible providers.

1.194 **ProviderOne**

"ProviderOne" means HCA's Medicaid Management Information Payment Processing System, or any superseding platform as may be designated by HCA.

1.195 **Provider Performance Profile (PPP)**

"Provider Performance Profile (PPP)" means administrative (claims/encounters) or service-level data (surveys) analyzed at the individual health care provider or group provider level (in the case of multiple providers in a single health care setting) and portrayed in a form understood by the health care provider or group.

1.196 **Psychological Assessment**

"Psychological Assessment" means all psychometric services provided for evaluating, diagnostic, or therapeutic purposes by or under the supervision of a licensed psychologist. Psychological assessments shall: be culturally relevant; provide information relevant to a client's continuation in appropriate treatment; and assist in treatment planning within a licensed mental health agency.

1.197 **Quality of Care**

"Quality of Care" means the degree to which a Contractor increases the likelihood of desired health outcomes of its Enrollees through its structural and operational characteristics and through the provision of health services that are consistent with current professional knowledge.

1.198 **Recovery**

"Recovery" means the process by which people are able to live, work, learn, and participate fully in their communities.

1.199 **Regional Service Area (RSA)**

"Regional Service Area (RSA)" means a single county or multi-county grouping formed for the purpose of health care purchasing.

1.200 **Regulation**

"Regulation" means any federal, state, or local regulation, rule, or ordinance.

1.201 **Rehabilitation Case Management**

"Rehabilitation Case Management" means a range of activities by the outpatient CMHA's liaison conducted in or with a Facility for the direct benefit of a Medicaid-enrolled individual in the public mental health system. To be eligible, the individual must be in need of Case Management in order to ensure timely and appropriate treatment and Care Coordination. Activities (which can be provided prior to Intake Evaluation.) include assessment for discharge or admission to community

mental health care, integrated mental health treatment planning, resource identification and linkage to mental health rehabilitative services, and collaborative development of individualized services that promote continuity of mental health care. These specialized mental health coordination activities are intended to promote discharge, maximize the benefits of the placement, minimize the risk of unplanned re-admission, and to increase the community tenure for the individual. Services are provided by or under the supervision of a Mental Health Professional.

1.202 **Research-Based Practice**

"Research-Based Practice (RBPractices)" means a program or practice that has been tested with a single randomized, or statistically controlled evaluation, or both, demonstrating sustained desirable outcomes; or where the weight of the evidence from a systemic review supports sustained outcomes but does not meet the full criteria for evidence-based. (Washington State Institute for Public Policy (WSIPP) 3/2015).

1.203 **Residential Mental Health Services**

"Residential Mental Health Services" means a specialized form of rehabilitation service (non-hospital/non IMD) that offers a sub-acute psychiatric management environment. Medicaid-enrolled individuals receiving this service present with severe impairment in psychosocial functioning or have apparent mental illness symptoms with an unclear etiology due to their mental illness. Treatment for these individuals cannot be safely provided in a less restrictive environment and they do not meet hospital admission criteria. Individuals in this service require a different level of service than High Intensity Treatment. The Mental Health Care Provider is sited at the residential location (e.g., boarding homes, supported housing, cluster housing, Single Room Occupancy (SRO) apartments) for extended hours to provide direct mental health care to a Medicaid Enrollee. Therapeutic interventions both in individual and group format may include Medication Management and monitoring, stabilization, and cognitive and behavioral interventions designed with the intent to stabilize the individual and return him/her to more independent and less restrictive treatment. The treatment is not for the purpose of providing custodial care or respite for the family, nor is it for the sole purpose of increasing social activity or used as a substitute for other community-based resources. This service is billable on a daily rate. In order to bill the daily rate for associated costs for these services, a minimum of eight (8) hours of service must be provided. This service does not include the costs for room and board, custodial care, and medical services, and differs for other services in the terms of location and duration.

1.204 **Resilience**

"Resilience" means the personal and community qualities that enable individuals to rebound from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

1.205 **Revised Code of Washington (RCW)**

"Revised Code of Washington (RCW)" means the laws of the state of Washington.

1.206 **Risk**

"Risk" means the possibility that a loss may be incurred because the cost of providing services may exceed the payments made for services. When applied to subcontractors, loss includes the loss of potential payments made as part of a Physician Incentive Plan, as defined in this Contract.

1.207 **Safety Net Assessment Fund (SNAF)**

"Safety Net Assessment Fund (SNAF)" means a program that increases payment for hospital claims for Medicaid Enrollees, authorized under chapter 74.60 RCW.

1.208 **Screening, Brief Intervention, and Referral to Treatment (SBIRT)**

"Screening, Brief Intervention, and Referral to Treatment (SBIRT)" means a comprehensive, evidenced-based public health practice designed to identify through screening, adolescents and adults who are at risk for or have some level of Substance Use Disorder (SUD) that can lead to illness, injury, or other long-term morbidity or mortality. If a person is found to be at risk of harm from their use, they receive several Brief Interventions to reduce their risk or if necessary, a referral for further evaluation for treatment. SBIRT services are provided in a wide variety of medical and community health care settings.

1.209 **Second Opinion Network (SON)**

"Second Opinion Network (SON)" means an organization consisting of HCA recognized experts in the field of child psychiatry contracted with by HCA to perform peer-to-peer medication reviews with Health Care Providers when psychotropic medications or medication regimens for children under eighteen (18) years of age exceed the medications review thresholds established for the HCA Medicaid mental health benefit.

1.210 **Secured Area**

"Secured Area" means an area such as a building, room or locked storage container to which only authorized representatives of the entity possessing the Confidential Information have access.

1.211 **Security Incident**

"Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

1.212 **Single Case Agreement**

"Single Case Agreement" means a written agreement between the Contractor and a non-Participating Provider to deliver services to an Enrollee.

1.213 **Special Population Evaluation**

"Special Population Evaluation" means an evaluation by a children's, geriatric, disabled, or ethnic minority mental health specialist. The evaluation considers age and cultural variables specific to the individual being evaluated and other culturally and age competent evaluation methods. This evaluation shall provide information relevant to a client's continuation in appropriate treatment and assist in treatment planning. This evaluation occurs after intake. Consultation from a non-staff specialist (employed by another CMHA or contracted by the CMHA) may also be obtained, if needed, subsequent to this evaluation and shall be considered an integral, billable component of this service.

1.214 **Stabilization Services**

"Stabilization Services" means services provided to Medicaid-enrolled individuals who are experiencing a mental health crisis. These services are to be provided in the person's own home, or another home-like setting, or a setting that provides safety for the individual and the Mental Health Professional. Stabilization Services shall include short-term (less than two weeks per episode) face-to-face assistance with life skills training, and understanding of medication effects. This service includes: a) follow up to Crisis Services; and b) other individuals determined by a Mental Health Professional to need additional Stabilization Services. Stabilization Services may be provided prior to an Intake Evaluation for mental health services.

1.215 **Sub-Acute Withdrawal Management**

"Sub-Acute Withdrawal Management" means costs incurred for withdrawal management services provided to an individual to assist in the process of withdrawal from a psychoactive substance in a safe and effective manner. Sub-Acute is nonmedical withdrawal management or patient self-administration of withdrawal medications ordered by a physician.

1.216 **Subcontract**

"Subcontract" means any separate agreement or Contract between the Contractor and an individual or entity ("Subcontractor") to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Contract.

1.217 **Subcontractor**

"Subcontractor" means one who takes responsibility for specific contract requirements from the principal Contract.

1.218 **Substance Use Disorder (SUD)**

"Substance Use Disorder (SUD)" means a problematic pattern of use of alcohol and/or drugs that causes clinically and functionally significant impairment, such as health problems, disability, and failure to meet major responsibilities at work, school or home.

1.219 **Substantial Financial Risk**

"Substantial Financial Risk" means a physician or Physician Group at Substantial Financial Risk when more than twenty-five percent (25%) of the total maximum potential payments to the physician or Physician Group depend on the use of referral services. When the panel size is fewer than 25,000 Enrollees' arrangements that cause Substantial Financial Risk include, but are not limited to the following:

1.219.1 Withholds greater than twenty-five percent (25%) of total potential payments; or

1.219.2 Withholds less than twenty-five percent (25%) of total potential payments but the physician or Physician Group is potentially liable for more than twenty-five percent (25%) of total potential payments; or

1.219.3 Bonuses greater than thirty-three percent (33%) of total potential payments, less the bonus; or

1.219.4 Withholds plus bonuses if the withholds plus bonuses equal more than twenty-five percent (25%) of total potential payments; or

1.219.5 Capitation arrangements if the difference between the minimum and maximum possible payments is more than twenty-five percent (25%) of the maximum possible payments, or the minimum and maximum possible payments are not clearly explained in the Contract.

1.220 **System for Award Management (SAM)**

"System for Award Management (SAM)" means the official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA and EPLS. A Provider listed in the SAM should not be awarded a contract with the Contractor.

1.221 **System of Care (SOC)**

"System of Care (SOC)" means a spectrum of effective, community-based services and supports for Enrollees with or at risk for chronic conditions, including behavioral health conditions, or other challenges and their families. SOCs are organized into a coordinated network, build meaningful partnerships with Enrollees and their families, and address their cultural and linguistic needs, in order to help them to function better at home, in school, in the community, and throughout life.

1.221.1 SOCs involve partnerships with the Enrollee and the Enrollee's support network and include the provision of services and resources from clinical and social service agencies. SOC services are coordinated and intended to achieve optimal Enrollee health outcomes. Systems of care include services delivered in a variety of settings, including primary care or other medical care settings; behavioral health settings; and/or co-located physical and behavioral health care.

1.221.2 Systems of care provide Care Coordination and Care Management or similar mechanisms at the practice level to ensure that multiple services are delivered in a coordinated and therapeutic manner and Enrollees and their families can move through the system of services in accordance with their changing needs.

1.221.3 Systems of care are supported by protocols and agreements defined and documented between community-based HCS clinics/agencies and social service agencies for communicating and facilitating care for the Enrollee (e.g. case conferencing). These protocols and operating agreements are developed in collaboration with the Accountable Community of Health (ACH) staff.

1.222 **Therapeutic Psychoeducation**

"Therapeutic Psychoeducation" means informational and experiential services designed to aid Medicaid-enrolled individuals, their family members (e.g., spouse, parents, siblings) and other individuals identified by the individual as a primary natural support in the management of psychiatric conditions, increase knowledge of mental illnesses and understanding the importance of their individual plans of care. These services are exclusively for the benefit of the Medicaid-enrolled individual and are included in the Individual Service Plan (ISP).

The primary goal is to restore lost functioning and promote reintegration and recovery through knowledge of one's disease, the symptoms, precautions related to decompensation, understanding

of the "triggers" of crisis, crisis planning, community resources, successful interrelations, medication action and interaction, etc. Training and shared information may include brain chemistry and functioning; latest research on mental illness causes and treatments; diagnostics; medication education and management; symptom management; behavior management; stress management; crisis management; improving daily living skills; independent living skills; problem-solving skills, etc. Services are provided at locations convenient to the client, by or under the supervision of a Mental Health Professional. Classroom style teaching, Family Treatment, and individual treatment are not billable components of this service.

1.223 **Tracking**

"Tracking" means a record keeping system that identifies when the sender begins delivery of Confidential Information to the authorized and intended recipient, and when the sender receives confirmation of delivery from the authorized and intended recipient of Confidential Information.

1.224 **Transitional Age Youth (TAY)**

"Transitional Age Youth" means individuals between the ages of sixteen (16) and twenty-five (25) years who present unique service challenges because they are too old for pediatric services but are often not ready or eligible for adult services.

1.225 **Transitional Healthcare Services (THS)**

"Transitional Healthcare Services (THS)" means the mechanisms to ensure coordination and Continuity of Care as Enrollees transfer between different locations or different levels of care within the same location. Transitional Healthcare Services are intended to prevent secondary health conditions or complications, re-institutionalization or re-hospitalization, including recidivism following SUD treatment.

1.226 **Transport**

"Transport" means the movement of Confidential Information from one entity to another, or within an entity that:

1.226.1 Places the Confidential Information outside of a Secured Area or system (such as a local area network), and

1.226.2 Is accomplished other than via a Trusted System.

1.227 **Trauma-Informed Care**

"Trauma-Informed Care" means a service delivery system designed to include a basic understanding of how trauma affects the life of an Enrollee seeking services. Traditional service delivery approaches may exacerbate trauma related symptoms in a survivor of trauma. Trauma-informed organizations, programs, and services are based on an understanding of the vulnerabilities and triggers of trauma, so that these services and programs can be more supportive and avoid re-traumatization.

1.228 **Unique User ID**

"Unique User ID" means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase, or other mechanism authenticates a user to an information system.

1.229 **Urgent Medical Condition**

"Urgent Medical Condition" means a medical or behavioral health condition manifesting itself by acute symptoms of sufficient severity such that if services are not received within twenty-four (24) hours of the request, the person's situation is likely to deteriorate to the point that Emergent Services are necessary.

1.230 **Validation**

"Validation" means the review of information, data, and procedures to determine the extent to which they are accurate, reliable, and free from bias and in accordance with standards for data collection and analysis (42 C.F.R. § 438.320).

1.231 **Washington Administrative Code (WAC)**

"Washington Administrative Code (WAC)" means the rules adopted by agencies to implement legislation.

1.232 **Washington Apple Health – Fully Integrated Managed Care (AH-FIMC)**

"Washington Apple Health – Fully Integrated Managed Care (AH-FIMC)" means the program covered by this Contract, under which behavioral health services are added to the Apple Health Managed Care (AHMC) contract.

1.233 **Washington Apple Health Foster Care (AHFC)**

"Washington Apple Health Foster Care (AHFC)" means an HCA Managed Care program that serves foster children and children receiving adoption support services.

1.234 **Washington Healthplanfinder (HPF)**

"Washington Healthplanfinder (HPF)" means an online marketplace for individuals, families, and small businesses to compare and enroll in qualified health insurance plans.

1.235 **Washington State Children's System of Care (SOC)**

"Washington State Children's System of Care (SOC)" means Washington State's efforts to develop a systematic approach to serving children and Youth with needs for intensive, behavioral health home, and community-based services, including recovery support services.

1.236 **Washington State Institute for Public Policy (WSIPP)**

"Washington State Institute for Public Policy (WSIPP)" means the entity that carries out non-partisan research at the direction of the legislature or Board of Directors. WSIPP works closely with legislators, legislative and state agency staff, and experts in the field to ensure that studies answer relevant policy questions. Fiscal and administrative services for WSIPP are provided by a state college.

1.237 **Wraparound with Intensive Services (WISe)**

"Wraparound with Intensive Services (WISe)" means a range of services that are individualized, intensive, coordinated, comprehensive, culturally competent, and provided in the home and community. The WISe Program is for children and youth, under the age of 21, who are experiencing mental health symptoms that are causing severe disruptions in behavior and/or interfering with their functioning in family, school, or with peers requiring: a) the involvement of the mental health system and other child-serving systems and supports; b) intensive care collaboration; and c) ongoing intervention to stabilize the youth and family in order to prevent more restrictive or institutional placement.

1.238 **Young Adult**

"Young Adult" means a person from age eighteen (18) through age twenty (20).

1.239 **Youth**

"Youth" means a person from age ten (10) through age seventeen (17).

2 GENERAL TERMS AND CONDITIONS

2.1 Amendment

Except as described below, an amendment to this Contract generally shall require the approval of both HCA and the Contractor. The following shall guide the amendment process:

2.1.1 Any amendment shall be in writing and shall be signed by a Contractor's authorized officer and an authorized representative of HCA. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

2.1.2 HCA reserves the right to issue unilateral amendments that provide corrective or clarifying information.

2.1.3 The Contractor shall submit all feedback or questions to HCA at contracts@hca.wa.gov.

2.1.4 The Contractor shall submit written feedback within the expressed deadline provided to the Contractor upon receipt of any amendments. HCA is not obligated to accept Contractor feedback after the written deadline provided by HCA.

2.1.5 The Contractor shall return all signed amendments within the written deadline provided by HCA Contracts Office.

2.2 Assignment

The Contractor shall not assign this Contract to a third party without the prior written consent of HCA. HCA may withhold its consent at its sole discretion.

2.3 Billing Limitations

2.3.1 HCA shall pay the Contractor only for services provided in accordance with this Contract.

2.3.2 HCA shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were performed.

2.3.3 The Contractor must waive the timeliness rule for processing a claim and prior authorization requirements when HCA program integrity or Medicaid Fraud Control Unit activities result in recoupment of an improperly paid claim HCA paid but should have been paid by the Contractor:

2.3.3.1 The Contractor shall pay for Medically Necessary Services submitted beyond the standard claims payment timeframes in these circumstances. If the Contractor is unable to systematically identify and waive the timeliness rules in this scenario, it is acceptable for the Contractor to address the waiver of the timeliness rule within its provider payment dispute processes.

2.3.3.2 The servicing provider must submit a claim to the Contractor within one hundred twenty (120) calendar days from HCA's notification of improper payment. The Contractor must have in place a process to administer these claims.

2.3.3.3 If the Contractor is unable to waive the timeliness rule to process an improperly paid claim identified by HCA, HCA may at any time request a refund from the Contractor of the improperly paid claim.

2.4 **Compliance with Applicable Law**

In the provision of services under this Contract, the Contractor and its subcontractors shall comply with all applicable federal, State and local laws and regulations, and all amendments thereto, that are in effect when the Contract is signed (42 C.F.R. § 438.3). The provisions of this Contract that are in conflict with applicable State or federal laws or regulations are amended to conform to the minimum requirements of such laws or regulations. A provision of this Contract that is stricter than such laws or regulations will not be deemed a conflict. Applicable laws and regulations include, but are not limited to, the following laws, as amended:

2.4.1 Title XIX and Title XXI of the Social Security Act;

2.4.2 Title VI of the Civil Rights Act of 1964;

2.4.3 Title IX of the Education Amendments of 1972, regarding any education programs and activities;

2.4.4 The Age Discrimination Act of 1975;

2.4.5 The Rehabilitation Act of 1973;

2.4.6 The Budget Deficit Reduction Act of 2005;

2.4.7 The Washington Medicaid False Claims Act and Federal False Claims Act (FCA);

2.4.8 The Anti-Kickback Statute 42. U.S.C. § 1320a-7b;

2.4.9 The Health Insurance Portability and Accountability Act (HIPAA);

2.4.10 The American Recovery and Reinvestment Act (ARRA);

2.4.11 The Patient Protection and Affordable Care Act (PPACA or ACA);

2.4.12 The Health Care and Education Reconciliation Act;

2.4.13 The Public Assistance Act, Title 74 RCW;

2.4.14 The Mental Health Parity and Addiction Equity Act (MHPAEA) and final rule;

2.4.15 Federal 1915(b) Mental Health Waiver, Medicaid State Plan or any successors;

2.4.16 42 C.F.R. 438;

2.4.17 45 C.F.R. 96 Block Grants;

2.4.18 45 C.F.R. 96.126 Capacity of Treatment for Intravenous Substance Abusers who Receive

Services under Block Grant funding;

2.4.19 Chapter 70.02 RCW and the Washington State Patient Bill of Rights, including, but not limited to, the administrative and financial responsibility for independent reviews;

2.4.20 Chapter 70.96A RCW Treatment for Alcoholism, Intoxication, and Drug Addiction;

2.4.21 Chapter 71.05 RCW Mental Illness;

2.4.22 Chapter 71.24 RCW Community Mental Health Services Act;

2.4.23 Chapter 71.34 RCW Mental Health Services for Minors;

2.4.24 Chapter 74.09 RCW Public Assistance;

2.4.25 WAC 388-865 Community Mental Health and Involuntary Treatment Programs;

2.4.26 WAC 388-810 Administration of County Chemical Dependency Prevention Treatment and Support Programs;

2.4.27 RCW 43.20A Department of Social and Health Services;

2.4.28 Senate Bill 6312 (Chapter 225. Laws of 2014) State Purchasing of Mental Health and Chemical Dependency Treatment Services;

2.4.29 All federal and State professional and facility licensing and accreditation requirements/standards that apply to services performed under the terms of this Contract, including but not limited to:

2.4.29.1 All applicable standards, orders, or requirements issued under Section 306 of the Clean Water Act (33 US 1368), Executive Order 11738, and Environmental Protection Agency (EPA) regulations (40 C.F.R. Part 15), which prohibit the use of facilities included on the EPA List of Violating Facilities. Any violations shall be reported to HCA, DHHS, and the EPA.

2.4.29.2 Any applicable mandatory standards and policies relating to energy efficiency that are contained in the State Energy Conservation Plan, issued in compliance with the Federal Energy Policy and Conservation Act.

2.4.29.3 Those specified for laboratory services in the Clinical Laboratory Improvement Amendments (CLIA).

2.4.29.4 Those specified in Title 18 RCW for professional licensing.

2.4.30 Industrial Insurance – Title 51 RCW;

2.4.31 Reporting of abuse as required by RCW 26.44.030 and chapter 74.34 RCW;

2.4.32 Federal Drug and Alcohol Confidentiality Laws in 42 C.F.R. Part 2;

2.4.33 EEO Provisions;

2.4.34 Copeland Anti-Kickback Act;

2.4.35 Davis-Bacon Act;

2.4.36 Byrd Anti-Lobbying Amendment;

2.4.37 All federal and State nondiscrimination laws and regulations;

2.4.38 Americans with Disabilities Act: The Contractor shall make reasonable accommodation for Enrollees with disabilities, in accordance with the Americans with Disabilities Act, for all Contracted services and shall assure physical and communication barriers shall not inhibit Enrollees with disabilities from obtaining contracted services;

2.4.39 The Contractor shall not pay for an item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) with respect to any amount expended for roads, bridges, stadiums, or any other item or service not covered under the Medicaid State Plan; and

2.4.40 Any other requirements associated with the receipt of federal funds;

2.5 Covenant Against Contingent Fees

The Contractor certifies that no person or selling agent has been employed or retained to solicit or secure this Contract for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the Contractor for the purpose of securing business. HCA shall have the right, in the event of breach of this clause by the Contractor, to terminate this Contract or, in its discretion, to deduct from amounts due the Contractor under the Contract recover by other means the full amount of any such commission, percentage, brokerage or contingent fee.

2.6 Debarment Certification

The Contractor, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for Debarment, declared ineligible or voluntarily excluded in any Washington state or federal department or agency from participating in transactions (debarred). The Contractor shall immediately notify HCA if, during the term of this Contract, the Contractor becomes debarred. HCA may immediately terminate this Contract by providing Contractor written notice in accordance with Subsection 2.38 of this Contract if the Contractor becomes debarred during the term hereof.

2.7 Defense of Legal Actions

Each party to this Contract shall advise the other as to matters that come to its attention with respect to potential substantial legal actions involving allegations that may give rise to a claim for indemnification from the other. Each party shall fully cooperate with the other in the defense of any action arising out of matters related to this Contract by providing without additional fee all reasonably available information relating to such actions and by providing necessary testimony.

2.8 Disputes

When a dispute arises over an issue that pertains in any way to this Contract (other than

Overpayments, or actions taken by the MFCU as described below), the parties agree to the following process to address the dispute:

2.8.1 The Contractor shall request a dispute resolution conference with the Director. The request for a dispute resolution conference must be in writing and shall clearly state all of the following:

2.8.1.1 The disputed issue(s).

2.8.1.2 An explanation of the positions of the parties.

2.8.1.3 Any additional facts necessary to explain completely and accurately the nature of the dispute.

2.8.2 Requests for a dispute resolution conference must be mailed to the Director, Washington State HCA, P.O. Box 45502, Olympia, WA 98504-5502. Any such requests must be received by the Director within fifteen (15) calendar days after the Contractor receives notice of the disputed issue(s).

2.8.3 The Director, in his or her sole discretion, shall determine a time for the parties to present their views on the disputed issue(s). The format and time allowed for the presentations are solely within the Director's discretion. The Director shall provide written notice of the time, format, and location of the conference. The conference is informal in nature and is not governed in any way by the Administrative Procedure Act, chapter 34.05 RCW.

2.8.4 The Director shall consider all of the information provided at the conference and shall issue a written decision on the disputed issue(s) within thirty (30) calendar days after the conclusion of the conference. However, the Director retains the option of taking up to an additional sixty (60) calendar days to consider the disputed issue(s) or taking additional steps to attempt to resolve them. If the Director determines, in his or her sole discretion, that an additional period of up to sixty (60) calendar days is needed for review, he or she shall notify the Contractor, in writing, of the delay and the anticipated completion date before the initial thirty-day period expires.

2.8.4.1 The Director, at his or her sole discretion, may appoint a designee to represent him or her at the dispute conference. If the Director does appoint a designee to represent him or her at the dispute conference, the Director shall retain all final decision-making authority regarding the disputed issue(s). Under no circumstances shall the Director's designee have any authority to issue a final decision on the disputed issue(s).

2.8.5 The parties hereby agree that this dispute process shall precede any judicial or quasi-judicial proceeding and is the sole administrative remedy under this Contract.

2.8.6 Disputes regarding Overpayments are governed by the Notice of Overpayment Subsection of this Contract, and not by this Section. Disputes regarding other recoveries sought by the MFCU are governed by the authorities, laws and regulations under which the MFCU operates.

2.9 **Force Majeure**

If the Contractor is prevented from performing any of its obligations hereunder in whole or in part as a result of a major epidemic, act of God, war, civil disturbance, court order or any other cause beyond its control, such nonperformance shall not be a ground for termination for default. Immediately upon the occurrence of any such event, the Contractor shall commence to use its best efforts to provide, directly or indirectly, alternative and, to the extent practicable, comparable performance. Nothing in this Section shall be construed to prevent HCA from terminating this Contract for reasons other than for default during the period of events set forth above, or for default, if such default occurred prior to such event.

2.10 Governing Law and Venue

This Contract shall be construed and interpreted in accordance with the laws of the state of Washington and the venue of any action brought hereunder shall be in Superior Court for Thurston County. In the event that an action is removed to U.S. District Court, venue shall be in the Western District of Washington in Tacoma.

Nothing in this Contract shall be construed as a waiver by HCA of the State's immunity under the 11th Amendment to the United States Constitution.

2.11 Independent Contractor

The parties intend that an independent Contractor relationship shall be created by this Contract. The Contractor and its employees or agents performing under this Contract are not employees or agents of the HCA or the state of Washington. The Contractor, its employees, or agents performing under this Contract shall not hold himself/herself out as, nor claim to be, an officer or employee of the HCA or the state of Washington by reason hereof, nor shall the Contractor, its employees, or agent make any claim of right, privilege or benefit that would accrue to such employee. The Contractor acknowledges and certifies that neither HCA nor the state of Washington are guarantors of any obligations or debts of the Contractor.

2.12 Insolvency

If the Contractor becomes insolvent during the term of this Contract:

2.12.1 The state of Washington and Enrollees shall not be, in any manner, liable for the debts and obligations of the Contractor (42 C.F.R. § 438.106(a) and 438.116(a) (1)).

2.12.2 In accordance with the Prohibition on Enrollee Charges for Contracted Services provisions of the Enrollee Rights and Protections Section of this Contract under no circumstances shall the Contractor, or any providers used to deliver services covered under the terms of this Contract, charge Enrollees for Contracted services (42 C.F.R. § 438.106(b)(1)).

2.12.3 The Contractor shall, in accordance with RCW 48.44.055 or 48.46.245, provide for the Continuity of Care for Enrollees.

2.12.4 The Contractor shall cover continuation of services to Enrollees for duration of period for which payment has been made, as well as for inpatient admissions up until discharge.

2.13 Inspection

The Contractor and its subcontractors shall permit the state of Washington, including HCA,

MFCU and state auditor, CMS, auditors from the federal Government Accountability Office, federal Office of the Inspector General, federal Office of Management and Budget, the Office of the Inspector General, the Comptroller General, and their designees, to access, inspect and audit any records or documents of the Contractor or its subcontractors, and shall permit inspection of the premises, physical facilities, and equipment where Medicaid-related activities or work is conducted, at any time. Contractor and its subcontractors shall make copies of records and shall deliver them to the requestor, without cost, within thirty (30) calendar days of request. The right for the parties named above to audit, access and inspect under this section exists for ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later.

2.14 **Insurance**

The Contractor shall at all times, comply with the following insurance requirements:

2.14.1 Commercial General Liability Insurance (CGL): The Contractor shall maintain CGL insurance, including coverage for bodily injury, property damage, and contractual liability, with the following minimum limits: Each Occurrence - $1,000,000; General Aggregate - $2,000,000. The policy shall include liability arising out of premises, operations, independent Contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured Contract. The state of Washington, HCA, its elected and appointed officials, agents, and employees shall be named as additional insured's expressly for, and limited to, Contractor's services provided under this Contract.

2.14.2 Professional Liability Insurance (PL): The Contractor shall maintain Professional Liability Insurance, including coverage for losses caused by errors and omissions, with the following minimum limits: Each Occurrence - $1,000,000; General Aggregate - $2,000,000.

2.14.3 Worker's Compensation: The Contractor shall comply with all applicable worker's compensation, occupational disease, and occupational health and safety laws and regulations. The state of Washington and HCA shall not be held responsible as an employer for claims filed by the Contractor or its employees under such laws and regulations.

2.14.4 Employees and Volunteers: Insurance required of the Contractor under the Contract shall include coverage for the acts and omissions of the Contractor's employees and volunteers.

2.14.5 Subcontractors: The Contractor shall ensure that all subcontractors have and maintain insurance appropriate to the services to be performed. The Contractor shall make available copies of Certificates of Insurance for subcontractors, to HCA if requested.

2.14.6 Separation of Insured's: All insurance Commercial General Liability policies shall contain a "separation of insured's" provision.

2.14.7 Insurers: The Contractor shall obtain insurance from insurance companies authorized to do business within the state of Washington, with a "Best's Reports'' rating of A-, Class VII or better. Any exception must be approved by HCA. Exceptions include placement with a "Surplus Lines" insurer or an insurer with a rating lower than A-, Class VII.

2.14.8 Evidence of Coverage: The Contractor shall submit Certificates of Insurance in

accordance with the Notices section of the General Terms and Conditions, for each coverage required under this Contract upon execution of this Contract. Each Certificate of Insurance shall be executed by a duly authorized representative of each insurer.

2.14.9 Material Changes: The Contractor shall give HCA, in accordance with the Notices section of the General Terms and Conditions, forty-five (45) calendar days advance notice of cancellation or non-renewal of any insurance in the Certificate of Coverage. If cancellation is due to non-payment of premium, the Contractor shall give HCA ten (10) calendar days advance notice of cancellation.

2.14.10 General: By requiring insurance, the state of Washington and HCA do not represent that the coverage and limits specified shall be adequate to protect the Contractor. Such coverage and limits shall not be construed to relieve the Contractor from liability in excess of the required coverage and limits and shall not limit the Contractor's liability under the indemnities and reimbursements granted to the state and HCA in this Contract. All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.

2.14.11 The Contractor may waive the requirements as described in the Commercial General Liability Insurance, Professional Liability Insurance, Insurers and Evidence of Coverage provisions of this Section if self-insured. In the event the Contractor is self-insured, the Contractor must send to HCA by the third Wednesday of January in each Contract year, a signed written document, which certifies that the Contractor is self-insured, carries coverage adequate to meet the requirements of this Section, shall treat HCA as an additional insured, expressly for, and limited to, the Contractor's services provided under this Contract, and provides a point of contact for HCA.

2.14.12 Privacy Breach Response Coverage. For the term of this Contract and three (3) years following its termination Contractor shall maintain insurance to cover costs incurred in connection with a security incident, privacy Breach, or potential compromise of Data including:

2.14.12.1 Computer forensics assistance to assess the impact of a data breach, determine root cause, and help determine whether and the extent to which notification must be provided to comply with Breach Notification Laws (45 C.F.R. Part 164, Subpart D; RCW 42.56.590; RCW 19.255.010; and WAC 284-04-625).

2.14.12.2 Notification and call center services for individuals affected by a security incident, or privacy Breach.

2.14.12.3 Breach resolution and mitigation services for individuals affected by a security incident, or privacy Breach, including fraud prevention, credit monitoring and identity theft assistance.

2.14.12.4 Regulatory defense, fines, and penalties from any claim in the form of a regulatory proceeding resulting from a violation of any applicable privacy law(s).

2.15 **Records**

2.15.1 The Contractor and its subcontractors shall maintain all financial, medical and other records pertinent to this Contract. All financial records shall follow generally accepted

accounting principles. Other records shall be maintained as necessary to clearly reflect all actions taken by the Contractor related to this Contract.

2.15.2 All records and reports relating to this Contract shall be retained by the Contractor and its subcontractors for a minimum of six (6) years after final payment is made under this Contract. However, when an inspection, audit, litigation, or other action involving records is initiated prior to the end of said period, records shall be maintained for a minimum of ten (10) years following resolution of such action (42 C.F.R. § 438.3(h)).

2.15.3 The Contractor acknowledges the HCA is subject to the Public Records Act (Chapter 42.56 RCW). This Contract shall be a "public record" as defined in Chapter 42.56 RCW. Any documents submitted to HCA by the Contractor may also be construed as "public records" and therefore subject to public disclosure.

2.16 Mergers and Acquisitions

If the Contractor is involved in an acquisition of assets or merger with another HCA Contractor after the effective date of this Contract, HCA reserves the right, to the extent permitted by law, to require that each Contractor maintain its separate business lines for the remainder of the Contract period. The Contractor does not have an automatic right to a continuation of the Contract after any such acquisition of assets or merger.

2.17 Contractors Located Outside of the United States

The Contractor assures HCA that it is not located outside the United States. The Contractor shall not include in its encounter data reporting to the HCA, or to HCA's contracted Actuary, any claims paid to any provider located outside the United States. (42 C.F.R. § 438.602(i)).

2.18 Notification of Organizational Changes

The Contractor shall provide HCA with ninety (90) calendar days' prior written notice of any change in the Contractor's ownership or legal status. The Contractor shall provide HCA written notice of any changes to the Contractor's key personnel within seven (7) business days including, but not limited to, the Contractor's Chief Executive Officer, the Contractor's Chief Financial Officer, HCA government relations contact, HCA Account Executive, Compliance Officer, Medical Director, behavioral health Medical Director, and behavioral health Clinical Director. The Contractor shall provide HCA with an interim contact person that will be performing the key personnel member's duties and a written plan for replacing key personnel, including expected timelines. If key personnel will not be available for work under the contract for a continuous period exceeding thirty (30) business days, or are no longer working full-time in the key position, the Contractor shall notify the HCA within seven (7) business days after the date of notification of the change.

2.19 Order of Precedence

In the interpretation of this Contract and incorporated documents, the various terms and conditions shall be construed as much as possible to be complementary. In the event that such interpretation is not possible, the following order of precedence shall apply:

2.19.1 Federal statutes and regulations applicable to the services provided under this Contract.

2.19.2 State of Washington statutes and regulations to the services provided under this Contract.

2.19.3 Applicable state of Washington statutes and regulations concerning the operation of Health Maintenance Organizations, Health Care Service Contractors, and Life and Disability Insurance Carriers.

2.19.4 General Terms and Conditions of this Contract.

2.19.5 Attachment 3 – RFP Apple Health Integrated Managed Care;

2.19.6 Attachment 4 – Contractors Response to RFP ;

2.19.7 Any other term and condition of this Contract and exhibits.

2.19.8 Any other material incorporated herein by reference.

2.20 **Severability**

If any term or condition of this Contract is held invalid by any court of competent jurisdiction, and if all appeals have been exhausted, such invalidity shall not affect the validity of the other terms or conditions of this Contract.

2.21 **Survivability**

The terms and conditions contained in this Contract that shall survive the expiration or termination of this Contract include but are not limited to: Fraud, Waste and Abuse (FWA); Notice of Overpayment; Overpayments or Underpayments of Premium; Indemnification and Hold Harmless; Inspection; Access to Records; On-site Inspections and Periodic Audits; Records; Constraints on Use of Data; Security of Data; Data Confidentiality and Non-Disclosure of Data; Data Breach Notification and Obligations; and Material Breach. After termination of this Contract, the Contractor remains obligated to:

2.21.1 Cover hospitalized Enrollees until discharge consistent with this Contract.

2.21.2 Submit all data and reports required in this Contract.

2.21.3 Provide access to records required in accordance with the Inspection provisions of this Section.

2.21.4 Provide the administrative services associated with Contracted services (e.g. claims processing, Enrollee appeals) provided to Enrollees prior to the effective date of termination under the terms of this Contract.

2.21.5 Repay any Overpayments within sixty (60) calendar days of discovery by the Contractor or its subcontractors of the overpayment, or within sixty (60) calendar days of notification by HCA, MFCU, or other law enforcement agency, (42 U.S.C. 1320a-7k(d)) and that:

2.21.5.1 Pertain to services provided at any time during the term of this Contract; and

2.21.5.2 Are identified through an HCA audit or other HCA administrative review at any time on or before ten (10) years from the date of the termination of this Contract

(42 C.F.R. § 438.3(h)); or

2.21.5.3 Are identified through a Fraud investigation conducted by the Medicaid Fraud Control Unit or other law enforcement entity, based on the timeframes provided by federal or state law.

2.21.6 Reimburse providers for claims erroneously billed to and paid by HCA within the twenty-four (24) months before the expiration or termination of this Contract.

2.22 **Waiver**

Waiver of any breach or default on any occasion shall not be deemed to be a waiver of any subsequent breach or default. Any waiver shall not be construed to be a modification of the terms and conditions of this Contract. Only the Director of the HCA or his or her designee has the authority to waive any term or condition of this Contract on behalf of HCA.

2.23 **Contractor Certification Regarding Ethics**

The Contractor certifies that the Contractor is now, and shall remain, in compliance with Chapter 42.52 RCW, Ethics in Public Service, throughout the term of this Contract.

2.24 **Health and Safety**

Contractor shall perform any and all of its obligations under this Contract in a manner that does not compromise the health and safety of any HCA client with whom the Contractor has contact. The Contractor shall require participating hospitals, ambulatory care surgery centers, and office-based surgery sites to endorse and adopt procedures for verifying the correct patient, the correct procedure, and the correct surgical site that meets or exceeds those set forth in the Universal Protocol™ developed by the Joint Commission or other similar standards.

2.25 **Indemnification and Hold Harmless**

HCA and the Contractor shall each be responsible for their own acts and omissions, and the acts and omissions of their agents and employees. Each party to this Contract shall defend, protect and hold harmless the other party, or any of the other party's agents, from and against any loss and all claims, settlements, judgments, costs, penalties, and expenses, including attorney fees, arising from any willful misconduct, or dishonest, fraudulent, reckless, unlawful, or negligent act or omission of the first party, or agents of the first party, while performing under the terms of this Contract except to the extent that such losses result from the willful misconduct, or dishonest, fraudulent, reckless, unlawful or negligent act or omission on the part of the second party. The Contractor shall indemnify and hold harmless HCA from any claims by Participating or non-Participating Providers related to the provision of services to Enrollees according to the terms of this Contract. Each party agrees to promptly notify the other party in writing of any claim and provide the other party the opportunity to defend and settle the claim. The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the state and its agencies, officials, agents, or employees.

2.26 **Industrial Insurance Coverage**

The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on

behalf of its employees, as may be required by law, HCA may collect from the Contractor the full amount payable to the Industrial Insurance accident fund. HCA may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by HCA under this Contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.

2.27 **No Federal or State Endorsement**

The award of this Contract does not indicate an endorsement of the Contractor by the Centers for Medicare and Medicaid Services (CMS), the federal government, or the state of Washington. No federal funds have been used for lobbying purposes in connection with this Contract or Managed Care program.

2.28 **Notices**

Whenever one party is required to give notice to the other under this Contract, it shall be deemed given if mailed by United States Postal Services, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

2.28.1 In the case of notice to the Contractor, notice will be sent to:

[Name of CEO]
[Name of MCO]
[Address]
[City, State, Zip]

2.28.2 In the case of notice to HCA, send notice to:

Contract Administrator
Health Care Authority
Division of Legal Services
Contracts Office
P.O. Box 42702
Olympia, WA 98504-2702

2.28.3 Notices shall be effective on the date delivered as evidenced by the return receipt or the date returned to the sender for non-delivery other than for insufficient postage.

2.28.4 Either party may at any time change its address for notification purposes by mailing a notice in accordance with this Section, stating the change and setting for the new address, which shall be effective on the tenth (10th) day following the effective date of such notice unless a later date is specified.

2.29 **Notice of Overpayment**

2.29.1 A Notice of overpayment to the Contractor will be issued if HCA determines an overpayment has been made.

2.29.2 The Contractor may contest a Notice of Overpayment by requesting an adjudicative proceeding. The request for an adjudicative proceeding must:

2.29.2.1 Comply with all of the instructions contained in the Notice of Overpayment, in accordance with RCW 41.05A.170(1);

2.29.2.2 Be received by HCA within twenty-eight (28) calendar days of service receipt of the Notice of Overpayment by the Contractor, in accordance with RCW 41.05A.170(3);

2.29.2.3 Be sent to HCA by certified mail (return receipt), to the location specified in the Notice of Overpayment;

2.29.2.4 Include a statement and supporting documentation as to why the Contractor thinks the Notice of Overpayment is incorrect; and

2.29.2.5 Include a copy of the Notice of Overpayment.

2.29.3 If the Contractor submits a timely and complete request for an adjudicative proceeding, then the Office of Administrative Hearings will schedule the proceeding. The Contractor may be offered a pre-hearing or alternative dispute resolution conference in an attempt to resolve the dispute prior to the adjudicative proceeding. The adjudicative proceeding will be governed by the administrative procedure act, chapter 34.05 RCW, and chapter 182-526 WAC.

2.29.4 If HCA does not receive a request for an adjudicative proceeding within twenty-eight (28) calendar days of service of a Notice of Overpayment, then the Contractor will be responsible for repaying the amount specified in the Notice of Overpayment within sixty (60) calendar days from the date of receipt. This amount will be considered a final debt to HCA from the Contractor. HCA may charge the Contractor interest and any costs associated with the collection of the debt. HCA may collect an Overpayment debt through lien, foreclosure, seizure and sale of the Contractor's real or personal property; order to withhold and deliver; withholding the amount of the debt from any future payment to the Contractor under this Contract; or any other collection action available to HCA to satisfy the Overpayment debt.

2.29.5 Nothing in this Contract limits HCA's ability to recover Overpayments under applicable law.

2.30 **Proprietary Data or Trade Secrets**

2.30.1 Except as required by law, regulation, or court order, data identified by the Contractor, as proprietary trade secret information shall be kept strictly confidential, unless the Contractor provides prior written consent of disclosure to specific parties. Any release or disclosure of data shall include the Contractor's interpretation.

2.30.2 The Contractor shall identify data, which it asserts is proprietary, or is trade secret information as permitted by RCW 41.05.026. If HCA anticipates releasing data that is identified as proprietary or trade secrets, HCA will notify the Contractor upon receipt of any request under the Public Records Act (chapter 42.56 RCW) or otherwise for data or Claims Data identified by the Contractor as proprietary trade secret information and will not release any such information until five (5) business days after it has notified the Contractor of the receipt of such request. If the Contractor files legal proceedings within the aforementioned five (5) business day period in an attempt to prevent disclosure of the data, HCA agrees

not to disclose the information unless it is ordered to do so by a court, the Contractor dismisses its lawsuit, or the Contractor agrees that the data may be released.

2.30.3 Nothing in this Section shall prevent HCA from filing its own lawsuit or joining any other lawsuit in an attempt to prevent disclosure of the data, or to obtain a declaration as to the disclosure of the data, provided that HCA will promptly notify the Contractor of the filing of any such lawsuit.

2.31 Ownership of Material

HCA recognizes that nothing in this Contract shall give HCA ownership rights to the systems developed or acquired by the Contractor during the performance of this Contract. The Contractor recognizes that nothing in this Contract shall give the Contractor ownership rights to the systems developed or acquired by HCA during the performance of this Contract.

2.32 Solvency

2.32.1 The Contractor shall have a Certificate of Registration as a Health Maintenance Organization (HMO), Health Care Service Contractor (HCSC) or Life and Disability Insurance Carrier, from the Washington State Office of the Insurance Commissioner (OIC). The Contractor shall comply with the solvency provisions of chapters 48.21, 48.21A, 48.44 or 48.46 RCW, as amended.

2.32.2 The Contractor agrees that HCA may at any time access any information related to the Contractor's financial condition, or compliance with the Office of the Insurance Commissioner (OIC) requirements, from OIC and consult with OIC concerning such information.

2.32.3 The Contractor shall deliver to HCA copies of any financial reports prepared at the request of the OIC or National Association of Insurance Commissioners (NAIC) per the HCSC required filing checklist for financial reports. The Contractor's routine quarterly and annual statements submitted to the OIC and NAIC are exempt from this requirement. The Contractor shall also deliver copies of related documents, reports and correspondence (including, but not limited to, Risk-Based Capital (RBC) calculations and Management's Discussion and Analysis), at the same time the Contractor submits them to the OIC or NAIC.

2.32.4 The Contractor shall notify HCA within ten (10) business days after the end of any month in which the Contractor's net worth (capital and/or surplus) reaches a level representing two or fewer months of expected claims and other operating expenses, or other change which may jeopardize its ability to perform under this Contract or which may otherwise materially affect the relationship of the parties under this Contract.

2.32.5 The Contractor shall notify HCA within twenty-four (24) hours after any action by the OIC that may affect the relationship of the parties under this Contract.

2.32.6 The Contractor shall notify HCA if the OIC requires enhanced reporting requirements within fourteen (14) calendar days after the Contractor's notification by the OIC. The Contractor agrees that HCA may, at any time, access any financial reports submitted to the OIC in accordance with any enhanced reporting requirements and consult with OIC staff concerning information contained therein.

2.33 Conflict of Interest Safeguards

The Contractor shall have conflict of interest safeguards that, at a minimum, are equivalent to conflict of interest safeguards imposed by federal law on parties involved in public contracting (42 C.F.R. § 438.3(f)(2)).

2.34 Reservation of Rights and Remedies

A material default or breach in this Contract will cause irreparable injury to HCA. In the event of any claim for default or breach of this Contract, no provision in this Contract shall be construed, expressly or by implication, as a waiver by the state of Washington to any existing or future right or remedy available by law. Failure of the state of Washington to insist upon the strict performance of any term or condition of this Contract or to exercise or delay the exercise of any right or remedy provided in this Contract or by law, or the acceptance of (or payment for) materials, equipment or services, shall not release Contractor from any responsibilities or obligations imposed by this Contract or by law, and shall not be deemed a waiver of any right of the state of Washington to insist upon the strict performance of this Contract. In addition to any other remedies that may be available for default or breach of this Contract, in equity or otherwise, HCA may seek injunctive relief against any threatened or actual breach of this Contract without the necessity of proving actual damages. HCA reserves the right to recover any or all administrative costs incurred in the performance of this Contract during or as a result of any threatened or actual breach.

2.35 Termination by Default

2.35.1 **Termination by Contractor**. The Contractor may terminate this Contract whenever HCA defaults in performance of the Contract and fails to cure the default within a period of one hundred twenty (120) calendar days (or such longer period as the Contractor may allow) after receipt from the Contractor of a written notice, as described in the Notices section of the General Terms and Conditions, specifying the default. For purposes of this Section, "default" means failure of HCA to meet one or more material obligations of this Contract. In the event it is determined that HCA was not in default, HCA may claim damages for wrongful termination through the dispute resolution provisions of this Contract or by a court of competent jurisdiction.

2.35.2 **Termination by HCA**. HCA may terminate this Contract if HCA determines:

2.35.2.1 The Contractor did not fully and accurately make any disclosure required under 42 C.F.R. § 455.106(a).

2.35.2.2 The Contractor failed to timely submit accurate information required under 42 C.F.R. § 455, Subpart E (42 C.F.R. § 455.416(d)).

2.35.2.3 One of the Contractor's owners failed to timely submit accurate information required under 42 C.F.R. § 455, Subpart E (42 C.F.R. § 455.416(d)).

2.35.2.4 The Contractor's agent, managing employee, general manager, business manager, administrator, director, or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of the Contractor, failed to timely submit accurate information required under 42 C.F.R. § 455, Subpart E (42 C.F.R. § 455.416(d)).

2.35.2.5 One of the Contractor's owners did not cooperate with any screening methods required under 42 C.F.R. § 455, Subpart E.

2.35.2.6 One of the Contractor's owners has been convicted of a criminal offense related to that person's involvement with the Medicare, Medicaid, or title XXI program in the last ten (10) years (42 C.F.R. § 455.416(b)).

2.35.2.7 The Contractor has been terminated under title XVIII of the Social Security Act, or under any states' Medicaid or CHIP program (42 C.F.R. § 455.416(c)).

2.35.2.8 One of the Contractor's owners fails to submit sets of fingerprints in a form and manner to be determined by HCA within thirty (30) calendar days of a CMS or HCA request (42 C.F.R. § 455.416(e); 42 C.F.R. § 455.450(d)).

2.35.2.9 The Contractor failed to permit access to one of the Contractor's locations for site visits under 42 C.F.R. § 455.432 (42 C.F.R. § 455.416(f)).

2.35.2.10 The Contractor has falsified any information provided on its application (42 C.F.R. § 455.416(g)).

2.36 **Termination for Convenience**

Notwithstanding any other provision of this Contract, the HCA may, by giving thirty (30) calendar days written notice, beginning on the second day after the mailing, terminate this Contract in whole or in part when it is in the best interest of HCA, as determined by HCA in its sole discretion. If this Contract is so terminated, HCA shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination.

2.37 **Termination due to Federal Impact**

Notwithstanding any provision in this Contract to the contrary, if HCA does not receive Centers for Medicare and Medicaid Services (CMS) approval of this Contract, HCA shall provide at least thirty (30) calendar days' prior written notice of termination of this Contract to the Contractor. The effective date of any such termination hereunder shall be the earliest date that is at least thirty (30) calendar days following the date the notice is sent and occurs on the last day of a calendar month. HCA shall not be relieved of its obligation under this Contract, including payment to the Contractor, for the period from the Contract Effective Date through the effective date of termination.

2.38 **Terminations: Pre-termination Processes**

Either party to the Contract shall give the other party to the Contract written notice, as described in the Notices section of the General Terms and Conditions of this Contract, of the intent to terminate this Contract and the reason for termination.

HCA shall provide written notice to the Contractor's Enrollees of the decision to terminate the Contract and indicate whether the Contractor may appeal the decision. The notice shall also inform Enrollees that they may change MCOs without cause if they wish to do so, effective the first of the following month.

2.38.1 If either party disagrees with the other party's decision to terminate this Contract, that party

will have the right to a dispute resolution as described in the Disputes section of this Contract.

2.38.2 If the Contractor disagrees with a HCA decision to terminate this Contract and the dispute process is not successful, HCA shall provide the Contractor a pre-termination hearing prior to termination of the Contract under 42 C.F.R. § 438.708. HCA shall:

2.38.2.1 Give the Contractor written notice of the intent to terminate, the reason for termination, and the time and place of the hearing;

2.38.2.2 Give the Contractor (after the hearing) written notice of the decision affirming or reversing the proposed termination of this Contract, and for an affirming decision the effective date of termination; and

2.38.2.3 For an affirming decision, give Enrollees notice of the termination and information consistent with 42 C.F.R. § 438.10 on their options for receiving Medicaid services following the effective date of termination.

2.39 **Savings**

In the event funding from any state, federal, or other sources is withdrawn, reduced, or limited in any way after the date this Contract is signed and prior to the termination date, HCA may, in whole or in part, suspend or terminate this Contract upon fifteen (15) calendar days' prior written notice to Contractor or upon the effective date of withdrawn or reduced funding, whichever occurs earlier. At HCA's sole discretion the Contract may be renegotiated under the revised funding conditions. If this Contract is so terminated or suspended, HCA shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date.

2.40 **Termination - Information on Outstanding Claims**

In the event this Contract is terminated, the Contractor shall provide HCA, within three hundred and sixty-five (365) calendar days, all available information reasonably necessary for the reimbursement of any outstanding claims for services to Enrollees (42 C.F.R. § 434.6(a)(6)). Information and reimbursement of such claims is subject to the provisions of the Payment and Sanctions Section of this Contract.

2.41 **Administrative Simplification**

The Contractor shall comply with the requirements of RCW 70.14.155 and Chapter 48.165 RCW.

2.41.1 To maximize understanding, communication, and administrative economy among all Managed Care Contractors, their Subcontractors, governmental entities, and Enrollees, Contractor shall use and follow the most recent updated versions of:

2.41.1.1 Current Procedural Terminology (CPT)

2.41.1.2 International Classification of Diseases (ICD)

2.41.1.3 Healthcare Common Procedure Coding System (HCPCS)

2.41.1.4 CMS Relative Value Units (RVUs)

2.41.1.5 CMS billing instructions and rules

2.41.1.6 The Diagnostic and Statistical Manual of Mental Disorders

2.41.1.7 NCPDP Telecommunication Standard D.O.

2.41.1.8 Medi-Span® Master Drug Data Base or other nationally recognized drug database with approval by HCA.

2.41.2 The Contractor must follow National Correct Coding Initiative (NCCI) policies to control improper coding that leads to inappropriate payments. The Contractor must incorporate compatible NCCI methodologies in its payment systems for processing Medicaid claims. The NCCI editing should occur in addition to current procedure code review and editing by the Contractor's claims payment systems.

2.41.3 In lieu of the most recent versions, Contractor may request an exception. HCA's consent thereto will not be unreasonably withheld.

2.41.4 Drug database requirements are specific to values used as reference file in adjudication of pharmacy claims and storage of pharmacy claim data. Drug databases used for other purposes are not subject to this requirement and do not require approval.

2.41.5 Contractor may set its own conversion factor(s), including special code-specific or group-specific conversion factors, as it deems appropriate.

3 MARKETING AND INFORMATION REQUIREMENTS

3.1 Marketing

3.1.1 All marketing materials must be reviewed by and have written approval of HCA prior to distribution (42 C.F.R. § 438.104(b)(1)(i)). Marketing materials must be developed and submitted in accordance with the Marketing Guidelines developed and distributed by the HCA. Marketing materials include any items developed by the Contractor for distribution to Enrollees or potential Enrollees that are intended to provide information about the Contractor's benefit administration, including:

3.1.1.1 Print media;

3.1.1.2 Websites; and

3.1.1.3 Electronic Media (Television/Radio/Internet/Social Media).

3.1.2 Marketing materials shall not contain misrepresentations, or false, inaccurate or misleading information (42 C.F.R. § 438.104(b)(2)).

3.1.3 Marketing materials must be distributed in all service areas the Contractor serves (42 C.F.R. § 438.104(b) (1) (ii)).

3.1.4 Marketing material shall not contain an invitation, implied or implicit, for an Enrollee to change from one AH-FIMC MCO to the Contractor, or imply that the Contractor's benefits are substantially different from any other AH-FIMC MCO. This does not preclude the Contractor from distributing state-approved communications to Enrollees regarding the scope of their own value-added benefits.

3.1.5 Marketing materials must be in compliance with the Equal Access for Enrollees and Potential Enrollees with Communication Barriers provisions of this Section.

3.1.5.1 Marketing materials in English must give directions for obtaining understandable materials in the population's primary languages, as identified by HCA.

3.1.5.2 HCA may determine, in its sole judgment, if materials that are primarily visual, auditory, or tactile meet the requirements of this Contract.

3.1.6 The Contractor shall not offer or accept (other than the payment by HCA) anything of value as an inducement to enrollment.

3.1.7 The Contractor shall not seek to influence enrollment in conjunction with the sale or offering of any other insurance (42 C.F.R. § 438.104(b) (1) (iv)).

3.1.8 The Contractor shall not directly or indirectly conduct door-to-door, telephonic or other cold-call marketing of enrollment (42 C.F.R. § 438.104(b) (1) (v)).

3.1.9 The Contractor shall not make any assertion or statement, whether written or oral, in marketing materials that a Potential Enrollee must enroll with the Contractor in order to obtain benefits or in order not to lose benefits (42 C.F.R. § 438.104(b)(2)(i)).

3.1.10 The Contractor shall not make any assertion or statement, whether written or oral, in marketing materials that the Contractor is endorsed by CMS, the federal or state government or similar entity (42 C.F.R. § 438.104(b) (2) (ii)).

3.1.11 The Contractor may participate in community events, including health fairs, educational events, and booths at other community events. The Contractor shall submit to HCA a quarterly report, listing all AH - FIMC events in which the Contractor has participated in the previous quarter. Quarterly reports are due on the 15th of January, April, July and October.

3.2 Information Requirements for Enrollees and Potential Enrollees

3.2.1 The Contractor shall provide to Potential Enrollees and new Enrollees the information needed to understand benefit coverage and obtain care in accordance with the provisions of this Section (42 C.F.R. § 438.10(b) (3) and 438.10(f) (3)). The information shall be provided at least once a year, upon request and within fifteen (15) business days after the Contractor was notified of enrollment.

The Contractor shall notify Enrollees of their ability to request the information at any time. If the Enrollee or Potential Enrollee is not able to understand written information, the Contractor will provide at no cost the necessary information in an alternative language or format that is understandable to the Enrollee or Potential Enrollee.

3.2.2 The HCA will produce and the Contractor shall use managed care handbook templates (FIMC and BHSO). The HCA-produced templates and HCA-approved Contractor handbooks will provide sufficient, accurate written information to assist potential Enrollees in making an informed decision about enrollment in accord with the provisions of this Section (SSA 1932(d) (2) and 42 C.F.R. § 438.10 and 438.104(b) (1) (iii)).

3.2.3 The Contractor shall provide to each Enrollee, and to each Potential Enrollee who requests it, the HCA-approved Managed Care handbooks.

3.2.3.1 The Contractor shall ensure the HCA-approved Managed Care handbooks are translated or provided in an alternative format that is understandable to the Potential Enrollee.

3.2.3.2 The Contractor shall develop content for the Managed Care handbooks in the sections labeled for Contractor use in the templates.

3.2.4 The Contractor may develop supplemental, plan–specific, materials in addition to the Managed Care handbooks that are sent to newly enrolled and assigned Enrollees. The supplemental, plan-specific, material shall be incorporated into the Managed Care handbook templates as instructed by HCA. The supplemental, plan-specific, materials will include mandatory materials such as NCQA-required materials and the annual notices that the Contractor is required to send to Enrollees.

3.2.4.1 Supplemental, plan–specific, materials may not duplicate information, such as covered benefits, contained in the HCA's approved handbook templates and the Contractor's approved Managed Care handbooks, but may include contact numbers for Contractor's customer service, information about the Contractor's

authorization processes, network providers and/or Value Added Benefits that the Contractor may provide.

3.2.5 If an Enrollee is not able to understand written information provided by the Contractor, the Contractor shall provide the necessary information in an alternative language and format that is understandable to the Enrollee.

3.2.6 The Contractor shall submit branding materials developed by the Contractor that specifically mentions Medicaid, AH – FIMC, or the specific benefits provided under this Contract for review and approval. No such materials shall be disseminated to Enrollees, Potential Enrollees, providers or other members of the public without HCA's approval.

3.2.7 The Contractor shall submit Enrollee information developed by the Contractor that specifically mentions AH - FIMC or the specific benefits provided under this Contract at least thirty (30) calendar days prior to distribution for review and approval, including any Enrollee materials regarding Utilization Management activities that are developed by the Contractor or its delegates. All other Enrollee materials shall be submitted as informational. HCA may waive the thirty day requirement if, in HCA's sole judgment, it is in the best interest of HCA and its clients to do so.

3.2.8 The Contractor shall notify all new FIMC Health Home-eligible Enrollees of their eligibility for the Health Home program. The notice shall include all of the following:

3.2.8.1 A description of the benefits of the program;

3.2.8.2 Confirmation that program participation is voluntary and not a condition for the Enrollee's receipt of any other covered service;

3.2.8.3 Information about how to file Grievances and appeals;

3.2.8.4 A statement that a participant has the right to change Care Coordination providers and the procedure for doing so; and

3.2.8.5 How to obtain more information about the program.

3.2.9 The Contractor shall notify all known pregnant Enrollees about their eligibility to participate and receive Maternity Support Services (MSS) through the HCA First Steps program.

3.2.9.1 The Contractor must use the HCA MSS informational letter template to notify these Enrollees. HCA will provide the template to the Contractor. No later than the twentieth of each month, the Contractor shall submit to HCA a list of all Enrollees who are newly identified within the preceding month as pregnant or are within sixty (60) calendar days postpartum. The Contractor shall submit the list to HCA using the HCA First Steps Maternity Support Services report template. HCA will provide the Support Services report template to the Contractor.

3.2.10 The Contractor shall communicate changes to state or federal law to Enrollees no more than ninety (90) calendar days after the effective date of the change and Enrollees shall be notified at least thirty (30) calendar days prior to the effective date if, in the sole judgment of HCA, the change is significant in regard to the Enrollees' quality of or access to care, which

may include changes to: enrollment rights, Grievance and hearing procedures, benefits, authorizations or coverage of Emergency Services. HCA shall notify the Contractor in writing of any significant change (42 C.F.R. § 438.10(f)(4)).

3.2.11 The Contractor shall create a link on the front page of its website for providers and Enrollees that directs said providers and Enrollees to a mental health website. The mental health website shall:

3.2.11.1 Contain information on how to access mental health services;

3.2.11.2 Connect to the provider directory that displays a current list of contracted mental health professionals specifying those which are contracted to serve children and youth;

3.2.11.3 Include information on how to contact the Contractor should the provider or Enrollee have difficulty accessing such care; and

3.2.11.4 Include information about the behavioral health resource line (RCW 74.09).

3.3 Equal Access for Enrollees and Potential Enrollees with Communication Barriers

The Contractor shall assure equal access for all Enrollees and Potential Enrollees when oral or written language communications creates a barrier to such access. (42 C.F.R. § 438.10).

3.3.1 Oral Information

3.3.1.1 The Contractor shall assure that interpreter services are provided for Enrollees and Potential Enrollees with a primary language other than English or who are deaf or hearing impaired, free of charge. This includes American Sign Language. (42 C.F.R. § 438.10(c)(4)). Interpreter services shall be provided for all interactions between such Enrollees or Potential Enrollees and the Contractor or any of its providers including, but not limited to:

3.3.1.1.1 Customer service,

3.3.1.1.2 All appointments with any provider for any covered service,

3.3.1.1.3 Emergency Services, and

3.3.1.1.4 All steps necessary to file Grievances and appeals including requests for Independent Review of Contractor decisions (RCW 48.43.535 and chapter 284-43 WAC).

3.3.1.2 The Contractor is responsible for payment for interpreter services for Contractor administrative matters including, but not limited to handling Enrollee Grievances and appeals.

3.3.1.3 HCA is responsible for payment of interpreter services provided when the interpreter service is requested through, authorized, and provided by the HCA's Interpreter Services program vendor and complies with all program rules.

3.3.1.4 Hospitals are responsible for payment for interpreter services during inpatient

stays.

3.3.1.5 Public entities, such as Public Health Departments, are responsible for payment for interpreter services provided at their facilities or affiliated sites.

3.3.2 Written Information

3.3.2.1 The Contractor shall provide all generally available and Enrollee-specific written materials in a language and format which may be understood by each individual Enrollee and Potential Enrollee (42 C.F.R. § 438.10(c) (3) and 438.10(d) (1) (ii)).

3.3.2.1.1 If five percent (5%) or more of the Contractor's Enrollees speak a specific language other than English, generally available materials, including the Contractor's handbook will be translated into that language.

3.3.2.1.2 For Enrollees whose primary language is not translated or whose need cannot be addressed by translation under the preceding subsection as required by the provisions of this Section, the Contractor may meet the requirement of this Section by doing any one of the following:

3.3.2.1.2.1 Translating the material into the Enrollee's or Potential Enrollee's primary reading language.

3.3.2.1.2.2 Providing the material in an audio format in the Enrollee's or Potential Enrollee's primary language.

3.3.2.1.2.3 Having an interpreter read the material to the Enrollee or Potential Enrollee in the Enrollee's primary language.

3.3.2.1.2.4 Providing the material in another alternative medium or format acceptable to the Enrollee or Potential Enrollee. The Contractor shall document the Enrollee's or Potential Enrollee's acceptance of the material in an alternative medium or format (42 C.F.R. § 438.10(d) (1) (ii)).

3.3.2.1.2.5 Providing the material in English, if the Contractor documents the Enrollee's or Potential Enrollee's preference for receiving material in English.

3.3.2.2 The Contractor shall ensure that all written information provided to Enrollees or Potential Enrollees is accurate, is not misleading, is comprehensible to its intended audience, designed to provide the greatest degree of understanding, is written at the sixth (6^{th}) grade reading level, and fulfills other requirements of the Contract as may be applicable to the materials (42 C.F.R. § 438.10(b)(1)).

3.3.2.3 HCA may make exceptions to the sixth grade reading level when, in the sole

judgment of HCA, the nature of the materials do not allow for a sixth (6th) grade reading level or the Enrollees' needs are better served by allowing a higher reading level. HCA approval of exceptions to the sixth (6th0 grade reading level must be in writing.

3.3.2.4 Educational materials about topics such as Disease Management preventative services or other information used by the Contractor for health promotion efforts must be submitted to HCA, but do not require HCA approval as long as they do not specifically mention AH - FIMC or the benefits provided under this Contract.

3.3.2.5 Educational materials that are not developed by the Contractor or developed under contract with the Contractor are not required to meet the sixth grade reading level requirement and do not require HCA approval.

3.3.2.6 All other written materials must have the written approval of HCA prior to use. For Enrollee-specific written materials, the Contractor may use templates that have been pre-approved in writing by HCA. The Contractor must provide HCA with a copy of all approved materials in final form.

3.4 **Electronic Outbound Calls**

The Contractor may use an interactive, automated system to make certain outbound calls to Enrollees.

3.4.1 The Contractor must submit call scripts to HCA no less than thirty (30) calendar days prior to the date the automated calls will begin. Approvable reasons for automated calls include:

3.4.1.1 Recertification of eligibility;

3.4.1.2 Outreach to new Enrollees;

3.4.1.3 Reminders of events such as flu clinics;

3.4.1.4 Initial health screening;

3.4.1.5 Surveys;

3.4.1.6 Disease management information and reminders;

3.4.1.7 Appointment reminders/immunizations/well child appointments; and

3.4.1.8 Notification of new programs or assistance offered.

3.4.2 Under no circumstances will the Contractor use automated calls for Care Coordination activities, behavioral health-related calls or prescription verifications.

3.4.3 The Contractor shall ensure that if this service is provided by a third party, that either a subcontract or a Business Associate Agreement is in place and is submitted to HCA for review.

3.5 **Conscience Clause**

The Contractor shall notify Enrollees at least sixty (60) calendar days before the effective date when it adopts a policy to discontinue coverage of a counseling or referral service based on moral or religious objections (42 C.F.R. § 438.102(b)(1)(ii)(B); 1932(b)(3)(B)(ii); RCW 48.43.065).

4 ENROLLMENT

4.1 Regional Service Areas (RSA)

The Contractor's policies and procedures related to Enrollment shall ensure compliance with the requirements described in this section.

4.1.1 The Contractor's RSA is noted in Exhibit J.

4.2 RSA Changes

4.2.1 The Contractor must offer services to all clients within the boundaries of the RSA covered by this Contract.

4.2.2 If the U.S. Postal Service alters the zip code numbers or zip code boundaries within the Contractor's RSA, HCA shall alter the RSA zip code numbers or the boundaries of the RSA with input from the affected contractors, and input from the ACH.

4.2.3 HCA shall determine, with input from the local ACH, which zip codes fall within each RSA.

4.2.4 HCA will use the Enrollee's residential zip code to determine whether an Enrollee resides within a RSA.

4.3 Eligible Enrollee Groups

The Health Care Authority shall determine Medicaid eligibility for enrollment under this Contract. The Health Care Authority will provide the Contractor a list of Recipient Aid Categories (RACs) that are eligible to enroll in Apple Health – Fully Integrated Managed Care (AH – FIMC) to receive either full scope benefits or Behavioral Health Services Only under BHSO enrollment type. Enrollees in the following eligibility groups shown on Exhibit F at the time of enrollment are eligible for enrollment under this Contract.

4.3.1 Clients receiving Medicaid under Social Security Act (SSA) provisions for coverage of families receiving AH Family and clients who are not eligible for cash assistance who remain eligible for medical services under Medicaid.

4.3.2 Clients receiving Medicaid under the provisions of the ACA effective January 1, 2014 (Apple Health Medicaid Expansion (AHAC)).

4.3.3 Children, from birth through eighteen (18) years of age, eligible for Medicaid under expanded pediatric coverage provisions of the Social Security Act.

4.3.4 Pregnant Women, eligible for Medicaid under expanded maternity coverage provisions of the Social Security Act.

4.3.5 Children eligible for the Children's Health Insurance Program (CHIP).

4.3.6 Categorically Needy - Blind and Disabled Children and Adults who are not eligible for Medicare.

4.3.7 Breast and Cervical Cancer Treatment, Categorically Needy Program.

4.3.8 Categorically Needy Program, Long-Term Care.

4.3.9 American Indian/Alaskan Native

4.4 Behavioral Health Services Only (BHSO)

RACs enrolled in BHSO are listed in Exhibit F. The general eligibility categories include:

4.4.1 Dual eligibles (Medicare – Medicaid).

4.4.2 Apple Health foster children, foster alumni and adoption support.

4.4.3 Medically needy (spenddown).

4.4.4 Non-citizen pregnant women.

4.4.5 Institution for Mental Disease (IMD) and other Medicaid eligible long term or residential care.

4.5 Client Notification

HCA shall notify eligible clients of their rights and responsibilities as Managed Care Enrollees at the time of initial eligibility determination, after a break in eligibility greater than twelve (12) months or at least annually.

4.6 Exemption from Enrollment

An Enrollee may request exemption from enrollment from AH – FIMC (full scope benefits) for cause at any time. Each request for exemption will be reviewed by HCA pursuant to Chapter 182-538A or 182-505 WAC. Exempted Enrollees will be enrolled into the BHSO plan for BH services. When the client is already enrolled with the Contractor and wishes to be exempted, the exemption request will be treated as a termination of enrollment request consistent with the Termination of Enrollment provisions of this Section.

4.6.1 If the Contractor receives an exemption request from an Enrollee or Potential Enrollee, the Contractor shall forward the request to the Medical Assistance Customer Service Center (MACSC) within two (2) business days of receipt of the request.

4.7 Enrollment Period

Subject to the Effective Date of Enrollment provisions of this Section, enrollment is continuously open. Enrollees shall have the right to change enrollment prospectively, from one AH - FIMC Managed Care plan to another without cause, each month except as described in the Patient Review and Coordination (PRC) provisions of this Contract.

4.8 Enrollment Process

4.8.1 Eligible clients may choose an FIMC plan through the Medicaid plan selection process. All

eligible family members will be enrolled to the same AH-FIMC Managed Care contractor.

4.8.2 The HCA will assign the clients who do not make a FIMC plan selection. All eligible family members will be assigned to the same AH - FIMC Managed Care contractor in accordance with the Assignment of Enrollees provisions of this Contract.

4.8.3 The HCA will assign clients eligible for the BHSO.

4.8.4 An Enrollee may change his or her MCO (FIMC/BHSO), with or without cause, at any time. The effective date of the change in MCO shall be consistent with HCA's established enrollment timelines.

4.8.5 The Enrollee, the Enrollee's representative or responsible parent or guardian must notify the Health Care Authority if they want to choose another MCO.

4.8.6 The Health Care Authority will attempt to enroll all family members with the same AH - FIMC Managed Care plan unless the following occurs:

4.8.6.1 A family member is placed into the Patient Review and Coordination (PRC) program by the Contractor or the Health Care Authority. The PRC placed family member shall follow the enrollment requirements described in the PRC provisions of this Contract. The remaining family members shall be enrolled with a single AH - FIMC Managed Care plan of their choice.

4.8.6.2 The Health Care Authority grants an exception because the family members have conflicting medical needs that cannot be met by a single AH - FIMC Managed Care contractor.

4.9 Effective Date of Enrollment

4.9.1 Except for a newborn whose mother is enrolled in an AH - FIMCMCO, HCA shall enroll all newly eligible Medicaid clients subject to this Contract into AH - FIMC effective the first day of the month, if both the date of initial Medicaid eligibility and the managed care enrollment take place in the same month.

4.9.2 The Contractor is responsible for payment, medical necessity determinations and service authorizations for all services provided on and after the effective date of enrollment.

4.9.3 No retroactive coverage is provided under this Contract, except as described in this Section or by mutual, written agreement by the parties.

4.10 Newborns Effective Date of Enrollment

Newborns whose mothers are Enrollees on the date of birth shall be deemed Enrollees and enrolled in the same plan as the mother as follows:

4.10.1 Retrospectively for the month(s) in which the first twenty-one (21) days of life occur, beginning the first (1st) of the month after the newborn is reported to the Health Care Authority.

4.10.2 If the newborn does not receive a separate client identifier from the Health Care Authority

the newborn enrollment will be only available through the end of the month in which the first twenty-one (21) days of life occur.

4.10.3 If the mother's enrollment is ended before the newborn receives a separate client identifier from the Health Care Authority, the newborn's enrollment shall end the last day of the month in which the twenty first (21st) day of life occurs or when the mother's enrollment ends, whichever is sooner, except as provided in the provisions of Subsection 16.6, Enrollee in Facility at Termination of Enrollment of this Contract.

4.10.4 A newborn whose mother is enrolled with the Contractor when the baby is born and the newborn is placed in foster care during the month of birth, the newborn is enrolled with the Contractor for the month of birth. The newborn will be enrolled with the Apple Health Foster Care (AHFC) program effective the first of the month that follows placement. Subject to the terms in Subsection 16.4, Enrollee in Facility at Enrollment: Medical Conditions, the MCO with which a newborn was enrolled at birth is responsible for hospital costs until the newborn is discharged from the birth hospitalization.

4.11 Enrollment Data and Requirements for Contractor's Response

The Health Care Authority will provide the Contractor with data files with the information needed to perform the services described in this Contract.

4.11.1 Data files will be sent to the Contractor at intervals specified within the Health Care Authority 834 Benefit Enrollment and Maintenance Companion Guide, published by the Health Care Authority and incorporated by reference into this Contract.

4.11.2 The data file will be in the Health Insurance Portability and Accountability Act (HIPAA) compliant 834, Benefit Enrollment and Maintenance format (45 C.F.R. § 162.103).

4.11.3 The data file will be transferred per specifications defined within the Health Care Authority Companion Guides.

4.11.4 The Contractor shall have ten (10) calendar days from the receipt of the data files to notify the Health Care Authority in writing of the refusal of an application for enrollment or any discrepancy regarding the Health Care Authority's proposed enrollment effective date. Written notice shall include the reason for refusal and must be agreed to by the Health Care Authority. The effective date of enrollment specified by the Health Care Authority shall be considered accepted by the Contractor and shall be binding if the notice is not timely or the Health Care Authority does not agree with the reasons stated in the notice. Subject to the Health Care Authority approval, the Contractor may refuse to accept an Enrollee for the following reasons:

4.11.4.1 The Health Care Authority has enrolled the Enrollee with the Contractor in a RSA where the Contractor is not contracted.

4.11.4.2 The Enrollee is not eligible for enrollment under the terms of this Contract.

4.12 Termination of Enrollment

4.12.1 Voluntary Termination of Enrollment

4.12.1.1 Enrollees may request termination of enrollment for cause by submitting a written request to terminate enrollment to the HCA or by calling the HCA toll-free customer service number (42 C.F.R. § 438.56(d)(1)(i)). If the Contractor receives a termination request from an Enrollee, the Contractor shall direct the Enrollee to contact HCA.

4.12.1.2 Termination requests that are approved will be consistent with the provisions outlined in 4.6 Exemption from Enrollment.

4.12.1.3 For the purposes of this section, the following are cause for disenrollment:

4.12.1.3.1 The Enrollee moves out of the Contractor's RSA;

4.12.1.3.2 The Contractor does not, because of moral or religious objections, deliver the service the Enrollee seeks;

4.12.1.3.3 The Enrollee needs related services (for example birth and a tubal ligation) to be performed at the same time; not all related services are available within the network; and the Enrollee's Primary Care Provider or another provider determines that receiving the services separately would subject the Enrollee to unnecessary risk; and

4.12.1.3.4 Other reasons, including but not limited to: Poor quality of care, lack of access to services covered under this Contract, or lack of access to providers experienced in dealing with the Enrollee's health care needs.

4.12.1.4 Enrollees denied disenrollment for cause or a plan change may request an appeal of the decision through a State hearing.

4.12.1.5 Except as provided in Chapter 182-538A or 182-505 WAC, the enrollment for Enrollees whose enrollment is terminated will be prospectively ended. The Contractor may not request voluntary termination of enrollment on behalf of an Enrollee.

4.12.2 Involuntary Termination of Enrollment Initiated by the Health Care Authority for Ineligibility.

4.12.2.1 The enrollment of any Enrollee under this Contract shall be terminated if the Enrollee becomes ineligible for enrollment due to a change in eligibility status.

4.12.3 When an Enrollee's enrollment is terminated for ineligibility, the termination shall be effective:

4.12.3.1 The first (1st) day of the month following the month in which the enrollment termination is processed by the Health Care Authority if it is processed on or before the Health Care Authority cut-off date for enrollment or the Contractor is informed by the Health Care Authority of the enrollment termination prior to the first (1st) day of the month following the month in which it is processed by the Health Care Authority.

4.12.3.2 Effective the first (1st) day of the second month following the month in which the

enrollment termination is processed if it is processed after the Health Care Authority cut-off date for enrollment and the Contractor is not informed by the Health Care Authority of the enrollment termination prior to the first (1st) day of the month following the month in which it is processed by the Health Care Authority.

4.12.4 Newborns placed in foster care before discharge from their initial birth hospitalization shall be enrolled in the Apple Health Foster Care (AHFC) program effective the first of the month that follows placement and will be terminated from enrollment in Apple Health Integrated Managed Care (AHIMC). Subject to the terms in Subsection 16.4, Enrollee in Facility at Enrollment: Medical Conditions, the Contractor is responsible for hospital costs until the newborn is discharged from the birth hospitalization.

4.12.4.1 In IMC regions in which the AHFC Contractor holds both the AHFC contract and the IMC contract, the foster care newborn will be automatically enrolled in the foster care MCO and BHSO.

4.12.4.2 In IMC regions in which the AHFC Contractor does not have an FIMC contract, the eligible foster care newborn shall be enrolled in the AHFC program for physical health care services following the month of placement and into a BHSO for behavioral health services.

4.12.5 The foster care newborn will be automatically enrolled in the foster care MCO and a BHSO.

4.12.6 Involuntary Termination Initiated by the Contractor from FIMC

4.12.6.1 To request involuntary termination of enrollment of an Enrollee, the Contractor shall send written notice to HCA at hcaintegratedmcquestions@hca.wa.gov

4.12.6.1.1 HCA shall review each involuntary termination request on a case-by-case basis. The Contractor shall be notified in writing of an approval or disapproval of the involuntary termination request within thirty (30) business days of HCA's receipt of such notice and the documentation required to substantiate the request. HCA shall approve the request for involuntarily termination of the Enrollee when the Contractor has substantiated in writing any of the following (42 C.F.R. § 438.56(b)(1)):

4.12.6.1.1.1 The Enrollee purposely puts the safety or property of the Contractor, or the Contractor's staff, providers, patients, or visitors at risk; or

4.12.6.1.1.2 The Enrollee engages in intentional misconduct, including refusing to provide information to the Contractor about third party insurance coverage; and

4.12.6.1.1.3 The Enrollee received written notice from the Contractor of its intent to request the Enrollee's termination of enrollment, unless the requirement for notification has been waived by HCA because the

Enrollee's conduct presents the threat of imminent harm to others. The Contractor's notice to the Enrollee shall include the Enrollee's right to use the Contractor's Grievance Process to review the request to end the Enrollee's enrollment.

4.12.6.2 The Contractor shall continue to provide services to the Enrollee until HCA has notified the Contractor in writing that enrollment is terminated.

4.12.6.3 HCA will not terminate enrollment and the Contractor may not request disenrollment of an Enrollee solely due to a request based on an adverse change in the Enrollee's health status, the cost of meeting the Enrollee's health care needs, because of the Enrollee's utilization of medical services, uncooperative or disruptive behavior resulting from their special needs or behavioral health condition (WAC 182-538-130 and 42 C.F.R. § 438.56(b) (2)).

4.12.6.4 The Contractor shall have in place, and provide upon HCA's request, written methods by which it assures it does not request disenrollment for reasons other than those permitted under this Contract (42.C.F.R. § 438.56(b)(3)).

4.12.7 An Enrollee whose enrollment is terminated for any reason, other than incarceration, at any time during the month is entitled to receive contracted services, at the Contractor's expense, through the end of that month.

4.12.8 In no event will an Enrollee be entitled to receive services and benefits under this Contract after the last day of the month, in which his or her enrollment is terminated, except:

4.12.8.1 When the Enrollee is hospitalized or in another inpatient Facility covered by this Contract at termination of enrollment and continued payment is required in accordance with the provisions of this Contract.

4.12.8.2 For the provision of information and assistance to transition the Enrollee's care with another provider.

4.12.8.3 As necessary to satisfy the results of an appeal or hearing.

4.12.9 Regardless of the procedures followed or the reason for termination, if a disenrollment request is granted, or the Enrollee's enrollment is terminated by HCA for one of the reasons described in subsection 4.12.6 of this Contract, the effective date of the disenrollment will be no later than the first day of the second month following the month the request was made. If HCA fails to make a disenrollment determination within this timeframe, the disenrollment is considered approved.

5 PAYMENT AND SANCTIONS

5.1 Rates/Premiums

Subject to the Sanctions provisions of this Section, HCA shall pay a monthly premium for each Medicaid Enrollee in full consideration of the work to be performed by the Contractor under this Contract. HCA shall pay the Contractor, on or before the fifteenth (15th) calendar day of the month based on the HCA list of Enrollees whose enrollment is ongoing or effective on the first day of said calendar month. Such payment will be denied for new Enrollees when, and for so long as, payment for those Enrollees is denied by the Centers for Medicare and Medicaid Services (CMS) under 42 C.F.R. § 438.726(b) or 42 C.F.R. § 438.730(e).

5.2 Monthly Premium Payment Calculation

The monthly premium payment for each AH-FIMC Enrollee will be calculated as follows:

Premium Payment = ((Regional Physical Health Base Rate X Age/Sex Adjustment Factor X Risk Adjustment Factor)+(Regional Behavioral Health Base Rate X Age/Sex Factor)) X Withhold Factor

The BHSO Enrollees will be divided into the following categories for calculation of the monthly premium payment:

- Non-Disabled Child
- Disabled Child
- Non-Disabled Adult
- Disabled Adult
- Newly Eligible

There are no additional risk or withhold factors used to derive the premium payment amount for BHSO rate category.

Additional premium payments include Delivery Case Payment Rates, Low Birth Weight Baby Case Payment, and Wraparound with Intensive Services (WISe), as described in Subsections 5.6, 5.7 and 5.8 of this Contract.

5.2.1 The Regional Base Rate is established by HCA and will vary between the Apple Health (AH) Family Adult, AH Family Child, Apple Health State Children's Health Insurance Program (SCHIP), Apple Health Blind Disabled (AHBD), Apple Health Community Options Program Entry System (COPES), Developmental Disability Administration (DDA), and Apple Health Adult Coverage – (AHAC) populations. The base rates will initially be the same for all contractors, but may vary based on ACA related taxes and/or fees.

5.2.2 The Age/Sex Adjustment factors are established by HCA and will vary between the AH Family, SCHIP, AHBD, COPES, DDA, and AHAC populations. The age/sex factors will be the same for all contractors.

5.2.3 The Risk Adjustment Factors will be established by HCA for the AH Family Adult, AH Family Child, SCHIP, AHBD, COPES, DDA, and AHAC populations to reflect differences in the relative health status of the populations enrolled with the Contractors. The Risk Adjustment Factors are calculated by geographical region and by Contractor.

5.2.4 The Withhold Factor is intended to hold back a percentage amount, as identified in Exhibit I, Value-Based Purchasing, of the capitation payments excluding any administrative, WSHIP, SNAF, or PAP funding. A calculated portion of the amount withheld from the monthly premium payment will be released upon demonstrated improvement towards the quality measure benchmarks and physician incentive agreements defined in Exhibit I, Value-Based Purchasing.

5.2.5 HCA shall automatically generate newborn premiums upon enrollment of the newborn. For newborns whose premiums HCA does not automatically generate, the Contractor shall submit a premium payment request to HCA within three hundred sixty-five (365) calendar days of the date of birth. HCA shall pay within sixty (60) calendar days of receipt of the premium payment request.

5.2.6 HCA shall make a full monthly payment to the Contractor for the month in which an Enrollee's enrollment is terminated except as otherwise provided in this Contract.

5.2.7 The Contractor shall be responsible for contracted services provided to the Enrollee in any month for which HCA paid the Contractor premium for the Enrollee's care under the terms of this Contract.

5.3 Annual Fee on Health Insurance Providers

5.3.1 The Contractor is subject to a fee (the “Annual Fee”) imposed by the federal government under Section 9010 of the Patient Protection and Affordable Care Act, Pub. L. 111-148 (124 Stat. 119 (2010)), as amended by Section 10905 of PPACA, and as further amended by Section 1406 of the Health Care and Education Reconciliation Act of 2010, Pub. L. 111-152 (124 Stat. 1029 (2010)) (collectively, “PPACA”), unless specifically exempt under federal law.

5.3.2 If the Contractor is responsible for payment of a percentage of the Annual Fee for all health insurance providers, the Contractor’s obligation is determined by the ratio of the Contractor’s net written premiums for the preceding year compared to the total net written premiums of all covered entities subject to the Annual Fee for the same year.

5.3.3 The amount of the Annual Fee attributable to the Contractor and attributable specifically to the Contractor’s premiums under this Contract (“Contractor’s Allocated Fee”) could affect the actuarial soundness of the premiums received by the Contractor from HCA for the contract year during which the Annual Fee is assessed.

5.3.4 A dollar amount reflecting the Contractor’s Allocated Fee, which shall also include an adjustment for the impact of non-deductibility of the Annual Fee for federal and state tax purposes, including income and excise taxes (“Contractor’s Adjusted Fee”), shall be payable to the Contractor under this Contract, unless the Contractor is exempt from the Annual Fee under federal law.

5.3.5 HCA shall consult with the Contractor and determine an estimated amount of the Contractor's Adjusted Fee based on the pro rata share of the preliminary notice of the fee amount, as transmitted by the United States Internal Revenue Service to the Contractor, attributable to the Contractor's net written premiums under this Contract.

5.3.6 Capitation payments for the period to which the tax applies will be retroactively adjusted to account for this fee. The net aggregate change in capitation payments for the period based on the retroactive rate change will be paid to the Contractor.

5.3.7 HCA shall make a good-faith effort to make the estimated payment to the Contractor thirty (30) calendar days before the deadline for payment by the Contractor.

5.3.8 The adjustment shall be reconciled, no later than ninety (90) calendar days following the receipt of the final notice of the fee from the United States Internal Revenue Service, through a retroactive adjustment to the capitation rates for the applicable period and an additional payment to the Contractor, or a refund from the Contractor, as applicable, once the complete data is available to calculate the Contractor's Adjusted Fee.

5.3.9 The Contractor agrees not to pursue any legal action whatsoever against HCA or its officers, employees, or agents with respect to the amount of the Contractor's Allocated Fee or Contractor's Adjusted Fee.

5.4 **Gain Share Program**

5.4.1 HCA will perform gain share calculations for the Fully-Integrated Managed Care (FIMC) AH Family Adult, AH Family Child, SCHIP, AHBD, COPES, DDA and AHAC populations. The Behavioral Health Services Only (BHSO) is not eligible for gain sharing. Separate calculations of Gain Sharing are done for each population due to differences in assumed administrative loads included in the rates for each program. Upon completion of the separate calculations, the results for the seven populations will be aggregated to determine any net Gain Share payment. Gain Sharing is calculated separately for each Contractor.

5.4.2 The following methods will be used to calculate the Gain Share components:

5.4.2.1 Total Revenue is the sum of all Pre-Tax Capitation Rates, Delivery Case Rate Payments and Low Birth Weight Case Payments. Total Revenue also assumes full recovery by the Contractor of Value-Based Purchasing withheld funds, regardless of whether those funds were actually recovered. Pre-tax capitation rates means that the Health Insurer Fee and Premium Tax related revenue will be excluded from this (Gain Share) computation.

5.4.2.2 Total Net Revenue is equal to Total Revenue, net of any SNAF, PAP, and WSHIP components of the capitation revenue.

5.4.2.3 Revenue for Health Care Expenses is equal to Total Net Revenue less an assumed administrative load. [(Revenue-supplemental payments) x (1-administrative load)] Actual administrative expenses will not be included in the computation.

Assumed administrative load is as follows:

AH Family Adult and AH Family Child	8.5%
SCHIP	10.0%
AHBD	6.75%
COPES	6.75%
DDA	6.75%
AHAC	10.5%

5.4.2.4 Net Health Care Expenses will be based on the actual service expenses less any reimbursements from third party reimbursements (such as pharmacy rebates, net reinsurance costs or third party liability offsets) and less supplemental payments plus direct Medical Management costs as defined by NAIC and GAAP guidelines not to exceed two percent (2%) of Revenue and excluding any overhead allocations. Upon request by HCA, the Contractor will report its health care expenses for the year with any adjustments and run out claims as specified in the request from HCA. The template for providing the data and due date for the report will be included in the request from HCA.

5.4.2.5 Contractor's Gain/Loss will be calculated for each population using the following formula: **Revenue for Health Care Expenses - Net Health Care Expenses** (based on the actual incurred expenses for health care) = **Net Gain/Loss** (for the health care services provided by population).

5.4.2.6 The net gain/loss divided by the Total Net Revenue will provide a percentage of the gain/loss, which will be compared to the gain sharing thresholds established by HCA.

5.4.3 Under the Gain Share Program, HCA will share in a significant excess of the Total Net Revenue for Health Care Expenses over the Net Health Care Expenses experienced by the Contractor as defined in subsection 5.4.4 of this Contract. Six (6) months following the end of the calendar year, using the financial reports provided by the Contractor, a simple profit and loss statement will be developed for the health services portion for each of the seven populations.

5.4.4 After aggregating the results for all seven populations, if the Contractor experiences gain exceeding three percent (3%), HCA will share equally in the gain between three percent (3%) and five percent (5%). HCA will recover all gains exceeding five percent (5%). The Contractor will only be required to reimburse HCA if it experiences an actual gain above the three-percent (3%) corridor.

5.5 **Recoupments**

5.5.1 Unless mutually agreed by the parties in writing, HCA shall only recoup premium payments and retroactively terminate enrollment for an individual Enrollee:

5.5.1.1 With Duplicate Coverage.

5.5.1.2 Who is deceased prior to the month of enrollment. Premium payments shall be recouped effective the first day of the month following the Enrollee's date of death.

5.5.1.3 Who retroactively has their enrollment terminated consistent with this Contract.

5.5.1.4 Who has been found ineligible for enrollment with the Contractor, provided HCA has notified the Contractor before the first day of the month for which the premium was paid.

5.5.1.5 Who is an inmate at a correctional facility in any full month of enrollment.

5.5.1.6 Who is residing in an Institute for Mental Disease (IMD) for more than fifteen (15) calendar days within a single calendar month.

5.5.1.7 When an audit determines that payment or enrollment was made in error.

5.5.2 The Contractor may recoup payments made to providers for services provided to Enrollees during the period for which the HCA recoups premiums for those Enrollees. If the Contractor recoups said payments, providers may submit appropriate claims for payment to the Health Care Authority through its fee-for-service program, if the Enrollee was eligible for services and if the provider had a Core Provider Agreement for the fee-for-service program.

5.5.3 Retroactive recoupments are determined on an individual Enrollee basis, and not on a family basis. Recouping premiums for one family member does not necessarily mean there will be recoupments taken for other family members.

5.6 **Delivery Case Rate Payment**

A one-time payment shall be made to the Contractor for labor and delivery expenses for AH Family, SCHIP and AHAC Enrollees enrolled with the Contractor during the month of delivery. The Delivery Case Rate shall only be paid to the Contractor if the Contractor has incurred and paid direct costs for labor and delivery based on encounter data received and accepted by HCA. AHBD, DDA and COPES Enrollees are not eligible for these payments. Delivery includes both live and stillbirths, but does not include miscarriage, induced abortion, or other fetal demise not requiring labor and delivery to terminate the pregnancy.

HCA shall not pay the Delivery Case Rate payment for Enrollees who have comparable Third Party Insurance coverage.

5.7 **Low Birth Weight Baby Case Payment (LBW-BCP)**

A one-time payment shall be made to the Contractor for Low Birth Weight Baby related expense for AH Family and SCHIP Enrollees enrolled with the Contractor during the month of a qualifying low birth event. The LBW-BCP payment shall be paid to the Contractor if the following conditions are met:

5.7.1 HCA determines the Contractor incurred and paid direct costs for a qualifying low birth weight event based on valid encounter data received and accepted by HCA.

5.7.2 Qualifying events that derive one of the following APR-DRG codes: 588, 589, 591, 593, 602, 603, 607, 608, 609, 630, or 631 shall qualify for the LBW-BCP.

5.7.3 The qualifying claim must have a Contractor paid amount of more than $75,000.

5.7.4 The LBW-BCP is not modified by any rate adjustment factors.

5.7.5 The HCA will pay a maximum of three hundred (300) LBW-BCP for the contract. The maximum number of payments is for all Contractors combined.

5.7.6 Only AH Family and SCHIP Enrollees are eligible for these payments.

5.7.7 In the event that the maximum number of payments has been reached, the ProviderOne submitted date and time of the qualifying encounter will determine the order of the claims for payment.

5.8 **WISe payment**

5.8.1 A separate case rate payment will be made monthly for individuals in the WISe program as described in Subsection 1.237.

5.9 **Targeted Service Enhancements**

The per member per month premium amounts established by HCA will include additional funding for retargeted services.

5.9.1 Provider Access Payment (PAP) Program

5.9.1.1 HCA will calculate the per member premium based on the estimated funding to be collected and the estimated member month premiums to be paid over the contracted period.

5.9.2 Hospital Safety Net (Safety Net)

5.9.2.1 HCA will increase the per member premium payments to support increased payment for hospital services provided by Washington hospitals to Medicaid Enrollees. Computation of these amounts included Covered Services provided in psychiatric and rehabilitation hospitals.

5.9.2.2 HCA will calculate the per member premium based on the estimated funding to be collected and the estimated member month premiums to be paid over the contracted period.

5.10 **Apple Health Preferred Drug List Payment**

5.10.1 The cost of the drugs included on the AH-PDL described in Section 16.11.3.1.1 of this contract have been excluded from the Regional Base Rates described in Section 5.2.1 of this Contract for the Apple Health Family (AH Family), Apple Health State Children's Health Insurance Program (SCHIP), Apple Health Blind Disabled (AHBD), Apple Health Community Options Program Entry System (COPES), Developmental Disability Administration (DDA) and Apple Health Adult Coverage – (AHAC) populations.

5.10.2 The Contractor shall continue to administer the drugs on the AH-PDL and submit paid encounters as required in section 5.12 for the paid claims for the AH-PDL drugs.

5.10.3 HCA shall reimburse the Contractor for the expenditures for the AH-PDL drugs on a monthly basis.

5.10.3.1 During the first week of each month beginning in February 2018, HCA will extract the encounter data submitted by the Contractor during the prior month with dates of service on or after January 1, 2018, for paid claims for drugs on the AH-PDL.

5.10.3.2 The encounter data files will be provided to the Contractor via the HCA Secure File Transfer (SFT) sites for the encounters submitted by the Contractor. HCA will send notification to the Contractor via e-mail when the files have been posted to the SFT sites.

5.10.3.3 The Contractor shall review the data files provided within five business days of the date they receive notification of their availability. If the Contractor identifies any discrepancies between the Contractor's records and the data provided, the discrepancies shall be reported to HCA by the close of business on the fifth day.

5.10.3.4 If adjustments are made to the data files, HCA will provide a final version of the data files to the Contractor within five business days.

5.10.3.5 HCA will initiate payment via ProviderOne Gross Adjustment to the Contractor for the total paid amount in each final version of the data files within five business days of the finalization of the files.

5.11 **Overpayments or Underpayments of Premium**

At its sole discretion, if HCA determines as a result of data errors or inadequacies, policy changes beyond the control of the Contractor, or other causes there are material errors or omissions in the development of the rates, HCA may make prospective and/or retrospective modifications to the rates, as necessary and approved by Centers for Medicare and Medicaid Services (CMS). If HCA determines that it will adjust the rates paid to the Contractor, HCA will provide the Contractor with the underlying data related to the change. The Contractor will have thirty (30) calendar days to review and comment on the underlying data provided by HCA prior to HCA's implementation of the rate change. At the explicit written approval of HCA and CMS, the Contractor can elect to make a lump sum or similar arrangement for payment in lieu of modifications to the rate.

5.12 **Encounter Data**

5.12.1 For purposes of this Subsection:

5.12.1.1 "Encounter" means a single physical or behavioral health care service or a period of examination or treatment.

5.12.1.2 "Encounter Data" means records of physical or behavioral health care services submitted as electronic data files created by the Contractor's system in the standard 837 format and the National Council for Prescription Drug Programs (NCPDP) Batch format.

5.12.1.3 "Encounter Record" means the number of service lines or products submitted as line items in the standard 837 format or the National Council for Prescription Drug Programs (NCPDP) Batch format.

5.12.1.4 "Duplicate Encounter" means multiple encounters where all fields are alike except for the ProviderOne Transaction Control Numbers (TCNs) and the

Contractors Claim Submitter's Identifier or Transaction Reference Number.

5.12.2 The Contractor shall comply with all of the following:

5.12.2.1 Designate a person dedicated to work collaboratively with HCA on quality control and review of encounter data submitted to HCA.

5.12.2.2 Submit to HCA complete, accurate, and timely data for all services for which the Contractor has incurred any financial liability, whether directly or through subcontracts or other arrangements in compliance with current encounter submission guidelines as published by HCA and that adhere to the following data quality standards:

5.12.2.2.1 Encounter data must be submitted to HCA at a minimum monthly, and no later than thirty (30) calendar days from the end of the month in which the Contractor paid the financial liability;

5.12.2.2.2 Submitted encounters and encounter records shall have all fields required and found on standard healthcare claim billing forms or in electronic healthcare claim formats to support proper adjudication of an encounter. The Contractor shall submit to HCA, without alteration, omission or splitting, all available claim data in its entirety from the provider's original claim submission to the Contractor;

5.12.2.2.3 Submitted encounters and encounter records must pass all HCA ProviderOne system edits with a disposition of accept and listed in the Encounter Data Reporting Guide or sent out in communications from HCA to the Contractor; and

5.12.2.2.4 Submitted encounters or encounter records must not be a duplicate of a previously submitted and accepted encounter or encounter record unless submitted as an adjustment or void per HIPAA Transaction Standards.

5.12.2.3 These data quality standards are listed within this Contract and incorporated by reference into this Contract. The Contractor shall make changes or corrections to any systems, processes or data transmission formats as needed to comply with HCA's data quality standards as defined and subsequently amended.

5.12.3 The Contractor must report the paid date, paid unit, and paid amount for each encounter. The "paid amount" data is considered the Contractor's proprietary information and is protected from public disclosure under RCW 42.56.270(11). Paid amount shall not be utilized in the consideration of a Contractor's assignment percentage or in the evaluation of a Contractor's performance.

5.12.4 HCA shall perform encounter data quality reviews to ensure receipt of complete and accurate encounter data for program administration and rate setting.

5.12.5 The Contractor must certify the accuracy and completeness of all encounter data concurrently with each file upload (42 C.F.R. § 438.606). The certification must affirm that:

5.12.5.1 The Contractor has reported to HCA for the month of (indicate month and year) all paid claims for all claim types;

5.12.5.2 The Contractor has reviewed the claims data for the month of submission; and

5.12.5.3 The Contractor's Chief Executive Officer, Chief Financial Officer, or an individual who has delegated authority to sign for, and who reports directly to, the Contractor's Chief Executive Officer or Chief Financial Officer attest that based on best knowledge, information, and belief as of the date indicated, all information submitted to HCA in the submission is accurate, complete, truthful, and they hereby certify that no material fact has been omitted from the certification and submission.

5.12.6 The Contractor shall submit a signed Monthly Certification Letter, incorporated in this Contract as Attachment 7, Monthly Certification Letter. This letter must include a list of all submitted encounter data files and is due within five business days from the end of each month. The purpose of this letter is to certify that, based on the best information, knowledge, and belief, the data, documentation, and information submitted is accurate, complete, and truthful in accordance with 42 C.F.R. § 438.606 and the Contract.

5.12.7 The Contractor must validate the accuracy and completeness of all encounter data for physical health care services compared to the year-to-date general ledger of paid claims for the health care services. For the first eighteen (18) months of this Contract, encounters for behavioral health (mental health and Substance Use Disorder) services are not subject to the reconciliation requirements in this section.

5.12.7.1 Within sixty (60) calendar days of the end of each calendar quarter, the Contractor shall provide aggregate totals of all encounter data submitted and accepted within required timing in 5.12.2.2 of this Section during that quarter using the Apple Health - Fully Integrated Managed Care Quarterly Encounter/General Ledger Reconciliation (Form D), attached to this Contract as Attachment 2, and shall reconcile the cumulative encounter data submitted and accepted for the quarter and contract year with the general ledger paid claims for the quarter. The Contractor shall provide justification for any discrepancies. HCA will approve or reject the discrepancy justifications and notify the Contractor of the decision 120 calendar days of the end of each calendar quarter.

5.12.7.2 The Contractor's encounter data submitted and accepted on Form D will be validated against submitted and accepted data captured within HCA's ProviderOne System and must be within one percent (1%) of what HCA captured.

5.12.7.2.1 If the Contractor's encounter data submitted and accepted on Form D is not within one percent (1%) of the submitted and accepted encounter data captured within HCA's ProviderOne System, HCA will provide the Contractor a list of ProviderOne TCNs and associated Contractor's Transaction Reference Numbers. The Contractor must explain the difference in the encounter data provided by HCA with the encounter data submitted and accepted

on Form D for that quarter. HCA will approve or reject the Contractor's explanation. If approved, the reconciliation process will use the submitted and accepted encounter data on the Contractor's Form D. If rejected, the reconciliation process will use the submitted and accepted encounter data captured within HCA's ProviderOne System.

5.12.7.3 Following the completion of the quarterly validation process described in 5.12.7.1 through 5.12.7.2 of this Section, HCA may charge the Contractor $25,000 for nonperformance if the Contractor fails to demonstrate that the encounter data submitted and accepted within required timing reconciles to the general ledger amounts within one percent (1%). HCA shall notify the Contractor in writing thirty (30) calendar days before deducting the amount from the next batch payment to the Contractor.

5.12.8 HCA collects and uses this data for many reasons such as: Audits, investigations, identifications of improper payments and other Program Integrity activities, federal reporting (42 C.F.R. § 438.242(b)(1)), rate setting and risk adjustment, service verification, Managed Care quality improvement program, utilization patterns and access to care; HCA hospital rate setting; pharmacy rebates and research studies.

5.12.9 Additional detail can be found in the Encounter Data Reporting Guide published by HCA and incorporated by reference into this Contract:

5.12.9.1 HCA may change the Encounter Data Reporting Guide with ninety (90) calendar days' written notice to the Contractor.

5.12.9.2 The Encounter Data Reporting Guide may be changed with less than ninety (90) calendar days' notice by mutual agreement of the Contractor and HCA.

5.12.9.3 The Contractor shall, upon receipt of such notice from HCA, provide notice of changes to subcontractors.

5.13 Retroactive Premium Payments for Enrollee Categorical Changes

Enrollees may have retroactive changes in their eligibility category. With the exception of the Recoupment categories listed in Subsection 5.5, such changes will only affect premium payments prospectively.

5.14 Renegotiation of or Changes in Rates

The rates set forth herein shall be subject to renegotiation during the Contract period only if HCA, in its sole judgment, determines that it is necessary due to a change in federal or state law or other material changes, beyond the Contractor's control, which would justify such a renegotiation. If HCA, in its sole judgment, determines there is a change in benefits during the term of the Contract that will have a material impact on Contractor costs, HCA may change rates to allow for the benefit change.

5.15 Reinsurance/Risk Protection

The Contractor may obtain reinsurance for coverage of Enrollees provided that the Contractor remains ultimately liable to HCA for the services rendered.

5.16 Provider Payment Reform

HCA intends to reform provider payment. The Contractor shall work with HCA to implement cost-effective payment reform models. The Contractor will provide in a timely manner any information necessary to support HCA's analyses of provider payment.

5.17 Experience Data Reporting

The Contractor shall annually provide information regarding its cost experience related to the provision of the services required under this Contract. The experience information shall be provided directly to an actuary designated by HCA. The designated actuary will determine the timing, content, format and medium for such information. HCA requires this information in order to be able to set actuarially sound Managed Care rates.

5.18 Payments to Hospitals

5.18.1 Payments must be made to hospitals subject to the Hospital Safety Net Assessment in accord with Chapter 74.60 RCW as follows:

5.18.1.1 HCA will provide information to the Contractor to facilitate its payments to the hospitals subject to the Hospital Safety Net Assessment.

5.18.2 The Contractor will pay all hospitals for services delivered under the Inpatient and Outpatient service categories at rates no less than those published by HCA for its fee-for-service program, including the Administrative Day rate.

5.18.3 HCA and the Contractor shall work collaboratively with the Washington State Hospital Association and representatives from the hospital community to develop a Fourteen Day Readmission Policy no later than December 31, 2017. The Contractor shall implement the terms of the policy no later than sixty (60) calendar days after the policy has been finalized. For the purposes of this Contract, WAC 182-550-3840 "Payment Adjustment for Potentially Preventable Readmissions" is not applicable and will be repealed and replaced by HCA.

5.18.4 Treatment of Inpatient Hospital Claims for Certified Public Expenditure (CPE) Hospitals.

5.18.4.1 Because HCA can leverage additional federal funds for fee-for-service inpatient claims at CPE facilities, these expenditures were carved out of the premium payments for the blind and disabled populations moved from fee-for-service (FFS) to Healthy Options beginning July 1, 2012. HCA will separately identify the Enrollees subject to the carve-out. If an Enrollee's eligibility category changes to AHBD while he or she is an inpatient at a CPE hospital:

5.18.4.1.1 The Contractor is responsible for the claim when the AHBD eligibility does not cover the entire hospitalization.

5.18.4.1.2 HCA is responsible for the inpatient claim when the Enrollee's AHBD eligibility covers the entire hospitalization.

5.18.4.2 While premiums are net of CPE inpatient hospital claims, the Contractor does remain at risk for these fee-for-service claims if they exceed expectations. CPE

inpatient hospital expenditure benchmarks will be computed on a per-member-per month (PMPM) basis, and will vary by category, age, gender and region.

5.18.4.3 After the end of each calendar year, HCA will compute aggregate CPE hospital FFS expenditures attributable to the Contractor, based upon actual enrollment. Actual CPE hospital expenditures for all Contractor enrolled member months will be compared to the Contractor specific benchmarks that take into account changes in utilization and risk. If actual expenditures exceed the established benchmarks, the Contractor will reimburse the State for the amount of the excess. The State will not make payments to any MCO if expenditures are below benchmark amounts.

5.18.4.4 The following is a list of CPE Hospitals:

5.18.4.4.1 University of Washington Medical Center

5.18.4.4.2 Harborview Medical Center

5.18.4.4.3 Cascade Valley Hospital

5.18.4.4.4 Evergreen Hospital and Medical Center

5.18.4.4.5 Kennewick General Hospital

5.18.4.4.6 Olympic Medical Center

5.18.4.4.7 Samaritan Hospital – Moses Lake

5.18.4.4.8 Skagit County Hospital District #2 – Island

5.18.4.4.9 Skagit Valley Hospital

5.18.4.4.10 Valley General Hospital – Monroe

5.18.4.4.11 Valley Medical Center – Renton

5.18.4.5 The Contractor shall authorize inpatient services at CPE hospitals. The HCA shall honor the Contractor's authorizations for the Contractor's provision of services related to inpatient claims.

5.18.4.6 The Contractor shall conduct quarterly audits of CPE hospital payments to confirm Contractor authorization of CPE hospital stays. The Contractor shall provide a quarterly report to HCA of all CPE hospital stays not authorized by the Contractor, including the recommended payment amount of CPE hospital recoupments. The Contractor shall submit its quarterly reports to HCA by the last business day of the month following the end of the calendar quarter.

5.19 **Payment for Services by Non-Participating Providers**

5.19.1 The Contractor shall limit payment for Emergency Services furnished by any provider who does not have a contract with the Contractor to the amount that would be paid for the

services if they were provided under HCA's, Medicaid Fee-For-Service (FFS) program (Deficit Reduction Act of 2005, Public Law No. 109-171, Section 6085).

5.19.2 Except as provided herein for Emergency Services, the Contractor shall coordinate with and pay a Non-Participating Provider that provides a service to Enrollees under this Contract no more than the lowest amount paid for that service under the Contractor's contracts with similar providers in the State. For the purposes of this subsection, "contracts with similar providers in the State" means the Contractor's contracts with similar providers to provide services under the Managed Care program when the payment is for services received by a Managed Care Enrollee.

5.19.3 The Contractor shall track and record all payments to Participating Providers and Non-Participating Providers in a manner that allows for the reporting to HCA the number, amount, and percentage of claims paid to Participating Providers and Non-Participating Providers separately. The Contractor shall identify the type of providers, professional (physician, PA, ARNP) and subspecialty, Pharmacy, Durable Medical Equipment and other. The Contractor shall also track, document and report to HCA any known attempt by Non-Participating Providers to balance bill Enrollees.

5.19.4 The Contractor shall provide annual reports to the HCA for the preceding state fiscal year July 1st through June 30th. The reports shall indicate the proportion of services provided by the Contractor's Participating Providers and Non-Participating Providers, by county, and including hospital-based physician services in a format provided by HCA. Contractor shall submit the report to HCA no later than August 15th of each year, or as required by HCA.

5.20 **Data Certification Requirements**

Any information and/or data required by this Contract and submitted to HCA shall be certified by the Contractor as follows (42 C.F.R. § 438.242(b) (2) and 438.600 through 438.606):

5.20.1 Source of certification: The information and/or data shall be certified by one of the following:

5.20.1.1 The Contractor's Chief Executive Officer.

5.20.1.2 The Contractor's Chief Financial Officer.

5.20.1.3 An individual who has delegated authority to sign for, and who reports directly to, the Contractor's Chief Executive Officer or Chief Financial Officer.

5.20.2 Content of certification: The Contractor's certification shall attest, based on best knowledge, information, and belief, to the accuracy, completeness and truthfulness of the information and/or data.

5.20.3 Timing of certification: The Contractor shall submit the certification concurrently with the certified information and/or data.

5.20.4 HCA will identify the specific data that requires certification.

5.20.5 Certification applies to Medicaid and file submissions.

5.21 **Sanctions**

5.21.1 If the Contractor fails to meet one or more of its obligations under the terms of this Contract or other applicable law, HCA may impose sanctions by withholding from the Contractor up to five percent of its scheduled payments or may suspend or terminate assignments and re-enrollments (defined as connecting an Enrollee who lost eligibility with the Contractor which he or she was enrolled in when he or she lost enrollment).

5.21.2 HCA shall notify the Contractor of any default in writing, and shall allow a cure period of up to thirty (30) calendar days, depending on the nature of the default. If the Contractor does not cure the default within the prescribed period, HCA may withhold payment, assignments, or re-enrollments from the end of the cure period until the default is cured or any resulting dispute is resolved in the Contractor's favor.

5.21.2.1 HCA will notify the Contractor in writing of the basis and nature of any sanctions, and if, applicable, provide a reasonable deadline for curing the cause for the sanction before imposing sanctions. The Contractor may request a dispute resolution, as described in the Disputes provisions of the General Terms and Conditions Section of this Contract, if the Contractor disagrees with HCA's position.

5.21.2.2 HCA, CMS, or the Office of the Inspector General (OIG) may impose intermediate sanctions in accordance with applicable law, including but not limited to 42 C.F.R. § 438.700, 42 C.F.R. § 438.702, 42 C.F.R. § 438.704, 45 C.F.R. § 92.36(i)(1), 42 C.F.R. § 422.208 and 42 C.F.R. § 422.210 against the Contractor for:

5.21.2.2.1 Failing to provide Medically Necessary Services that the Contractor is required to provide, under law or under this Contract, to an Enrollee covered under this Contract.

5.21.2.2.2 Imposing on Enrollee's premiums or charges that are in excess of the premiums or charges permitted under law or under this Contract.

5.21.2.2.3 Acting to discriminate against Enrollees on the basis of their health status or need for health care services. This includes termination of enrollment or refusal to reenroll an Enrollee, except as permitted under law or under this Contract, or any practice that would reasonably be expected to discourage enrollment by Enrollees whose medical condition or history indicates probable need for substantial future medical services.

5.21.2.2.4 Misrepresenting or falsifying information that it furnishes to CMS, HCA, an Enrollee, Potential Enrollee, or any of its subcontractors.

5.21.2.2.5 Failing to comply with the requirements for physician incentive plans.

5.21.2.2.6 Distributing directly or indirectly through any agent or independent contractor, marketing materials that have not been approved by

HCA or that contain false or materially misleading information.

5.21.2.2.7 Violating any of the other requirements of Sections 1903(m) or 1932 of the Social Security Act, and any implemented regulations.

5.21.2.3 HCA may base its determinations regarding Contractor conduct on findings from onsite surveys, Enrollee or other complaints, financial status, or any other source.

5.21.2.3.1 Civil monetary sanctions in the following amounts:

5.21.2.3.1.1 A maximum of $25,000 for each determination of failure to provide services; misrepresentation or false statements to Enrollees, Potential Enrollees or healthcare providers; failure to comply with Physician Incentive Plan requirements; or marketing violations.

5.21.2.3.1.2 A maximum of $100,000 for each determination of discrimination; or misrepresentation or false statements to CMS or HCA.

5.21.2.3.1.3 A maximum of $15,000 for each Potential Enrollee HCA determines was not enrolled because of a discriminatory practice subject to the $100,000 overall limit.

5.21.2.3.1.4 A maximum of $25,000 or double the amount of the charges, whichever is greater, for charges to Enrollees that are not allowed under Managed Care. HCA will deduct from the penalty the amount charged and return it to the Enrollee.

5.21.2.3.2 Appointment of temporary management for the Contractor as provided in 42 C.F.R. § 438.706. HCA will only impose temporary management if it finds that the Contractor has repeatedly failed to meet substantive requirements in Sections 1903(m) or 1932 of the Social Security Act. Temporary management will be imposed in accordance with RCW 48.44.033 or other applicable law.

5.21.2.3.3 Suspension of all new enrollments, including default enrollment, after the effective date of the sanction. HCA shall notify current Enrollees of the sanctions and that they may terminate enrollment at any time.

5.21.2.3.4 Suspension of payment for Enrollees enrolled after the effective date of the sanction and until CMS is satisfied that the reason for imposition of the sanction no longer exists and is not likely to recur.

5.22 **Payment to FQHCs/RHCs**

5.22.1 HCA will pay to the Contractor a lump sum monthly amount intended to provide funding to supplement the Contractor's payment to each of its contracted Federally Qualified Health Centers (FQHC)/Rural Health Clinics (RHC) to ensure that each FQHC/RHC receives its entire, specific encounter rate for each qualifying encounter. This monthly amount to be paid to the Contractor in a lump sum and subsequently disbursed to each FQHC/RHC as directed by HCA is called an enhancement payment.

5.22.1.1 The lump sum payment to the Contractor for its contracted FQHC/RHC will continue to be based on a prior month's client assignments. The total amount of enhancement payment to be made to each Contractor will be based on the Contractor's correct and timely reporting and submission of client assignment roster files to HCA on a monthly basis. For purposes of this section, the "client assignment roster file" is the electronic file submitted monthly by the Contractor to HCA that is intended to identify the FQHC/RHC to which a Managed Care client has been assigned by the Contractor. The client assignment roster file is specific to client assignment and the resulting per-client enhancement payment only, and it is a separate and distinct process from encounter claim submission. It is this per-client enhancement payment, or capitation payment, that is aggregated by FQHC/RHC and paid to the Contractor for disbursement to the individual FQHC/RHC. The amount due to each FQHC/RHC will be provided to the Contractor by HCA.

5.22.1.1.1 The Contractor shall submit its client assignment roster files to HCA no later than the 15th of the month for the current month of enrollment. HCA will pay to the Contractor a lump sum enhancement payment in the following month. Without exception, any client assignment roster file data received after the 15th of the month will be included in the next payment cycle for HCA's payment to the Contractor.

5.22.1.1.2 Incorrectly submitted client assignment roster files and/or data records within the client assignment roster files will not be included in any payment to the Contractor and must be corrected and re-submitted by the Contractor to HCA before payment is made. Corrected client assignment roster files received after the 15th of the current month will be included in the following month's cycle for payment purposes. Retroactive enrollment and disenrollment shall follow the same timeline and procedure and will be processed no differently than client assignment roster files for the current month.

5.22.1.1.3 Using correctly submitted client assignment roster files, HCA will base the total enhancement payment due to the Contractor on the number of successfully loaded client records multiplied by the specific enhancement rate of each contracted FQHC/RHC. Thus, payment due to each Contractor will be the aggregated amount of all capitation payments for each contracted FQHC/RHC.

5.22.1.2 HCA will provide the Contractor with the monthly enhancement payment funds separately from the monthly premium payments.

5.22.1.2.1 These supplemental payments will include the load for the two

percent (2%) premium tax as shown on Exhibit A - Rates, - AHFQHC-1 and A-AHRHC-1 of this contract. The premium tax is retained by the Contractor and is not paid to the FQHC/RHC.

5.22.1.2.2 The enhancement payments will be calculated separately and apart from the risk-based capitation payments made to the Contractor by HCA and at no time will the Contractor be at risk for or have any claim to the enhancement payments.

5.22.2 The FQHC/RHC is entitled to its specific, full encounter rate for each qualifying encounter as outlined in the Medicaid State Plan and in accordance with Section 1902(bb) of the Social Security Act (42 USC § 1396a(bb)). The full encounter rate shall be at least equal to the Prospective Payment System (PPS) rate specific to each FQHC/RHC and applies to FQHC/RHC reimbursed under the Alternative Payment Methodology (APM) rate methodology and to FQHC/RHC reimbursed under the PPS rate methodology. The encounter rates and enhancement rates for each contracted FQHC/RHC will be provided by HCA to the Contractor on a quarterly basis or sooner if any changes or corrections are needed. The rate files will be published to this location (http://www.hca.wa.gov/billers-providers/claims-and-billing/professional-rates-and-billing-guides), according to the following schedule: January 1, April 1, July 1 and October 1. Any changes that occur during the quarter will be included in the next file and will specify the effective date of the change.

5.22.3 To ensure that each FQHC/RHC receives its entire encounter rate for each qualifying encounter, the Contractor shall pay each contracted Federally Qualified Health Center (FQHC)/Rural Health Clinic (RHC) in one (1) of the following ways described below:

5.22.3.1 Under the first payment method, the Contractor shall pay the specific monthly enhancement payment amount provided by HCA to the FQHC/RHC in addition to payment of claims for services made at standard rates paid to the FQHC/RHC by the Contractor. The Contractor shall ensure the entire amount of the enhancement payment is passed to each FQHC/RHC as prescribed by HCA within thirty (30) calendar days of the Contractor's receipt of the enhancement payment from HCA; or

5.22.3.2 Under the second payment method, the Contractor shall pay a monthly capitation rate for services and pay the specific monthly enhancement payment amount provided by HCA to the FQHC/RHC. The Contractor shall ensure the entire amount of the enhancement payment is passed to each FQHC/RHC as prescribed by HCA within thirty (30) calendar days of the Contractor's receipt of the enhancement payment from HCA.

5.22.3.3 Within the third payment method, for participating RHCs only, the Contractor shall pay the clinic their full encounter rate for encounter eligible RHC services. For these RHCs, the Contractor will not pass the enhancement payments through to the clinics. MCOs will use the funds for the sole purpose of paying RHCs their full encounter rate at the time the claim is processed. HCA will notify the Contractor of participating RHC NPIs. The Contractor must ensure that all encounter eligible services as defined in the "Rural Health Clinic Billing Guide" are paid at the RHC encounter rates to participating RHCs. RHCs encounter rates are published quarterly and are available on https://www.hca.wa.gov/billers-providers/claims-and-billing/professional-rates-

and-billing-guides.

5.22.4 For all RHCs under the payment method described in subsection 5.22.3.3 HCA will perform an annual reconciliation to ensure that each participating RHC received its full encounter rate for each qualifying claim and that MCOs are not put at risk for, or have any right to, the enhancement portion of the claim. Reconciliations will be conducted in the second half of the calendar year following the calendar year for which enhancements were made.

5.22.4.1 HCA will base reconciliation findings on the Contractor's timely submission of encounter data, as specified in subsection 5.12 of this Contract. Actual payment amounts will be used for each RHC reconciliation, except for the RHCs that receive payment from the Contractor under a capitated model. Reconciliation for the RHCs that are capitated will utilize a fee-for-service equivalency methodology.

5.22.4.2 For any underpayment in which the MCO did not receive sufficient monthly supplemental payments, HCA shall pay the Contractor the amount due. For any overpayment in which the MCO received more than its sufficient monthly supplemental payment, HCA shall recoup the amount due from the Contractor.

5.22.4.3 Following HCA's notification of reconciliation results the Contractor shall have thirty (30) calendar days to review and respond to the outcome and provide justification for any discrepancies. Following the review period, the Contractor shall make these payments to the FQHC/RHC as designated by HCA within the next thirty (30) calendar days.

5.22.5 For RHCs that have arranged to receive the full encounter payment The Contractor shall ensure clinics receive their full encounter rate for global maternity visits.

5.22.6 The Contractor shall ensure it has sufficiently trained staff to handle calls and/or inquiries from providers regarding the reimbursement process and client assignment.

5.23 Payment to FQHCs/ for Mental Health Encounters

5.23.1 Federally-Qualified Health Centers. The Contractor is required to contract with at least one (1) Federally-Qualified Health Center (FQHC) in their service area if the FQHC makes such a request. The Contractor must not pay a FQHC or Rural Health Clinic (RHC) less than the level and amount of payment the Contractor would pay non-FQHC/RHC providers for the same services.

5.24 Payment of Physician Services for Trauma Care

The Contractor shall pay physician services an enhancement for severe trauma care. If all criteria are met, the trauma enhancement must be at least two hundred seventy-five percent (275%) of the Contractor's standard rate for the service.

5.24.1 To qualify for the trauma care enhancement, a service must meet all of the following criteria:

5.24.1.1 The service must be provided by a physician or clinician;

5.24.1.2 The service must be hospital-based, with a billed place of service 21, 22, 23, 24, 51, 52, or 56;

5.24.1.3 The service must be provided in a Department of Health designated or recognized trauma service center; and

5.24.1.4 The provider has indicated that the injury severity score (ISS) criteria has been met by billing with modifier ST in any position. The ISS must be:

5.24.1.4.1 Thirteen (13) or greater for clients age 15 and older;

5.24.1.4.2 Nine (9) or greater for clients younger than age 15; or

5.24.1.4.3 Zero (0) or greater when the service is provided at a Level I, II, or III trauma service center when the trauma case is received as a transfer from another Facility.

5.24.2 Rehabilitation and surgical services provided within six (6) months of the date of an injury that meets all criteria in subsection 524.1 may also receive the enhancement rate if all of the following criteria are met:

5.24.2.1 The follow-up procedures are directly related to the qualifying traumatic injury;

5.24.2.2 The follow-up procedures were planned during the initial acute episode of care, i.e. the inpatient stay; and

5.24.2.3 The plan for the follow-up procedure(s) is clearly documented in the medical record of the client's initial hospitalization for the traumatic injury.

5.24.3 Exemptions. The following services are never subject to trauma care enhancements:

5.24.3.1 Laboratory and pathology services; or

5.24.3.2 Technical component only (TC) charges

5.25 **Nonpayment for Provider Preventable Conditions**

The Contractor shall comply with WAC 182-502-0022, on Provider Preventable Conditions (PPCs) – Payment Policy. The Contractor shall deny or recover payments to healthcare professionals and inpatient hospitals for care related to the treatment of the consequences of Healthcare Acquired Conditions (HCAC) and Other Provider Preventable Conditions (OPPC), also known as Serious Adverse Events.

5.25.1 The Contractor shall require all providers to report PPC associated with claims for payment or Enrollee treatments for which payment would otherwise be made. (42 C.F.R § 434.6(a)(12).

5.26 **Billing for Services Provided by Residents**

The Contractor shall allow teaching physicians to submit claims for primary care services provided

by interns and residents under supervision of the teaching physician.

5.27 Institute for Mental Disease (IMD) Funding

When an Enrollee resides in an IMD for more than fifteen (15) calendar days within a single calendar month, federal funds may not be used to cover the costs of care for the Enrollee.

5.27.1 The Contractor will be paid a separate IMD monthly premium payment for each FIMC and BHSO Enrollee. These funds shall be used by the Contractor for the cost of claims paid on behalf of an IMD Enrollee during the calendar month for which the FIMC or BHSO premium was recouped. The IMD rates for each program will be included in Exhibit A.

5.27.2 By the last calendar day of each month, the Contractor must report to HCA each Enrollee who had an IMD stay of more than fifteen (15) calendar days within the preceding calendar month.

5.27.3 HCA will recoup the FIMC or BHSO premium payment for Enrollees with stays in an IMD of more than fifteen (15) calendar days within a calendar month.

5.27.4 When the premium payment for an Enrollee is recouped in accordance with subsection5.27.3, the Contractor must adjust the paid claims and capitated payments made for the affected month of service to reflect that the claims were paid from the IMD funds described in subsection5.27.1.

6 ACCESS TO CARE AND PROVIDER NETWORK

6.1 Network Capacity

6.1.1 The Contractor shall maintain and monitor an appropriate and adequate provider network, supported by written agreements, sufficient to serve Enrollees enrolled under this Contract (42 C.F.R. § 438.206(b) (1)).

6.1.2 On a quarterly basis, no later than the 15th of the month following the last day of the quarter, the Contractor shall provide documentation of its provider network, including critical provider types and all contracted specialty providers. This report shall provide evidence that the Contractor has adequate provider capacity to deliver services that meet the timeliness standards described in Subsection 6.11 to all Enrollees and shall ensure sufficient choice and number of community health centers (FQHCs/RHCs) and/or private providers to allow Enrollees a choice of service systems or clinics. The report shall include information regarding the Contractor's maintenance, monitoring and analysis of the network. The quarterly reports shall include a one page narrative describing the contracting activities in border communities and service areas.

6.1.3 In addition to the quarterly reports required under this Subsection, the Contractor shall also submit updated provider network information within ten (10) business days when requested by HCA or in the following circumstances:

6.1.3.1 At the time it enters into a Contract with HCA;

6.1.3.2 At any time there has been a change in the Contractor's network or operations that, in the sole judgment of HCA, would materially affect capacity or the Contractor's ability to provide services ((42 C.F.R. § 438.207(b and c)), including:

6.1.3.2.1 Changes in services, benefits, geographic service area or payments; or

6.1.3.2.2 Enrollment of a new population with the Contractor.

6.1.4 Provider network information will be reviewed by HCA for:

6.1.4.1 Completeness and accuracy;

6.1.4.2 The need for HCA provision of technical assistance;

6.1.4.3 Removal of providers who no longer contract with the Contractor; and

6.1.4.4 The effect that the change(s) in the provider network will have on the network's compliance with the requirements of this section.

6.1.5 The Contractor shall provide contracted services through Non-Participating Providers, at a cost to the Enrollee that is no greater than if the contracted services were provided by Participating Providers, if its network of Participating Providers is insufficient to meet the medical needs of Enrollees in a manner consistent with this Contract. The Contractor shall

adequately and timely cover these services out of network for as long as the Contractor's network is inadequate to provide them (42 C.F.R. § 438.206(b)(4)). This provision shall not be construed to require the Contractor to cover such services without authorization except as required for Emergency Services.

6.1.6 To the extent necessary to comply with the provider network adequacy and distance standards required under this Contract, the Contractor shall offer contracts to providers in bordering states. The Contractor's provider contracts with providers in bordering states must ensure access to necessary care, including inpatient and outpatient services and must coordinate with Oregon and Idaho providers to explore opportunities for reciprocal arrangements that allow Washington, Oregon, and Idaho border residents to access care when care is appropriate, available, and cost-effective.

6.2 **Behavioral Health Network Analysis**

6.2.1 The Contractor shall conduct a network capacity analysis consistent with requirements in Section 6.3 Network Delivery Network to identify any current material gaps in the behavioral health network. The analysis also shall include the following:

6.2.1.1 An analysis of geographic access including by Essential Behavioral Health Provider (EBHP) type in Subsection 6.2.4.3 by level of care and/or service type using the distance and appointment standards contained in this subsection with an explanation of how the Contractor's network meets network adequacy standards, including a choice of providers.

6.2.1.2 An analysis of access to Substance Use Disorder (SUD) treatment providers comparing authorized levels of care to recommended levels of care based on ASAM criteria to identify network gaps for Medicaid covered SUD benefits. Where authorized care is different than recommended levels of care based on ASAM criteria, the Contractor shall incorporate a plan for network expansion of SUD treatment providers into the annual behavioral health network plan required in subsection 6.2.2.

6.2.1.3 A survey of affected stakeholders. The Contractor shall consult stakeholders, including county representatives to define the survey and list of affected stakeholders, including providers. The survey shall at a minimum assess service gaps and stakeholder satisfaction with network capacity. The Contractor shall summarize and submit the results of the survey to the HCA for review no later than March 31, 2017. Following approval from HCA, the Contractor shall make the survey results public and shall consider them in the development of the behavioral health network development plan.

6.2.2 The annual behavioral health network plan shall be developed with the participation of clients, family members/caretakers, providers (including State-operated providers), and other community stakeholders.

6.2.3 On a quarterly basis, no later than the 15th of the month following the last day of the quarter, the Contractor shall submit progress reports for the requirements in subsections 6.2.1 and 6.2.5 or as requested by HCA.

6.2.4 The Contractor shall incorporate the following requirements when developing its behavioral health network. The Contractor shall offer and maintain contracts to licensed facilities and entities as listed in Subsection 6.2.4.3 as well as individual licensed health care professionals. The Contractor shall.

6.2.4.1 Have sufficient behavioral health providers in its network to allow Enrollees a choice of behavioral health providers.

6.2.4.2 Contract only with licensed behavioral health providers. Licensed behavioral health providers include, but are not limited to, Health Care Professionals, licensed agencies or clinics, or non-licensed professionals operating under an agency-affiliated license.

6.2.4.3 Establish and maintain contracts with providers determined by the HCA to be Essential Behavioral Health Providers (EBHP). The current list of Essential Behavioral Health Providers includes, but is not limited to:

6.2.4.3.1 Certified residential treatment providers;

6.2.4.3.2 DBHR Licensed Community MH Agencies;

6.2.4.3.3 DBHR-certified CD Agencies;

6.2.4.3.4 DOH-certified medication assisted treatment (e.g. bupenorphrine) providers;

6.2.4.3.5 DBHR-certified opiate substitution providers (Methadone Treatment programs);

6.2.4.3.6 DOH-licensed and DBHR-certified free-standing inpatient, hospitals, or psychiatric inpatient facilities that provide Evaluation and Treatment services;

6.2.4.3.7 DOH-licensed and DBHR certified detox facilities (for acute and subacute);

6.2.4.3.8 DOH licensed and DBHR certified residential treatment facility to provide crisis stabilization services; and

6.2.4.3.9 DBHR-Recognized Wraparound and Intensive Services (WISe) provider.

6.2.4.4 Establish and maintain contracts with office-based Opioid treatment qualifying providers that have obtained a waiver under the Drug Addiction Treatment Act of 2000 to practice medication-assisted opioid addiction therapy.

6.2.4.5 Incorporate the requirements of the WISe Implementation Plan (see https://www.dshs.wa.gov/sites/default/files/BHSIA/dbh/documents/TR.ImplementationPlan.8.1.2014.pdf) to build sufficient provider capacity to meet the statewide need for WISe services within the timeframe prescribed in the WISe Implementation Plan and establish an independent workforce development collaborative responsible for developing a WISe workforce development plan.

6.2.4.6 Provide evaluations and/or medically necessary behavioral health services in the Enrollee's residence, when the Enrollee's health care needs require an onsite service, including Enrollees who have been discharged from a State

Hospital or similar treatment facility to a placement such as an adult family home, assisted living facility or Skilled Nursing Facility.

6.2.4.7 Collaborate with DSHS to use data to inform the development of.

6.2.4.7.1 Community-based alternatives for crisis stabilization, such as mobile crisis or crisis residential and respite beds, and

6.2.4.7.2 Community-based, recovery-oriented services and research- and Evidence-based Practices including, but not limited to certified Peer Support specialists.

6.2.4.8 Contract with an adequate number of behavioral health clinic providers that offer urgent and non-urgent same day, evening and weekend services.

6.2.5 The Contractor shall promote behavioral health-medical integration through education, training, financial and nonfinancial incentives consistent with Section 14 of this Contract, recommendations of the Bree Collaborative, and other network initiatives to promote integrated care including, but not limited to:

6.2.5.1 Increased screening, identification and referral for behavioral health conditions that commonly occur in primary care settings;

6.2.5.2 Increased access to routine physical health services by individuals with serious mental illness and Substance Use Disorders;

6.2.5.3 Development of collaborative care models and co-location of primary care and behavioral health providers;

6.2.5.4 Development of data analytic tools to identify Enrollees with behavioral health conditions who are in need of physical health care or Enrollees with physical health conditions in need of behavioral health care;

6.2.5.5 Reductions in inappropriate ED utilization;

6.2.5.6 Reduction in Enrollees that repeatedly use Crisis Services;

6.2.5.7 Improved Care Coordination consistent with requirements in Section 14 of the Contract including, but not limited to use of required screening tools and use of research- and Evidence-based Practices; and

6.2.5.8 Use of electronic records, decision support tools, client registries, date sharing, Care Coordination, wellness initiatives targeting high-risk behavioral health populations or other similar program innovations.

6.2.6 Inaccurate or Incomplete Submissions: For each quarterly network submission that is not submitted in the HCA-developed format as described in the submission Data Definitions that accompany the contract submission documents, HCA may charge the Contractor $5,000 for nonperformance. HCA shall notify the Contractor in writing thirty (30) calendar days before deducting the amount from the next batch payment to the Contractor.

6.2.6.1 If the submission must be returned to the Contractor for corrections, and the

submission contained errors that reflect a material loss of providers in a service area, the Contractor's assignments shall be suspended for that service area. Suspension of assignments shall continue until the quarter in which the Contractor submits an accurate submission for that service area.

6.2.7 Late Submissions: For each quarterly network submission that is not submitted by the due date and does not have written approval from HCA prior to the due date for the late submission, HCA may charge the Contractor $1,000 for the first day, and $100 per day thereafter for non-performance. HCA will notify the Contractor in writing thirty (30) calendar days before deducting the amount from the next batch payment to the Contractor.

6.2.8 If the Contractor, in HCA's sole opinion, fails to maintain an adequate network of providers in any contracted service area including all critical provider types: Primary Care Providers, Hospitals, Pharmacy, Behavioral Health providers, Obstetrician/Gynecologist, and Pediatrician and high volume specialties identified by the Contractor, for two (2) consecutive quarters, and after notification following the first (1st) quarter, HCA reserves the right to immediately terminate the Contractor's services for that service area.

6.2.9 The Contractor shall update and maintain the Contractor's provider manual to include all relevant information regarding behavioral health services and requirements.

6.2.10 The Contractor shall maintain an online provider directory that meets the following requirements:

6.2.10.1 Maintain a link on the front page of the Contractor's website that immediately links users to the Contractor's online, searchable provider directory.

6.2.10.2 Include a list of all clinics and primary and specialty providers, including behavioral health providers for Medicaid, their locations and telephone numbers.

6.2.10.3 Includes the providers' names, locations, telephone numbers and for behavioral health providers, service types, clinical specialty and areas of expertise.

6.2.10.4 Include a description of each primary and specialty provider's languages spoken and if appropriate, a brief description of the provider's skills or experiences that would support the cultural or linguistic needs of its Enrollees, e.g., "served in Peace Corps, Tanzania, speaks fluent Swahili."

6.2.10.5 Indicates whether each primary and specialty provider, including behavioral health providers (BHPs), are accepting new patients. Pediatric BHPs must be listed separately from adult BHPs.

6.2.10.5.1 Search capability to locate providers contracted to provide mental health services to children and youth who are accepting new patients (RCW 74.09).

6.2.10.6 Include a list of hospitals and pharmacies.

6.2.10.7 Include Behavioral Health crisis contacts.

6.2.10.8 Update the online provider directory: no less than quarterly; upon completion of

quarterly quality assurance reviews; or whenever there is a change in the Contractor's network that would affect adequate capacity in a service area.

6.2.10.8.1 The Contractor shall ensure removal of providers who are no longer in the Contractor's network.

6.2.10.9 The online provider directory shall be available to providers, Enrollees, family members and other community stakeholders.

6.2.10.10 Contractor program staff shall be available to conduct provider searches based on office or facility location, clinical specialty, provider discipline, provider capacity, and available languages.

6.3 **Service Delivery Network**

In establishing, maintaining, monitoring and reporting of its network, the Contractor must consider the following (42 C.F.R. § 438.206(b)):

6.3.1 Expected enrollment for each service area in which the Contractor offers services under this Contract.

6.3.2 Adequate access to all services covered under this Contract.

6.3.3 The expected utilization of services, taking into consideration the characteristics and health care needs of the population represented by the Contractor's Enrollees and Potential Enrollees.

6.3.3.1 The Contractor shall consider expected utilization by children, Transitional Age Youth (TAY), adults, and older adults with behavioral health conditions based upon national and State prevalence data.

6.3.4 The number and types (in terms of licensure training, experience and specialization) of providers required to furnish the contracted services.

6.3.4.1 This shall include behavioral health providers by provider type.

6.3.5 The number of network providers who are not accepting new Enrollees or who have placed a limit, or given the Contractor notice of the intent to limit their acceptance of Enrollees.

6.3.6 The geographic location of providers and Enrollees, considering distance, travel time, the means of transportation ordinarily used by Enrollees or Potential Enrollees, and whether the location provides physical access for the Contractor's Enrollees with disabilities.

6.3.7 The cultural, racial/ethnic composition and language needs of Enrollees.

6.3.8 With respect to a behavioral health network, the anticipated needs of special populations including, but not limited to:

6.3.8.1 TAY with behavioral health needs;

6.3.8.2 Children and Youth with Serious Emotional Disturbances;

6.3.8.3 Adults with Serious Mental Illness;

6.3.8.4 Adults and TAY identified with first episode psychosis;

6.3.8.5 Cross-system involved children and Youth;

6.3.8.6 Individuals with co-occurring behavioral health conditions;

6.3.8.7 Individuals with behavioral health/Individuals with Developmental Disabilities in need of behavioral health services;

6.3.8.8 Individuals with a MH condition or a SUD and co-occurring chronic physical health condition;

6.3.8.9 Individuals with a SUD in need of medication-assisted treatment;

6.3.8.10 Homeless individuals;

6.3.8.11 Individuals transitioning from State operated psychiatric facilities and other inpatient and residential settings;

6.3.8.12 Individuals with behavioral health conditions transitioning from jail/prison/courts;

6.3.8.13 Individuals in permanent supported housing or other types of community housing; and

6.3.8.14 Individuals who self-identify as having specialized cultural, ethnic, linguistic, disability, Pregnant and Parenting Women, or age related needs.

6.4 **Timely Access to Care**

The Contractor shall have contracts in place with all subcontractors that meet State standards for access, taking into account the urgency of the need for services (42 C.F.R. § 438.206(b) and (c). The Contractor shall ensure that:

6.4.1 Network providers offer access comparable to that offered to commercial Enrollees or, if the Contractor serves only Medicaid Enrollees, comparable to Medicaid fee-for-service.

6.4.2 Mechanisms are established to ensure compliance by providers.

6.4.3 Providers are monitored regularly to determine compliance.

6.4.4 Corrective action is initiated and documented if there is a failure to comply.

6.5 **Unavailable Detention Facilities Records**

6.5.1 The Contractor shall collaborate with the Behavioral Health Administrative Service Organization (BH-ASO) when a Designated Mental Health Professional (DMHP) reports they are unable to find an available bed for an Enrollee who meets detention criteria (RCW 71.05.150, 71.05.153, 71.34.700 or 71.34.710). Collaboration includes:

6.5.1.1 Developing a plan for engaging the Enrollee in appropriate treatment services

for which the person is eligible.

6.5.1.2 Reporting to HCA within seven (7) calendar days (of receiving the notification from HCA), the plan and attempts made to engage the person in services, including involuntary treatment.

6.6 Hours of Operation for Network Providers

The Contractor must require that network providers offer hours of operation for Enrollees that are no less than the hours of operation offered to any other patient (42 C.F.R. § 438.206(c)(1)(iii)).

6.7 24/7 Availability

The Contractor shall have the following services available on a 24-hour-a-day, seven-day-a-week, three hundred sixty-five (365) days a year basis by a toll-free telephone number. These services may be provided directly by the Contractor or may be delegated to subcontractors (42 C.F.R. § 438.206(c) (1) (iii)).

6.7.1 Medical and behavioral health advice for Enrollees from licensed Health Care Professionals.

6.7.2 Triage concerning the emergent, urgent or routine nature of medical and behavioral health conditions by licensed Health Care Professionals.

6.7.3 Authorization of urgent and Emergency Services, including emergency care and services provided outside the Contractor's service area.

6.7.4 The toll-free line staff must be able to make a warm handoff to the regional crisis line.

6.7.5 The Contractor shall either cover emergency fills without authorization, or guarantee authorization and payment after the fact for any emergency fill dispensed by a contracted pharmacy.

6.8 Customer Service

The Contractor shall provide adequate staff to provide customer service representation at a minimum from 8:00 a.m. to 5:00 p.m., Pacific Time, Monday through Friday, year round and shall provide customer service on all dates that are recognized as work days for State employees. HCA may authorize exceptions to this requirement if the Contractor provides HCA with written assurance that its providers will accept enrollment information from HCA. A single toll-free number shall be provided at the expense of the Contractor.

6.8.1 The Contractor shall report by December 1st of each year its scheduled non-business days for the upcoming calendar year.

6.8.2 The Contractor must notify HCA five (5) business days in advance of any non-scheduled closure during scheduled business days, except in the case when advanced notification is not possible due to emergency conditions.

6.8.3 The Contractor and its subcontracted pharmacy benefit manager, provider help desks, authorization lines, and Enrollee customer service centers, if any, shall comply with the following customer service performance standards:

6.8.3.1 Telephone abandonment rate – standard is less than three percent (3%).

6.8.3.2 Telephone response time - average speed of answer within thirty (30) seconds.

6.8.4 The Contractor shall staff its call center with a sufficient number of trained customer service representatives to answer the phones. Staff shall be able to access information regarding behavioral health service requirements and benefits; facilitate navigation of the eligibility systems to access Medicaid benefits and State only and federal block grant services; refer for needed behavioral health services; distinguish between a benefit inquiry, third party insurance issue, Appeal or Grievance; and resolve and triage Grievances and Appeals.

6.8.5 The Contractor shall submit its customer services policies and procedures to the HCA for review at least ninety (90) calendar days before implementation. Customer services policies and procedures shall address the following:

6.8.5.1 Information on the array of Medicaid covered benefits behavioral health services including where and how to access them.

6.8.5.2 Authorization requirements.

6.8.5.3 Requirements for responding promptly to family members and supporting linkages to other service systems including, but not limited to: State only and federal block grant funded behavioral health services, law enforcement, criminal justice system, social services.

6.8.5.4 Assisting and triaging Enrollees, who may be in crisis, with access to qualified clinicians, without placing the Enrollee on hold. The qualified clinician shall assess the crisis and warm transfer the call to the BH-ASO or its designated crisis provider(s), call 911, refer the individual for services, refer the individual to his or her provider, or resolve the crisis over the telephone as appropriate.

6.8.6 The Contractor shall train customer services representatives on revised behavioral health policies and procedures. The training shall incorporate the State's vision, mission, system goals, and operating principals for behavioral health Managed Care programs and services.

6.9 **Appointment Standards**

The Contractor shall comply with appointment standards that are no longer than the following (42 C.F.R. § 438.206(c) (1) (i)). Nothing in this section prohibits the Contractor from conducting assessments in alternate settings, such as the Enrollee's home or within an institutional setting:

6.9.1 Transitional healthcare services by a Primary Care Provider shall be available for clinical assessment and care planning within seven (7) calendar days of discharge from inpatient or institutional care for physical or behavioral health disorders or discharge from a SUD treatment program.

6.9.2 Transitional healthcare services by a home care nurse, a home care Mental Health Professional or other Behavioral Health Professional within seven (7) calendar days of discharge from inpatient or institutional care for physical or behavioral health care, if

ordered by the Enrollee's Primary Care Provider or as part of the discharge plan.

6.9.3 Non-symptomatic (i.e., preventive care) office visits shall be available from the Enrollee's PCP or another provider within thirty (30) calendar days. A non-symptomatic visit may include, but is not limited to, well/preventive care such as physical examinations, annual gynecological examinations, or child and adult immunizations.

6.9.4 Non-urgent, symptomatic (i.e., routine care) office visits, shall be available from the Enrollee's PCP or another provider within ten (10) calendar days, including behavioral health services from a behavioral health provider. A non-urgent, symptomatic visit is associated with the presentation of medical signs not requiring immediate attention.

6.9.5 Urgent, symptomatic office visits shall be available from the Enrollee's primary care, behavioral health or another provider within twenty-four (24) hours. An urgent, symptomatic visit is associated with the presentation of medical or behavioral health signs that require immediate attention, but are not emergent.

6.9.6 Emergency medical care shall be available twenty-four (24) hours per day, seven (7) days per week.

6.9.7 Second opinion appointments described in Subsection 16.2.1 must occur within thirty (30) calendar days of the request, unless the Enrollee requests a postponement of the second opinion to a date later than thirty (30) calendar days.

6.9.8 Failure to meet appointment standards may, at the HCA's sole discretion, result in withholding of payments, assignments and/or re-enrollments as described in the Sanctions subsection of this Contract.

6.10 Provider Database

The Contractor shall have, maintain and provide to HCA upon request an up-to-date database of its provider network. In populating its database, the Contractor shall obtain the following information: the identity, location, languages spoken (when this information is supplied by the provider), qualifications, practice restrictions, and availability of all current contracted providers, including specialty providers (42 C.F.R. § 438.242(b)(1)).

6.11 Provider Network - Distance Standards

6.11.1 The Contractor's network of providers shall meet the distance standards in this subsection in every service area. HCA will designate a zip code in a service area as urban or non-urban for purposes of measurement. HCA will provide to the Contractor a list of service areas, zip codes and their designation. The Contractor's ability to receive enrollment and/or assignment is based on the assignment provisions in this Contract. "Rural area" is defined as any area other than "urban area" as defined in 42 C.F.R. § 412.62(f)(1)(ii).

6.11.2 PCP

6.11.2.1 Urban: 2 within 10 miles.

6.11.2.2 Non-urban: 1 within 25 miles.

6.11.3 Obstetrics

6.11.3.1 Urban: 2 within 10 miles.

6.11.3.2 Non-urban: 1 within 25 miles.

6.11.4 Pediatrician or Family Practice Physician Qualified to Provide Pediatric Services

6.11.4.1 Urban: 2 within 10 miles.

6.11.4.2 Non-urban: 1 within 25 miles.

6.11.5 Hospital

6.11.5.1 Urban/Non-urban: 1 within 25 miles.

6.11.6 Pharmacy

6.11.6.1 Urban: 1 within 10 miles.

6.11.6.2 Non-urban: 1 within 25 miles.

6.11.7 Mental Health Professionals and CDPs

6.11.7.1 Urban/non-urban: 1 within 25 miles.

6.11.8 HCA may, at its sole discretion, grant exceptions to the distance standards. HCA's approval of an exception shall be in writing. The Contractor shall request an exception in writing and shall provide evidence as HCA may require supporting the request. If the closest provider of the type subject to the standards in this section is beyond the distance standard applicable to the zip code, the distance standard defaults to the distance to that provider. The closest provider may be a provider not participating with the Contractor.

6.12 **Assignment of Enrollees**

6.12.1 HCA has the sole and exclusive right to determine the methodology and procedures by which Enrollees are assigned to the Contractor or reassigned to any other Apple Health - Fully Integrated Managed Care contractors (MCOs).

6.12.2 HCA may adjust the methodology or procedures at any time during the term of this Contract if, in its sole discretion, it determines that any such adjustment would be in the best interests of HCA or Enrollees.

6.12.3 HCA will count New Individuals, Family Connects, and Plan Reconnects as part of an MCO's enrollment in all service areas.

6.12.4 Reassignment of Enrollees

6.12.4.1 HCA may, at its sole discretion, reassign Enrollees to the Contractor and an individual may choose to voluntarily enroll with the Contractor if the Contractor is

eligible to receive enrollment in the individual's service area, consistent with this Subsection.

6.12.5 Assignment of New Individuals

6.12.5.1 The number of New Individuals assigned to the Contractor and to all other MCOs depends on (a) the number of MCOs eligible to receive assignments in a service area; (b) the number of New Individuals eligible for assignment in a service area; and (c) the performance of the Contractor and all other MCOs on the Clinical Performance Measures and the Administrative Measures described in this Section.

6.12.5.2 HCA will assign New Individuals to an eligible MCO in the individual's service area. Once assigned, HCA will notify the Enrollee of his or her assignment and provide information on how the individual can change enrollment to another MCO available in the service area, if any. The effective date of enrollment will be consistent with the enrollment provisions of this Contract.

6.12.6 Service area assignment process:

6.12.6.1 HCA, in its sole discretion, shall determine whether the Contractor's provider network meets the required capacity.

6.12.6.1.1 To receive New Individual assignments and voluntary enrollments in a service area, the Contractor must attain a Capacity Threshold as described in this subsection.

6.12.6.1.2 If at any time during the term of this Contract the Contractor's provider network no longer meets the minimum Capacity Threshold in any service area, HCA may, in its sole discretion, reassign all Enrollees covered by the Contractor to another MCO in the service area.

6.12.6.1.2.1 Upon HCA's request, the Contractor shall provide a list of current Enrollees and their assigned PCP.

6.12.6.1.2.2 The Contractor shall assist HCA in the orderly transition of Enrollees to another MCO, consistent with the Care Coordination and Transitional Healthcare Services provisions of this Contract.

6.12.6.1.3 HCA recognizes that a service area may not have available the full complement of critical provider types; therefore, HCA may, at its sole discretion, make exceptions to provide coverage for that service area.

6.12.6.1.4 The levels of service area participation are described in the following table:

Capacity Threshold	Number of critical provider types meeting capacity	Number of essential BH provider types	Assignment of New Individuals and/or Voluntary Enrollment	Family Connects or Plan Reconnects
80% or more	6/6	8/8	Assignment and voluntary enrollment	Yes
80% or more	5/6	6/8	No assignment; voluntary enrollment only	Yes
60% or above, but below 80%	6/6	6/8	No assignment; voluntary enrollment only	Yes
Below 60%.	N/A	5/8	No assignment or voluntary enrollment	None

6.12.6.2 Enrollments for each month covered by this Contract will be set by HCA based on the performances of the Contractor and all other MCOs under the Clinical Performance Measures and the Administrative Measure described in this Section.

6.12.6.3 HCA will calculate the Contractor's assignment percentages of New Individuals for January and July of each contract year based on a normed and weighted average of two Clinical Performance measures and one Administrative measure.

6.12.6.3.1 Clinical Performance Measures: The Contractor's reported HEDIS® Clinical Performance measures for the previous contract year.

6.12.6.3.1.1 Childhood Immunization Combo 2 Status.

6.12.6.3.1.2 Comprehensive diabetes care: retinal eye exam.

6.12.6.3.2 Administrative Measure (Initial Health Screen): The Contractor shall submit quarterly reports of its performance on completing Initial Health Screens on all New Individual, Family Connect, and Plan Reconnect Enrollees. Assignments will be based on the September and March submissions as described in Subsection 6.12.7.

6.12.7 Administrative Measure (Initial Health Screen) calculation:

6.12.7.1 The Contractor shall calculate and report its performance on completing Initial Health Screens on all New Individual, Family Connect and Plan Reconnect Enrollees on a quarterly basis.

6.12.7.2 To calculate the quarterly screening performance:

6.12.7.2.1 The numerator is the total number of New Individuals, Family Connects, and Plan Reconnects that have received an Initial Health Screen.

6.12.7.2.2 The denominator is the total number of New Individuals, Family Connects, and Plan Reconnects.

6.12.7.2.3 The Contractor shall report its screening performance numerator, denominator and rate (expressed as a percentage) according to the following schedule:

6.12.7.2.3.1 January, February and March – Submitted June 15th of each contract year;

6.12.7.2.3.2 April, May and June – Submitted September 15th of each contract year;

6.12.7.2.3.3 July, August and September – Submitted December 15th of each contract year;

6.12.7.2.3.4 October, November and December – Submitted March 15th of each contract year.

6.13 **Distance Standards for High Volume Specialty Care Providers**

The Contractor shall establish, analyze and meet measurable distance standards for high volume, specialty care providers, subject to HCA approval. At a minimum, the Contractor shall establish, analyze and meet distance standards for Cardiologists, Dermatologists, Oncologists, Ophthalmologists, Orthopedic Surgeons, General Surgery, Gastroenterologists, Pulmonologists, Neurologists, Endocrinologists, Otolaryngologists, behavioral health professionals with prescribing authority and Specialists in Physical Medicine Rehabilitation.

The Contractor shall ensure pediatric specialists are noted on this list. The Contractor shall analyze performance against standards at minimum, annually and provide a report to HCA upon request detailing the outcomes of this analysis along with the Contractor's analysis of Primary Care Providers.

6.14 **Contracts with Mental Health Professionals**

The Contractor shall contract with mental health providers as described in Exhibit H, Designation of Behavioral Health Providers to ensure that Enrollees have access to the provider that most appropriately meets their mental health needs.

6.15 **Standards for the Ratio of Primary Care and Specialty Providers to Enrollees**

The Contractor shall establish and meet measurable standards for the ratio of both PCPs and high volume Specialty Care Providers to Enrollees. The Contractor shall analyze performance against standards at minimum, annually.

6.16 Access to Specialty Care

6.16.1 The Contractor shall provide all medically necessary specialty care for Enrollees in a service area. If an Enrollee needs specialty care from a type of specialist who is not available within the Contractor's provider network, the Contractor shall arrange for the necessary services with the nearest qualified specialist outside the Contractor's provider network, who is willing to see the Enrollee.

6.16.2 The Contractor shall maintain, and make readily available to providers, up-to-date information on the Contractor's available network of specialty providers and shall provide any required assistance to providers in obtaining timely referral to specialty care.

6.17 Enrollees Residing in Rural Areas

If an Enrollee resides in a rural area in which there is mandatory enrollment, the following requirements apply:

6.17.1 The Enrollee must have a choice of two (2) Primary Care Providers when there is a single plan in the area (42 C.F.R. § 438.52(b)(2)(i));

6.17.2 The Enrollee may seek care from a Non-Participating Provider when the service or type of provider (in terms of training, experience and specialization) is not available within the Contractor's network (42 C.F.R. § 438.52(b)(2)(ii)(A));

6.17.3 The Enrollee may seek a service from a Non-Participating Provider when Enrollee's Primary Care Provider or other provider determines that the Enrollee needs related services that would subject the individual to unnecessary risk if received separately (for example, a cesarean section and a tubal ligation) and not all of the related services are available from a Participating Provider. (42 C.F.R. § 438.52(b)(2)(ii)(D)); and

6.17.4 The Enrollee may seek a service from a Non-Participating Provider when the state determines that circumstances warrant out-of-network treatment. (42 C.F.R. § 438.52(b)(2)(ii)(E)).

6.18 Order of Acceptance

6.18.1 The Contractor shall provide care to all Enrollees who voluntarily choose the Contractor and all Enrollees assigned by HCA.

6.18.2 Enrollees will be accepted in the order in which they apply.

6.18.3 HCA shall enroll all eligible clients with the Contractor of their choice except as provided herein. Unless HCA determines, in its sole judgment, that it is in HCA's best interest to withhold or limit enrollment with the Contractor.

6.18.4 HCA may suspend voluntary enrollment and/or assignments in any service area if, in its sole judgment, the Contractor's network is not adequate to meet the requirements of sections 6.10 Provider Network – Distance Standards and 6.11 Assignment of Enrollees. The Contractor shall submit any information HCA requires to make a final decision on the suspension within thirty (30) calendar days of the Contractor's receipt of the request for

information.

6.18.5 The Contractor may request in writing that HCA suspend voluntary enrollment and/or assignments in any service area. HCA will approve the temporary suspension when, in the sole judgment of HCA, it is in the best interest of HCA and/or its clients. The Contractor shall submit any information HCA requires to make a final decision on this request.

6.18.6 The Contractor shall accept clients who are enrolled by HCA in accordance with this Contract and Chapter 182-538A WAC.

6.18.7 No eligible client shall be refused enrollment or re-enrollment, be terminated from enrollment, or be discriminated against in any way because of health status, the existence of a pre-existing physical or mental condition, including pregnancy and/or hospitalization, or the expectation of the need for frequent or high cost care (42 C.F.R. § 438.6(d)(1 and 3)).

6.19 **Provider Network Changes**

6.19.1 The Contractor shall give HCA a minimum of ninety (90) calendar days' prior written notice, in accordance with the Notices provisions of the General Terms and Conditions Section of this Contract, of the loss of a Material Provider.

6.19.2 The Contractor shall make a good faith effort to provide written notification to Enrollees affected by any provider termination within fifteen (15) calendar days after receiving or issuing a provider termination notice (42 C.F.R. § 438.10(f)(5)). Enrollee notices shall have prior approval of HCA. If the Contractor fails to notify affected Enrollees of a provider termination at least sixty (60) calendar days prior to the effective date of termination, the Contractor shall allow affected Enrollees to continue to receive services from the terminating provider, at the Enrollees' option, and administer benefits for the lesser of a period ending the last day of the month in which sixty (60) calendar days elapses from the date the Contractor notifies Enrollees or the Enrollee's effective date of enrollment with another plan.

6.19.3 HCA reserves the right to reduce the premium to recover any expenses incurred by HCA as a result of the withdrawal of a material subcontractor from a service area. This reimbursable expense shall be in addition to any other provisions of this Contract.

6.19.4 HCA reserves the right to impose Sanctions, in accordance with the Sanctions subsection of this Contract, if the Contractor was notified by the terminating provider in a timely manner and does not comply with the notification requirements of this section.

6.19.4.1 If the Contractor does not receive timely notification from the terminating provider, the Contractor shall provide documentation of the date of notification along with the notice of loss of a Material Provider.

6.20 **Network Submissions for Washington Healthplanfinder**

The Contractor shall maintain provider network data. The Contractor shall submit provider network data to the Health Benefit Exchange (HBE) in a format specified by HBE. The provider network data will support Enrollee plan selection and will include a provider directory. In addition to the provider network data and directory, the Contractor shall submit to public reporting of performance measure data such as HEDIS® and CAHPS® results. The data will be used by Enrollees to select an Apple

Health - Fully Integrated Managed Care Contractor. HBE will develop a detailed implementation schedule to include specific dates for Contractor submission of information. In addition, the Contractor may be required to participate in testing of provider network and directory functionality. The provider network and directory submissions required under this Subsection are in addition to and do not supersede or replace any other provider network or provider directory submissions or reports due to HCA under this Contract.

7 QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT

7.1 Quality Assessment and Performance Improvement (QAPI) Program

7.1.1 The Contractor shall have and maintain a quality assessment and performance improvement (QAPI) program for the physical and behavioral health services it furnishes to its Enrollees that meets the provisions of 42 C.F.R. § 438.240.

7.1.1.1 The Contractor shall define its QAPI program structure and processes and assign responsibility to appropriate individuals.

7.1.1.2 The QAPI program structure shall include the following elements:

7.1.1.2.1 A written description of the QAPI program including identification and description of the roles of designated physician and behavioral health practitioners. The QAPI program description shall include:

7.1.1.2.1.1 A listing of all quality-related committee(s).

7.1.1.2.1.2 Descriptions of committee responsibilities.

7.1.1.2.1.3 Contractor staff and practicing provider committee participant titles.

7.1.1.2.1.4 Meeting frequency.

7.1.1.2.1.5 Maintenance of meeting minutes, signed and dated reflecting decisions made by each committee, as appropriate.

7.1.1.2.1.6 Proposed methods to meet the requirements under the Contract to evaluate and report performance measure results in a manner that distinguishes individuals who have indicators of need of mental health and/or Substance Use Disorder treatment.

7.1.1.2.1.7 Processes for monitoring, aggregating, and presenting information regarding physical and behavioral health providers' that encourages self-correction and includes, but is not limited to performance relative to:

7.1.1.2.1.7.1 Adherence to applicable EB Practices and practice guidelines.

7.1.1.2.1.7.2 Appointment access standards; and

7.1.1.2.1.7.3 Utilization and quality metrics such as readmissions, average length of stay

and transitional health care services to ambulatory services.

7.1.1.2.1.8 Compliance with all quality management requirements as stipulated by the T.R. v. Quigley and Teeter Settlement Agreement.

7.1.1.2.2 A sufficient number of physical health and behavioral health staff members to completely implement all QAPI program requirements on a timely basis.

7.1.1.2.3 A Quality Improvement (QI) Committee that oversees the quality functions of the Contractor. The Quality Improvement Committee will:

7.1.1.2.3.1 Recommend policy decisions;

7.1.1.2.3.2 Analyze and evaluate the results of QI activities including annual review of the results of performance measures, utilization data and performance improvement;

7.1.1.2.3.3 Institute actions to address performance deficiencies; and

7.1.1.2.3.4 Ensure appropriate follow-up.

7.1.1.2.4 The Contractor shall participate in the single RSA Community Behavioral Health Advisory Board (CBHA).

7.1.1.2.5 The CBHA shall at minimum advise on the need for establishing a behavioral health Quality Management (QM) sub-committee. If the Community Advisory Board recommends a behavioral health QM subcommittee, the subcommittee shall:

7.1.1.2.5.1 Include, in an advisory capacity, Enrollees, family members, certified peer specialists, and provider representatives.

7.1.1.2.5.2 Maintain records of meetings documenting attendance by Enrollees, family members, and providers, as well as committee's findings, recommendations, and actions.

7.1.1.2.5.3 Include mechanisms to solicit feedback and recommendations from a CBHA and key stakeholders to improve quality of care and Enrollee outcomes.

7.1.1.2.5.4 Provide quality improvement feedback to the CBHA, key stakeholders and other interested parties

defined by HCA. The Contractor shall document the activities and provide to HCA upon request.

7.1.1.2.6 An annual quality work plan, including objectives for serving individuals with special health care needs and Enrollees from diverse communities. The work plan shall contain:

7.1.1.2.6.1 Goals and objectives for the year, including objectives for patient safety, serving a geographically, culturally and linguistically diverse membership and individuals with special health care needs;

7.1.1.2.6.2 Timeframe to complete each activity.

7.1.1.2.6.3 Identification of a responsible person for each activity; and

7.1.1.2.6.4 Monitoring plans to assure implementation of the work plan, including at least quarterly documentation of the status of said goals and objectives.

7.1.1.2.7 An annual written report of the overall evaluation of the effectiveness of the Contractor QAPI program. (42 C.F.R. § 438.240(e)(2)). The report shall include at minimum:

7.1.1.2.7.1 Contractually required HEDIS® performance measure and utilization data pictorially displayed using charts and graphs, trended over time and compared against the Medicaid NCQA 90th percentile and Washington State average. Both clinical and non-clinical performance measures must be trended and evaluated in the MCO report.

7.1.1.2.7.2 Accompanying written analysis of performance, including data comparisons to the Medicaid NCQA 90th percentile and Washington State average.

7.1.1.2.7.3 Findings on quality and utilization measures and completed or planned interventions to address under or over-utilization patterns of care for physical and behavioral health (42 C.F.R. § 438.240(b)(3)). The following minimum measure set shall be reported on in the annual QAPI program evaluation about over and under-utilization:

7.1.1.2.7.3.1 Preventable hospitalizations, including readmissions;

7.1.1.2.7.3.2 Avoidable emergency department visits;

7.1.1.2.7.3.3 EDSDT or well-child care;

7.1.1.2.7.3.4 Childhood and adolescent immunizations

7.1.1.2.7.3.5 Mental health treatment penetration;

7.1.1.2.7.3.6 Children and Adult Access to Primary Care;

7.1.1.2.7.3.7 Prenatal and postpartum care; and

7.1.1.2.7.3.8 Comprehensive Diabetes Care.

7.1.1.2.7.4 An evaluation of the impact of interventions, including any planned follow-up actions or interventions.

7.1.1.2.7.5 A written assessment of the success of contractually required performance improvement projects.

7.1.2 Upon request, the Contractor shall make available to providers, Enrollees, or the HCA, the QAPI program description, and information on the Contractor's progress towards meeting its quality plans and goals.

7.1.3 The Contractor shall provide evidence of oversight of delegated entities responsible for quality improvement. Oversight activities shall include evidence of:

7.1.3.1 A delegation agreement with each delegated entity describing the responsibilities of the Contractor and delegated entity.

7.1.3.2 Evaluation of the delegated organization prior to delegation.

7.1.3.3 An annual evaluation of the delegated entity.

7.1.3.4 Evaluation of regular delegated entity reports.

7.1.3.5 Follow-up on issues out of compliance with delegated agreement or HCA contract specifications.

7.2 **Performance Improvement Projects**

7.2.1 The Contractor shall have an ongoing program of performance improvement projects (PIPs) that focus on clinical and non-clinical areas, and include both FIMC and BHSO Enrollees. The Contractor shall conduct the following PIPs:

7.2.1.1 One clinical PIP piloting a behavioral health intervention for adults that is an evidence-based, research-based or Promising Practice including those, but not restricted to those recognized by the Washington State Institute for Public Policy (WSIPP) (See current WSIPP Report: Inventory (and Updated Inventory report) of Evidence-based, Research-based, and Promising Practices: Prevention and

Intervention Services for Adult Behavioral Health; http://www.wsipp.wa.gov/Reports);

7.2.1.2 One clinical PIP piloting a behavioral health intervention for children including, for example, those found in the current WSIPP Reports: Inventory (and Updated Inventory report) of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems http://www.wsipp.wa.gov/Reports;

7.2.1.3 PIPs identified by the Contractor are subject to review and approval of HCA including, but not limited to, area of focus, design and implementation and evaluation methodologies;

7.2.1.4 One clinical PIP, conducted in partnership between the Department of Health and the Contractor, which will be a statewide PIP on improving well child visit rates in infants, young children and adolescents described in this Contract; and

7.2.1.5 One non-clinical PIP of the MCOs own choosing.

7.2.2 Each PIP shall be designed to achieve significant improvement, sustained over time, in health outcomes and Enrollee satisfaction and shall include the following elements:

7.2.2.1 Measurement of performance using objective quality indicators.

7.2.2.2 Implementation of interventions to achieve improvement in the access to and quality of care.

7.2.2.3 Evaluation of the effectiveness of the interventions based on the performance measures.

7.2.2.4 Planning and initiation of activities for increasing or sustaining improvement.

7.2.3 The Contractor shall report the status and results of all required clinical and non-clinical performance improvement projects to HCA. (42. C.F.R. § 438.330(c)(3)).

7.2.3.1 The Contractor must annually submit current year PIP proposals to HCA no later than March 15th.

7.2.3.2 Each completed project shall be documented on a PIP Worksheet found in the CMS protocol entitled “Conducting Performance Improvement Projects”.

7.2.4 The Contractor shall collaborate with peer Medicaid Managed Care Organizations, DOH and other entities as appropriate to conduct one non-clinical statewide PIP to improve well-child visit rates in infants, young children and adolescents. This group shall be called the Well-Child Visit Workgroup and shall perform the following work:

7.2.4.1 Appoint a workgroup coordinator to assist DOH with developing meeting agenda topics, writing quarterly reports, and serving as a managed care subject matter expert. The coordinator position shall be rotated among participating MCOs.

7.2.4.2 Provide adequate funding, resources and staff to plan, execute and evaluate the PIP.

7.2.4.3 Coordinate with existing state efforts such as the DOH Pediatric Transforming Clinical Practice Improvement Initiative to improve well-child visit rates

7.2.4.4 Set an improvement goal for the next year's HEDIS® for the following HEDIS® well-child visit measures:

7.2.4.4.1 Well-Child Visits in the first fifteen (15) months of life (W15);
7.2.4.4.2 Well-Child Visits in the third, fourth, fifth and sixth years of life (W34); and
7.2.4.4.3 Adolescent Well-Care Visits (AWC).

7.2.4.5 Define the target populations and scope of the PIP.

7.2.4.6 Define intervention(s) used in the PIP. Interventions shall be robust and innovative in nature, intended to increase the number of children receiving well-child visits and to educate and assist providers.

7.2.4.7 Evaluate the success of interventions to improve well-child visit rates by the workgroup set goal in the three child measures using available Contractor Well-Child Visit data.

7.2.4.8 Submit quarterly progress reports on the status of Well-Child Visit PIP Workgroup activities. Reports shall be submitted to HCA on the third Friday of the month following the end of the quarter in January; April; July; and October.

7.2.4.9 Submit a PIP Worksheet annually, upon request, to HCA..

7.2.5 CMS, in consultation with HCA and other stakeholders, including the Contractor, may specify performance measures and topics for performance improvement projects to be conducted as part of this Contract and AHMC.

7.2.6 Integrated Patient Record/Clinical Data Repository Project

The Contractor shall collaborate with peer Contractors, HCA, and the State HIE to conduct a multi-year, non-clinical statewide project to establish and maintain a longitudinal integrated patient record for all Apple Health-Managed Care Enrollees assigned to Contractor.

The integrated patient record will be housed in a Clinical Data Repository (CDR) using a service provided by the State HIE and set up by HCA. HCA will invest in the technical infrastructure necessary to set up, prepare and source the CDR with patient demographic and other relevant administrative data for all Enrollees.

The integrated patient record will bring physical, dental and behavioral health data currently stored in disparate provider EHR systems and other state and local data sources across the health care delivery system together.

The CDR will connect and leverage the power of information and federal, State, and private

investments in EHR technology to enable Care Coordination and increased communication among providers across multiple disciplines and organizations. This effort will provide access to data sets that are not broadly available to authorized clinicians, care teams, communities, plans and purchasers that can be used to improve care.

7.2.6.1 The Contractor shall appoint a representative to provide input into the CDR project plan, and an evaluation of the project.

7.2.6.2 The Contractor shall pay the operational costs to maintain an integrated health record for each of its Enrollees as billed by the State HIE in one installment with an estimated due date of July 1, 2016. Thereafter, the Contractor shall pay the operational costs to maintain an integrated health record for each of its Enrollees as billed by the State HIE in two installments each year with estimated due dates of January 31st and July 1st.

7.2.6.2.1 If the total enrollment under all AH contracts is less than 1,200,000 covered lives, the Contractor shall pay the operational costs at the rate of $1.05 per year, pro-rated for nine months of contracted enrollment per Enrollee to maintain an integrated health record for each of its AH Enrollees. If the total covered lives enrolled under the AH contract exceeds 1,200,000, the Contractor shall pay the operational costs at the rate of $1.02 per year per Enrollee to maintain an integrated health record for each of its AH Enrollees, and subsequent semi-annual payments will be adjusted accordingly.

7.2.6.2.2 HCA will use the HIPAA 834 monthly audit files to report the Contractor's total enrollment to the State HIE. The State HIE will bill the Contractor for the maintenance of its Enrollees' integrated health records with estimated due date of July 1, 2016. Thereafter, payment to the HIE will be in two installments of January 1st, and July 1st.

7.2.6.2.3 The Contractor shall pay the State HIE in full by the due date indicated on the billings.

7.2.6.2.4 If the Contractor fails to pay the State HIE within thirty (30) calendar days of the due date on the billing, HCA will withhold the amount due from the next available scheduled monthly AH - FIMC premium payment to the Contractor.

7.2.6.2.5 Costs to the Contractor to connect to the HIE to access data are the responsibility of the Contractor.

7.2.6.2.6 Costs to the subcontractors to program EHR systems or connect to the HIE are the responsibility of individual entities.

7.2.6.2.7 The Contractor shall coordinate with HCA and the State HIE efforts to facilitate readiness activities intended to prepare for the secure exchange of high value health information among subcontractors with certified EHR systems identified as early adopters by HCA

through participation in communication and readiness activities organized by HCA and HIE.

7.2.6.2.8 The Contractor shall reinforce state expectations that subcontracted providers with certified EHR systems begin ongoing submission of automated exports of standard CCD/CCDA from their EHR to the CDR via the HIE each time an Apple Health - Fully Integrated Managed Care or BHSO Enrollee is seen. The Contractor will include contract language during the next round of contract activities with subcontractors. The Contractor may provide exceptions for submissions by subcontracted providers which solely provide Behavioral Health services.

7.2.6.2.9 The Contractor shall participate in an analysis of impact on using data within the CDR to measure performance when available instead of traditional methods of collecting the data manually through chart reviews. Data sets may include but are not limited to Body Mass Index, blood pressure, laboratory results, and clinical screenings.

7.3 **Performance Measures**

7.3.1 The Contractor shall include the FIMC population in its annual submission to NCQA of NCQA and HCA required HEDIS measures according to directions provided by the HCA designated EQRO.

7.3.2 The Contractor shall report FIMC required HEDIS® measures using the current 2018 HEDIS® Technical Specifications and official corrections published by NCQA to and HCA annually, unless directed otherwise in writing by HCA. The Contractor shall use administrative data collection methods, specified in the current HEDIS® Technical Specifications and required by HCA (42 C.F.R. § 438.240(b)(2)). Attachment 6, 2018 Performance Measures is the 2018 list of HCA required FIMC HEDIS® performance measures to be submitted to NCQA and HCA.

7.3.3 The Contractor shall collect and report no more than ten regional measures as “early warning indicators” following specifications provided by HCA. This shall include, but not be limited to behavioral health measures for children and adults.

7.3.4 No later than June 15th of each year, FIMC required HEDIS® measures shall be submitted electronically to the HCA contracted External Quality Review Organization according to instructions provided by HCA or the HCA designated EQRO.

7.3.5 The performance measures shall be produced by HCA and delivered to the Contractor in reporting year 2018; for the data collection period April 1, 2017 through December 31, 2017.

7.3.5.1 Substance use treatment penetration;

7.3.5.2 Substance Use Disorder treatment initiation and engagement (Washington Circle version);

7.3.5.3 Mental Health treatment penetration;

7.3.5.4 Thirty (30) day psychiatric inpatient readmissions;

7.3.5.5 The DSHS/Research and Data Analysis Division (RDA) shall collect and analyze data to determine the number of Nulliparous Transverse Singleton Vertex (NTSV) C-Sections (cesarean births); and

7.3.5.6 The DSHS/Research and Data Analysis Division (RDA) shall collect and analyze data to determine the proportion of person-months receiving long-term services and supports (LTSS) associated with receipt of in home-and community-based settings during the measurement year.

7.3.6 The Contractor shall submit raw HEDIS® data to HCA electronically for all measures, no later than June 30 of each year, starting in 2017. The Contractor shall submit the raw HEDIS® data according to specifications provided by HCA.

7.3.7 All HEDIS® measures including the CAHPS® sample frame, shall be audited by a designated certified HEDIS® Compliance Auditor, a licensed organization in accord with methods described in the current HEDIS® Compliance Audit™ Standards, Policies and Procedures and the Centers for Medicare and Medicaid (CMS) Validating Performance Measures Protocol found at https://www.medicaid.gov/medicaid/quality-of-care/index.html. CA will fund and the designated EQRO will conduct the audit.

7.3.8 The Contractor shall cooperate with HCA's designated EQRO to validate the Contractor's Healthcare Effectiveness Data and Information Set (HEDIS®) performance measures and CAHPS® sample frame.

7.3.8.1 Data collected and the methods employed for HEDIS® validation may be supplemented by indicators and/or processes published in the CMS Validating Performance Measures protocol identified by HCA designated EQRO.

7.3.9 The Contractor shall create, maintain and collect separate and unique data fields for Enrollee self-reported demographic data to the Contractor. At minimum, the following data fields shall be maintained by the Contractor: Enrollee name, address, email address, and ethnicity, race and language markers.

7.3.10 The Contractor shall rotate HEDIS® measures only with HCA's advance written approval. The Contractor may request approval to rotate measures by making a written request to the HCA MC Programs mailbox. Any measures rotated by the Contractor without written permission from the HCA shall be subject to the sanctions language described in this Contract.

7.3.11 Health care Disparities Workgroup. The Contractor shall collaborate with peer MCOs and the DOH to form a Health Care Disparities Workgroup aimed at reducing disparities in one performance measure. The Health Care Disparities Workgroup shall consult with community experts and organizations as appropriate to disaggregate data on at least one performance measure and examine the data for racial/ethnic disparities. The Workgroup shall implement interventions aimed at reducing health care disparities in the selected measure. The Health Care Disparities Workgroup shall perform the following work:

7.3.11.1 Appoint a Workgroup coordinator to assist DOH with developing meeting agenda topics, writing quarterly reports, and serving as a managed care subject matter expert. The coordinator position shall be rotated among participating managed care organizations.

7.3.11.2 Collect and examine data on ethnicity, race and language markers as provided by HCA on all Enrollees and augmented by MCOs.

7.3.11.3 Cooperate with the Department of Health to complete the analysis of one performance measure no later than June 30th.

7.3.11.4 Define interventions to address observed disparities.

7.3.11.5 Implement defined interventions aimed at addressing disparities.

7.3.11.6 Evaluate the effectiveness of interventions to reduce health care disparities.

7.3.11.7 Provide adequate funding, resources and staff to plan, execute and evaluate the project.

7.3.11.8 Submit quarterly progress reports providing an update on the status of the Health Care Disparity Workgroup activities. Reports shall be submitted to HCA and quarterly on the third Friday of the month of January, April, July and October.

7.4 **Consumer Assessment of Healthcare Providers and Systems (CAHPS®)**

7.4.1 In 2018, the Contractor shall conduct the CAHPS® Adult survey for AH - FIMC Enrollees.

7.4.1.1 The Contractor shall contract with an NCQA-certified HEDIS® survey vendor qualified to administer the CAHPS® surveys and conduct the surveys according to NCQA protocol. The Contractor shall submit the following information to the HCA designated EQRO:

7.4.1.1.1 Contractor CAHPS® survey staff member contact, CAHPS® vendor name and CAHPS® primary vendor contact by January 8, 2018

7.4.1.1.2 Timeline for implementation of vendor tasks upon request.

7.4.1.2 The Contractor shall ensure the survey sample frames consists of all adult plan members eighteen (18) to sixty-four (64) years of age with Washington State addresses. In administering the CAHPS® the Contractor shall:

7.4.1.2.1 Submit the eligible sample frame file(s) for certification by the HCA designated EQRO, a Certified HEDIS® Auditor by the 2nd Friday in January 2018.

7.4.1.2.2 Receive written notice of the sample frame file(s) compliance audit certification from the HCA designated EQRO by January 29, 2018.

7.4.1.2.3 HCA EQRO shall review each MCOs questionnaire format, questions and question placement, using the most recent HEDIS® version of the Medicaid CAHPS (currently 5.0H), plus approved supplemental and/or custom questions as determined by HCA.

7.4.1.2.4 HCA will add supplemental questions to the Contractor's survey as determined by HCA and approved by NCQA.

7.4.1.2.5 Conduct the mixed methodology (two questionnaires and two reminder postcards with telephone follow-up of at least three telephone attempts) for CAHPS® survey administration.

7.4.1.2.6 Submit a copy of the final NCQA data submission reports to the HCA designated EQRO by June 20, 2018.

7.4.1.2.7 Submit a copy of the Washington State child, child with chronic conditions and adult, Medicaid survey response data sets according to 2017 NCQA/CAHPS® standards to the HCA designated EQRO by June 20, 2018.

7.4.1.3 The HCA requires the Contractor to submit its 2017 CAHPS® data to the National CAHPS® Benchmarking Database (NCBD) by the submission deadline set by the CAHPS® Database.

7.4.1.3.1 The Contractor shall submit the NCBD vendor submission information to the HCA designated EQRO by April 11, 2018, or the earliest date available.

7.4.2 The Contractor shall notify HCA in writing if the Contractor cannot conduct the CAHPS® survey because of limited total enrollment and/or sample size. The written statement shall provide enrollment and/or sample size data to support the Contractor's inability to meet the requirement.

7.4.3 The Contractor shall submit its CAHPS® data, deidentified to HCA no later than September 30th.

7.5 NCQA Accreditation

7.5.1 The Contractor shall have and maintain NCQA accreditation at a level of "accredited" or better.

7.5.2 The Contractor shall notify HCA of the date of its NCQA site visit by January 31, 2018 or within fifteen (15) calendar days of confirmation of the site visit by NCQA. The Contractor shall provide HCA with all written materials submitted to NCQA for purposes of the NCQA audit and allow HCA representative(s) to participate in the NCQA audit activities, including the site visit.

7.5.3 Achievement of provisional accreditation status shall require a corrective action plan within thirty (30) calendar days of receipt of the final NCQA report and may result in termination of the contract in accordance with the terms and conditions set forth in this Contract.

7.5.4 If the Contractor fails to obtain accreditation at a level of "accredited" or better within the timeframe described in this subsection or if the Contractor fails to maintain accreditation thereafter, the Contractor shall be considered in breach of this Contract. HCA shall terminate the Contract in accordance with the Termination by Default Subsection of this Contract.

7.6 External Quality Review

7.6.1 Validation Activities: The Contractor's quality program shall be examined using a series of required Validation procedures. The examination shall be implemented and conducted by HCA, its agent, or an EQRO.

7.6.2 The following required activities will be validated (42 C.F.R. § 438.358(b)(1)(2)(3)):

7.6.2.1 Performance improvement projects.

7.6.2.2 Performance measures.

7.6.2.3 A monitoring review of standards established by HCA and included in this Contract to comply with 42 C.F.R. § 438.204(g) and a comprehensive review conducted within the previous three (3) year period.

7.6.3 HCA reserves the right to include additional optional activities described in 42 C.F.R. § 438.358 if additional funding becomes available and as mutually negotiated between HCA and the Contractor.

7.6.4 The Contractor shall submit reports, findings, and other results obtained from a Medicare or private accreditation review (e.g., CMS, NCQA, eValue8, URAC, etc.) if requested by HCA. HCA may, at its sole discretion, use the accreditation review results in lieu of an assessment of compliance with any federal or state standards and the review conducted by HCA of those standards.

7.6.5 The Contractor shall submit to annual HCA and EQRO monitoring reviews. The monitoring review process uses standards developed by HCA and methods and data collection tools and methods found in the CMS EQR Managed Care Organization Protocol and assesses the Contractor's compliance with regulatory requirements and standards of the quality outcomes and timeliness of, and access to, services provided by Medicaid MCOs (42 C.F.R. § 438.204).

7.6.6 The Contractor shall, during an HCA annual monitoring review of the Contractor's compliance with Contract standards or upon request by HCA or its EQRO Contractor(s), provide evidence of how external quality review findings, agency audits and Contract monitoring activities, Enrollee Grievances, HEDIS® and CAHPS® results are used to identify and correct problems and to improve care and services to Enrollees.

7.6.7 The Contractor will provide data requested by the EQRO for purposes of completing the External Quality Review Report Annual (EQRAR). HCA will provide a copy of the EQRAR to the Contractor, through print or electronic media and to interested parties such as participating Health Care Providers, Enrollees and Potential Enrollees of the Contractor, Enrollee advocacy groups, and members of the general public. HCA must make this information available in alternative formats for persons with sensory impairments, when

requested.

7.6.8 HCA will provide a copy of the EQRAR to the Contractor, through print or electronic media and to interested parties such as participating health care providers, Enrollees and potential Enrollees of the Contractor, Enrollee advocacy groups, and members of the general public. HCA must make this information available in alternative formats for persons with sensory impairments, when requested.

7.6.9 If the Contractor has had an accreditation review or visit by NCQA or another accrediting body, the Contractor shall provide the complete report from that organization to HCA. If permitted by the accrediting body, the Contractor shall allow a state representative to accompany any accreditation review team during the site visit in an official observer status. The state representative shall be allowed to share information with HCA and Washington State Department of Health (DOH) as needed to reduce duplicated work for both the Contractor and the State.

7.7 Critical Incident Reporting: Physical Health Incidents

The Contractor shall submit a report to the HCA critical incident manager through the HCA MC Programs mailbox of any Physical Health critical incident of which it becomes aware as described in this subsection. The report shall be submitted during the business day in which the Contractor becomes aware of such an event.

7.7.1 Examples of incidents to report include but are not limited to: homicide, attempted homicide, completed suicide, attempted suicide, the unexpected death of an Enrollee, or abuse, neglect, or exploitation of an Enrollee by an employee or volunteer.

7.7.2 Report shall include a description of the event, including the date and time of the incident, the incident location, incident type, names and ages, if known of all individuals involved and the nature of their involvement, service history with the Contractor, steps taken by the Contractor to minimize harm, and any legally required notification made by the Contractor.

7.7.3 The Contractor shall submit to the HCA critical incident manager through the HCA MC Programs mailbox a follow-up report within two (2) weeks of the original notification to HCA regarding any actions taken in response to the incident, the purpose for which any action was taken, any implications to the service delivery system, and efforts designed to prevent or lessen the possibility of future similar incidents.

7.7.4 Critical Incidents that may be either physical or behavioral health related:

7.7.4.1 The Contractor shall report all critical incidents that appear to be related to both physical and behavioral health, or if the cause is unclear, to DSHS as per Subsection 7.9.

7.8 Mental Health Evidence-Based Practices (EMPs)

7.8.1 The Contractor shall cooperate and collaborate with HCA on the collection of data related to mental health evidence-based practices (EBPs). Contractor actions shall include, but are not limited to all of the following:

7.8.1.1 Participation in planning meetings;

7.8.1.2 Developing methods to collect data; and

7.8.1.3 Reporting of data on the uptake in use of EBPs over time to satisfy HCA requirements and state law.

7.8.2 The Contractor shall submit to HCA a quarterly report that details the delivery of mental health Evidence/Research Based Practices (E/RBPs) provided to clients under the age of twenty-one (21) years old. The quarterly reports are due to HCA the last business day of January, April, July, and October. The report shall include the following data:

7.8.2.1 The number of children receiving E/RBP services;

7.8.2.2 The number of mental health encounters using these services; and

7.8.2.3 The percentage of mental health encounters using these services.

7.9 Critical Incident Reporting: Behavioral Health Incidents

The Contractor shall report critical incidents through the DSHS *Behavioral Health and Recovery Incident Reporting System* database and notify the HCA critical incident manager through the HCA MC Programs of any critical incident of which it becomes aware as described in this Subsection and in accordance with WAC 388-877-0200, 388-877-0365, 388-877-0410, and 388-877-0420.

7.9.1 The Contractor must report and follow up on the incidents listed below. In addition, the Contractor shall use professional judgment in reporting incidents not listed herein.

7.9.2 Category One Incidents: The report shall be made during the business day in which the Contractor becomes aware of such an event.

7.9.2.1 Death or serious injury of an Enrollee, staff, or public citizen at a state licensed or certified healthcare facility.

7.9.2.2 Unauthorized leave of a mentally ill offender or a sexual or violent offender from a mental health facility or a Secure Community Transition Facility to include Evaluation and Treatment centers (E&T) Crises Stabilization Units (CSU) and Triage Facilities that accept involuntary Consumer.

7.9.2.3 Any violent act to include rape or sexual assault, as defined in RCW 71.05.020 and RCW 9.94A.030, or any homicide or attempted homicide committed by a Enrollee.

7.9.2.4 An error in program-administered medication at an outpatient facility that results in adverse effects for the individual and requires urgent medical intervention

7.9.2.5 Any event involving an individual or staff that has attracted or is likely to attract media attention.

7.9.3 Category Two Incidents: Report shall be made within one business day in which the

Contractor becomes aware of such an event.

7.9.3.1 Alleged abuse or neglect of an Enrollee that is serious or emergent in nature by an employee, volunteer, licensee, Contractor or another individual.

7.9.3.2 A substantial threat to facility operation or Enrollee safety resulting from a natural disaster to include: an earthquake, volcanic eruption, tsunami, fire, flood, or an outbreak of communicable disease, etc.

7.9.3.3 Any allegation of financial exploitation as defined in RCW 74.34.020.

7.9.3.4 Any attempted suicide that requires medical care that occurs at a state licensed or certified healthcare facility.

7.9.3.5 Any event involving a credible threat towards a staff member that occurs at a state licensed or certified healthcare facility or a similar event that occurs within the community. A credible threat means either words or actions of intent to cause bodily harm and/or personal property damage to a staff member or a staff member's family, which resulted in a report to Law Enforcement, a restraining/protection order, or a workplace safety/personal protection plan.

7.9.3.6 A life safety event that requires an evacuation or that is a substantial disruption to the facility.

7.9.3.7 Additional Reporting Requirements

7.9.3.7.1 The Contractor shall also report all instances of suspected patient abuse or neglect in accordance with all state and federal law; and

7.9.3.7.2 Report shall include a description of the event, including the date and time of the incident, the incident location, incident type, names and ages, if known of all individuals involved and the nature of their involvement, service history with the Contractor, steps taken by the Contractor to minimize harm, and any legally required notification made by the Contractor.

7.9.3.8 The Contractor must ensure that subcontracted providers follow requirements for reporting to the Contractor and managing critical incidents. The Contractor must track and monitor the incidents within its provider network and determine if the incidents are responded to in an appropriate and timely manner. If a pattern suggesting a systematic issue is identified, the Contractor must monitor the provider's actions towards resolving the issue.

7.9.3.9 Comprehensive Review: HCA or DSHS may require the Contractor initiate a comprehensive review of an incident.

7.9.3.9.1 The Contractor shall fully cooperate with any investigation initiated by HCA or DSHS and provide any information requested by HCA or DSHS in the timeframe specified within the request.

7.9.3.9.2 If the Contractor does not respond within the specified timeframe HCA or DSHS may obtain information directly from any involved party and request their assistance in the investigation.

7.9.3.10 Incident Review and Follow-up: The Contractor shall review and follow-up on all incidents within two (2) weeks. An incident shall not be categorized as complete until the following information is provided:

7.9.3.10.1 A summary of any incident debriefings or review process dispositions.

7.9.3.10.2 Whether the person is in custody (jail), in the hospital, or in the community, and if in the community whether the person is receiving services. If the Enrollee cannot be located, the Contractor shall document in the Incident Reporting System the steps taken to locate the Enrollee using available local resources.

7.9.3.10.3 Documentation of whether the Enrollee is or is not receiving behavioral health services from the Contractor at the time the incident is closed.

7.9.3.10.4 In the case of the death of the Enrollee either a telephonic verification from an official source or a death certificate.

7.9.3.10.5 In the case of a telephonic verification, the Contractor shall document the date of the contact and both the name and official duty title of the person verifying the information.

7.9.3.10.6 If this information is unavailable, the Contractor shall document the attempt to retrieve it.

7.10 **Evidence-based, Research-based and Promising Practices**

The Contractor will promote the use of research and Evidence-based Practices, with a particular focus on increasing these practices for children and Youth receiving mental health treatment services as identified through legislative mandates. This includes:

7.10.1 Ensuring that providers participate in DBHR sponsored training in the Trauma-Focused Cognitive Behavioral Therapy (TF-CBT/CBT) and CBT-Plus (TF-CBT/CBT+) evidence/Research-Based Practices.

7.10.2 The Contractor is expected to maintain a workforce trained in TF-CBT/CBT+ sufficient to implement the practice within the Contractor's service area.

7.11 **Home Health/Private Duty Nursing Services**

On a quarterly basis, the Contractor shall submit to HCA a utilization review report of all Enrollees for whom Private Duty Nursing or Home Health services were requested. The report shall be due on the last business day of the month: in June when reporting for January-March; in September for April-June; in December for July-September; and in March for October-December. The report shall include:

7.11.1 Enrollee name;

7.11.2 Enrollee date of birth;

7.11.3 ProviderOne ID

7.11.4 Type of Service (Private Duty Nursing or Home Health);

7.11.5 Name of Provider;

7.11.6 Provider NPI;

7.11.7 Date request for services received;

7.11.8 Number of units requested, indicated days of fifteen (15) minute increments;

7.11.9 Number of units approved;

7.11.10 Number of units paid; and

7.11.11 Date decision was made.

7.12 **Practice Guidelines**

7.12.1 The Contractor shall adopt physical and behavioral health practice guidelines known to be effective in improving health outcomes. Practice guidelines shall meet the following requirements (42 C.F.R. § 438.236):

7.12.1.1 Are based upon the following:

7.12.1.1.1 Valid and reliable clinical scientific evidence;

7.12.1.1.2 In the absence of scientific evidence, on professional standards; or

7.12.1.1.3 In the absence of scientific evidence and professional standards, a consensus of Health Care Professionals in the particular field.

7.12.2 The Contractor shall develop guidelines based on the United States Preventive Services Task Force (USPSTF) as the primary source. The Contractor may adopt guidelines developed by recognized sources that develop or promote evidence-based clinical practice guidelines such as voluntary health organizations, National Institute of Health Centers, or the Substance Abuse and Mental Health Services Administration (SAMHSA). If the Contractor does not adopt guidelines from recognized sources, board-certified practitioners must participate in the development of the guidelines. The guidelines shall:

7.12.2.1 Be age appropriate to address the special needs or considerations that are driven by age.

7.12.2.2 Consider the needs of Enrollees and support client and family involvement in care plans.

7.12.2.3 Be adopted in consultation with contracting Health Care Professionals within the state of Washington, or, when applicable, are adopted in consultation with the behavioral health professionals in the Contractor's contracted network.

7.12.2.4 Be reviewed and updated at least every two (2) years and more often if national guidelines change during that time.

7.12.2.5 Be disseminated to all affected providers and, upon request, to HCA, Enrollees and Potential Enrollees (42 C.F.R. § 438.236(c)).

7.12.2.6 Be distributed to affected providers within sixty (60) calendar days of adoption or revision, identifying which specific guidelines are newly adopted or revised. If distributed via the Internet, notification of the availability of adopted or revised guidelines must be provided to providers.

7.12.3 Be the basis for and are consistent with decisions for utilization management, Enrollee education, coverage of services, and other areas to which the guidelines apply (42 C.F.R. § 438.236(d)).

7.12.4 The Contractor shall develop health promotion and preventive care educational materials for Enrollees using both print and electronic media. In developing these materials, the Contractor shall:

7.12.4.1 Conduct outreach to Enrollees to promote timely access to preventive care according to Contractor-established preventive care guidelines.

7.12.4.2 Report on preventive care utilization through required performance measure reporting.

7.12.4.3 In collaboration with peer Managed Care organizations, disaggregate data on at least one (1) preventive care measure and examine the data for racial/ethnic disparities.

7.12.4.4 In collaboration with peer Managed Care Organizations, target interventions with known disparities in preventive care utilization and measure the impact of the interventions on utilization patterns.

7.12.4.5 Prepare and disseminate all such materials consistently with the requirement of Section 3.2. and 3.3.

7.12.5 The Contractor shall include the behavioral health medical director in the evaluation of medications and other emerging technologies for the treatment of behavioral health conditions and related decisions. The Contractor shall also have a child psychiatrist available for consultation related to medications and other emerging technologies for the treatment of behavioral health conditions in children and adolescents.

7.13 **Health Information Systems**

The Contractor shall maintain, and shall require Subcontractors to maintain, a health information system that complies with the requirements of 42 C.F.R. § 438.242 and provides the information

necessary to meet the Contractor's obligations under this Contract. The Contractor shall have in place mechanisms to verify the health information received from subcontractors. The Contractor shall:

7.13.1 Collect, analyze, integrate, and report data. The system must provide information on areas including but not limited to, utilization, Grievance and Appeals, and terminations of enrollment for other than loss of Medicaid eligibility.

7.13.2 Ensure data received from providers is accurate and complete by:

7.13.2.1 Verifying the accuracy and timeliness of reported data;

7.13.2.2 Screening the data for completeness, logic, and consistency; and

7.13.2.3 Collecting service information on standardized formats to the extent feasible and appropriate.

7.13.3 The Contractor shall make all collected data available to HCA and the Center for Medicare and Medicaid Services (CMS) upon request.

7.14 Clinical Data Repository

7.14.1 HCA shall develop and the Contractor shall publish guidelines for participation in the Clinical Data Repository, along with the contacts and resources to support provider organizations through the readiness activities.

The Contractor shall require that when subcontracted provider organizations with 2014 certified EHRs see an Apple Health Managed Care Enrollee, the provider sends a care summary (CCDA) from the provider's EHR to the Clinical Data Repository. This requirement does not apply to behavioral health providers at this time. The Contractor may provide exceptions for submissions by subcontracted providers which solely provide Behavioral Health services

7.14.2 Establish and maintain protocols to support timely and accurate data exchange with any subcontractor that will perform any delegated behavioral health function under the Contract.

7.14.3 Establish and maintain web-based portals with appropriate security features that allow referrals, requests for prior authorizations, claims submission and claims status updates.

7.14.4 Have information systems that enable paperless submission, automated processing and status updates for prior authorization and other UM related requests.

7.14.4.1 Public and secure access via multi-level portals (such as providers and Enrollees) for providing web-based training, standard reporting, and data access as needed for the effective management and evaluation of the performance of the Contract and the service delivery system as described under this Contract.

7.14.4.2 The Contractor shall organize the website to allow for easy access of information by Enrollees, family members, network providers, stakeholders, and the general public in compliance with the Americans with Disabilities Act. The

Contractor shall include on its website, at a minimum, the following information or links:

7.14.4.2.1 Hours of operations for the Contractor.

7.14.4.2.2 How to access behavioral health services, including crisis contact information and toll-free crisis telephone numbers.

7.14.4.2.3 Telecommunications device for the deaf/text telephone numbers.

7.14.4.2.4 Information on the right to choose a qualified behavioral health service provider.

7.14.4.2.5 An overview of the range of behavioral health services being provided.

7.14.4.2.6 Access to behavioral health-medical integration tools and supports to support provider integration initiatives.

7.14.4.2.7 Access to information for Transitional Age Youth.

7.14.4.2.8 A library, for providers and Enrollees, that provides comprehensive information and practical recommendations related to mental illness, Substance Use Disorder and recovery, life events, and daily living skills.

7.14.4.2.9 Information regarding community forums, volunteer activities, and workgroups/committees that provide opportunities for Enrollees receiving behavioral health services, family members, providers, and stakeholders to become involved.

7.14.4.2.10 Information regarding advocacy organizations, including how Enrollees and other family members may access advocacy services.

7.14.4.2.11 Opportunities, including surveys, for behavioral health Enrollees, family members, network providers, and other stakeholders to provide satisfaction/complaint feedback.

7.15 **Required Reporting for Behavioral Health Services**

The Contractor's disclosure of individually identifiable information is authorized by law, including 42 C.F.R. § 2.53, authorizing disclosure of patient records for purposes of Medicaid evaluation.

7.16 **Technical Assistance**

The Contractor may request technical assistance for any matter pertaining to this Contract by contacting HCA.

7.17 **Annual Diabetes Report**

7.17.1 The Contractor shall prepare an annual report on the prevalence of diabetes and utilization of diabetes education services among Contractor Enrollees. The report is due each year no later than the last business day of December and shall include data from the first business day of October of the previous calendar year through the last business day of September of the current calendar year.

7.17.2 The Annual Diabetes Report shall be no more than four (4) pages in length, excluding attachments, and shall describe:

7.17.2.1 The total number of Contractor Enrollees with Type 1 and Type 2 diabetes.

7.17.2.2 The number of Contractor Enrollees with Type 1 and Type 2 diabetes in the following age groupings:

7.17.2.2.1 Ages less than 18 years of age;

7.17.2.2.2 Ages 18-64 years of age; and

7.17.2.2.3 Ages greater than 65 years of age.

7.17.3 The gender distribution of Enrollees with Type 1 and Type 2 diabetes.

7.17.4 The geographic distribution of Enrollees with Type 1 and Type 2 diabetes using the Enrollee's county of residence, rolled up into the *Healthier Washington* regional map found at: http://www.hca.wa.gov/about-hca/healthier-washington/accountable-communities-health-ach.

7.17.5 The total number of Enrollees with a diagnosis of Type 1 and Type 2 diabetes who received a diabetes education encounter.

7.17.6 The proportion of Enrollees with a diagnosis of diabetes Type 1 and Type 2 diabetes who received a diabetes education encounter.

7.17.7 A narrative description of how:

7.17.7.1 Enrollees are referred to diabetes education, and a description of any role that the plan plays in these referrals.

7.17.7.2 Diabetes education is promoted to Enrollees including links to Diabetes educational materials.

7.17.7.3 Diabetes education providers enroll with the Contractor if interested in joining the Contractor's network of providers.

7.17.8 A list of:

7.17.8.1 Available Diabetes education providers including, name of diabetes educator,

physical address, zip code, county and *Healthier Washington* region.

7.17.8.2 Any potential gaps in the network of diabetes educators, and measures the Contractor may take to address gaps in network providers.

8 POLICIES AND PROCEDURES

The Contractor shall develop, implement, maintain, comply with and monitor compliance with written policies and procedures related to all requirements of this Contract. The Contractor shall submit policies and procedures to the HCA for review and approval in accordance with 8.2 of this Section, Assessment of Policies and Procedures.

8.1 Contractor's Policies and Procedures:

The Contractor's Policies and Procedures shall:

8.1.1 Direct and guide the Contractor's employees, Subcontractors, and any non-contracted providers' compliance with all applicable federal, State, and contractual requirements;

8.1.2 Fully articulate the Contractor's understanding of the requirements;

8.1.3 Have an effective training plan related to the requirements and maintain records of the number of staff participating in training, including evidence of assessment of participant knowledge and satisfaction with the training;

8.1.4 Have an effective training plan related to the requirements and maintain records of the number of providers who participate in training, including satisfaction with the training; and

8.1.5 Include monitoring of compliance, prompt response to detected non-compliance, and effective corrective action.

8.2 Assessment of Policies and Procedures

8.2.1 The Contractor shall complete a self-assessment of its policies and procedures related to this Contract to HCA for review and approval. The self-assessment will be provided by HCA. The Contractor shall complete and submit the self-assessment no later than June 30 of each year beginning 2017 and, thereafter, in response to corrective action and any time there is a new policy and procedure or a change to an existing policy and procedure. The Contractor shall also submit copies of policies and procedures upon request by HCA.

9 SUBCONTRACTS

9.1 Contractor Remains Legally Responsible

Subcontracts, as defined herein, may be used by the Contractor for the provision of any service under this Contract. However, no subcontract shall terminate the Contractor's legal responsibility to HCA for any work performed under this Contract nor for oversight of any functions and/or responsibilities it delegates to any subcontractor (42 C.F.R. § 434.6(c) and 438.230(a)).

9.2 Solvency Requirements for Subcontractors

For any Subcontractor at financial risk, as defined in the Substantial Financial Risk provision, or of the Risk provision found in the Definitions Section of this Contract, the Contractor shall establish, enforce and monitor solvency requirements that provide assurance of the Subcontractor's ability to meet its obligations.

9.3 Provider Nondiscrimination

9.3.1 The Contractor shall not discriminate, with respect to participation, reimbursement, or indemnification, against providers practicing within their licensed scope of practice solely on the basis of the type of license or certification they hold (42 C.F.R. § 438.12(a)(1)).

9.3.2 If the Contractor declines to include individual or groups of providers in its network, it shall give the affected providers written notice of the reason for its decision (42 C.F.R. § 438.12(a)(1)).

9.3.3 The Contractor's policies and procedures on provider selection and retention shall not discriminate against particular providers that serve high-risk populations or specialize in conditions that require costly treatment (42 C.F.R. § 438.214(c)).

9.3.4 Consistent with the Contractor's responsibilities to the Enrollees, this Section may not be construed to require the Contractor to:

9.3.4.1 Contract with providers beyond the number necessary to meet the needs of its Enrollees.

9.3.4.2 Preclude the Contractor from using different reimbursement amounts for different specialties or for different providers in the same specialty.

9.3.4.3 Preclude the Contractor from establishing measures that are designed to maintain quality of services and control costs (42 C.F.R. § 438.12(b)(1)).

9.4 Required Provisions

Subcontracts shall be in writing and be consistent with the provisions of 42 C.F.R. § 434.6. All subcontracts shall contain applicable provisions contained in Subsections 9.5 and 9.6 of this Contract and the following provisions:

9.4.1 Identification of the parties of the subcontract and their legal basis for operation in the state of Washington.

9.4.2 A process for monitoring the subcontractor's performance and a periodic schedule for formally evaluating performance, consistent with industry standards or state managed care laws and regulations.

9.4.3 Procedures and specific criteria for terminating the subcontract.

9.4.4 Identification of the services to be performed by the Subcontractor and which of those services may be subcontracted by the Subcontractor. If the Contractor allows the subcontractor to further subcontract, all subcontractor requirements contained in this Contract must be propagated downward into any other lower tiered subcontracts (45 C.F.R. § 92.35).

9.4.5 Reimbursement rates and procedures for services provided under the subcontract.

9.4.6 Release to the Contractor of any information necessary to perform any of its obligations under this Contract.

9.4.7 The requirement to permit the state of Washington, including HCA, MFCU, State Auditor, CMS, auditors from the federal Government Accountability Office, federal Office of the Inspector General, federal Office of Management and Budget, the Office of the Inspector General, the Comptroller General, and their designees, to access, inspect and audit any records or documents of the subcontractors, and shall permit inspection of the premises, physical facilities, and equipment where Medicaid-related activities or work is conducted, at any time. The subcontractors shall make copies of records and shall deliver them to the requestor, without cost, within thirty (30) calendar days of request, or any shorter timeframe as authorized by law or court order. The right for the parties named above to audit, access and inspect under this section exists for ten (10) years from the final date of the contract period or from the date of completion of any audit, whichever is later.

9.4.8 The requirement to completely and accurately report encounter data, and to certify the accuracy and completeness of all encounter data submitted to the Contractor. The Contractor shall ensure that all Subcontractors required to report encounter data have the capacity to submit all HCA required data to enable the Contractor to meet the reporting requirements in the Encounter Data Guide published by HCA.

9.4.9 The requirement to comply with the Program Integrity requirements of this Contract and the Contractor's HCA approved program integrity policies and procedures.

9.4.10 No assignment of a subcontract shall take effect without HCA's written agreement.

9.4.11 The Subcontractor shall comply with the applicable state and federal statutes, rules and regulations as set forth in this Contract, including but not limited to 42 U.S.C. § 1396a(a)(43), 42 U.S.C. § 1396d(r) and 42 C.F.R. § 438.3(l).

9.4.12 Subcontracts shall set forth and require the Subcontractor to comply with any term or condition of this Contract that is applicable to the services to be performed under the subcontract (42 C.F.R. § 438.6).

9.4.13 The Contractor shall provide the following information regarding the Grievance and Appeal System to all Subcontractors (42 C.F.R. § 438.414 and 42 C.F.R. § 438.10(g)(1)):

9.4.13.1 The toll-free numbers to file oral Grievances and Appeals.

9.4.13.2 The availability of assistance in filing a Grievance or Appeal.

9.4.13.3 The Enrollee's right to request continuation of Medicaid benefits during an appeal or hearing and, if the Contractor's Adverse Benefit Determination is upheld, that the Enrollee may be responsible to pay for the continued benefits.

9.4.13.4 The Enrollee's right to file Grievances and Appeals and their requirements and timeframes for filing.

9.4.13.5 The Enrollee's right to a hearing, how to obtain a hearing and representation rules at a hearing.

9.4.13.6 The Subcontractor may file a Grievance or request an adjudicative proceeding on behalf of an Enrollee in accordance with subsection 13.2.1.

9.4.14 The process for revoking delegation or imposing other sanctions if the Subcontractor's performance is inadequate.

9.4.15 A process to identify deficiencies and take corrective action for both the Contractor and Subcontractor.

9.4.16 The process whereby the Subcontractor evaluates and ensures that services furnished to individuals with special health care needs are appropriate to the Enrollee's needs.

9.4.17 Prior to delegation, the Contractor shall evaluate any prospective Subcontractor's ability to perform the activities for which that Subcontractor is contracting, including the Subcontractor's ability to perform delegated activities described in the subcontracting document.

9.4.18 The requirement to refer credible allegations of fraud to HCA and the Medicaid Fraud Control Unit as described in subsection 12.6 of this Contract. (42 C.F.R § 455.23).

9.5 Health Care Provider Subcontracts

The Contractor's Subcontracts, including those for facilities and pharmacy benefit management, shall also contain the following provisions:

9.5.1 A quality improvement system tailored to the nature and type of services subcontracted, which affords quality control for the health care provided, including but not limited to the accessibility of medically necessary health care, and which provides for a free exchange of information with the Contractor to assist the Contractor in complying with the requirements of this Contract.

9.5.2 A statement that primary care and specialty care provider subcontractors shall cooperate with Quality Improvement (QI) activities.

9.5.3 A means to keep records necessary to adequately document services provided to Enrollees for all delegated activities including Quality Improvement, Utilization

Management, Enrollee Rights and Responsibilities, Health Homes, and Credentialing and Re-credentialing.

9.5.4 A requirement that the Subcontractor shall comply with Chapter 71.32 RCW (Mental Health Advance Directives).

9.5.5 Delegated activities are documented and agreed upon between Contractor and Subcontractor. The document must include:

9.5.5.1 Assigned responsibilities.

9.5.5.2 Delegated activities.

9.5.5.3 A mechanism for evaluation.

9.5.5.4 Corrective action policy and procedure.

9.5.6 Information about Enrollees, including their medical records, shall be kept confidential in a manner consistent with state and federal laws and regulations.

9.5.7 The Subcontractor accepts payment from the Contractor as payment in full. The Subcontractor shall not request payment from HCA or any Enrollee for contracted services performed under the subcontract, and shall comply with WAC 182-502-0160 requirements applicable to providers.

9.5.8 The Subcontractor agrees to hold harmless HCA and its employees, and all Enrollees served under the terms of this Contract in the event of non-payment by the Contractor. The Subcontractor further agrees to indemnify and hold harmless HCA and its employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses which may in any manner accrue against HCA or its employees through the intentional misconduct, negligence, or omission of the Subcontractor, its agents, officers, employees or contractors (42 C.F.R. § 438.230(b)(2)).

9.5.9 If the subcontract includes physician or behavioral health services, provisions for compliance with the Performance Improvement Project (PIP) requirements stated in this Contract.

9.5.10 If the subcontract includes physician services, provisions that inform the provider of any state determined appeal rights to challenge the failure of the contractor to cover a service (42 C.F.R. § 438.413 and 42 C.F.R. § 438.10(g)(1)(vii)).

9.5.11 A ninety (90) day termination notice provision.

9.5.12 A specific termination provision for termination with short notice when a Subcontractor is excluded from participation in the Medicaid program.

9.5.13 The Subcontractor agrees to comply with the appointment wait time standards of this Contract. The subcontract must provide for regular monitoring of timely access and corrective action if the Subcontractor fails to comply with the appointment wait time standards (42 C.F.R. § 438.206(c)(1)).

9.5.14 A provision for ongoing monitoring and periodic formal review that is consistent with industry standards and OIC regulations. Formal review must be completed no less than once every three (3) years and must identify deficiencies or areas for improvement and provide for corrective action (42 C.F.R. § 438.230(b)).

9.5.15 The Contractor shall document and confirm in writing all Single Case Agreements with providers. The agreement shall include:

9.5.15.1 The description of the services;

9.5.15.2 The authorization period for the services, including the begin date and the end date for approved services;

9.5.15.3 The rate of reimbursement for the service or reference to the Contractor's fee schedule or other plan documents that define payment; and

9.5.15.4 Any other specifics of the negotiated rate.

9.5.16 The Contractor must supply documentation to the Subcontractor no later than five (5) business days following the signing of the agreement. Updates to the single case agreement, must include all elements (begin date, end date, rate of care or reference to fee schedule and any other specifics regarding the services or payment methods).

9.5.17 The Contractor shall maintain a record of the Single Case Agreements for a period of six (6) years.

9.6 Health Care Provider Subcontracts Delegating Administrative Functions

9.6.1 Subcontracts that delegate administrative functions under the terms of this Contract shall include the following additional provisions:

9.6.1.1 For those Subcontractors at financial risk, that the Subcontractor shall maintain the Contractor's solvency requirements throughout the term of the Contract.

9.6.1.2 Clear descriptions of any administrative functions delegated by the Contractor in the subcontract. Administrative functions are any obligations of the Contractor under this Contract other than the direct provision of services to Enrollees and include, but are not limited to, utilization/medical management, claims processing, Enrollee Grievances and appeals, and the provision of data or information necessary to fulfill any of the Contractor's obligations under this Contract.

9.6.1.3 How frequently and by what means the Contractor will monitor compliance with solvency requirements and subcontractor performance related to any administrative function delegated in the subcontract.

9.6.1.4 Provisions for revoking delegation or imposing sanctions if the Subcontractor's performance is inadequate (42 C.F.R. § 438.230(b)(2)).

9.6.1.5 Whether referrals for Enrollees will be restricted to providers affiliated with the group and, if so, a description of those restrictions.

9.6.1.6 Prior to delegation, an evaluation of the Subcontractors ability to successfully perform and meet the requirements of this Contract for any delegated administrative function.

9.6.2 The Contractor shall submit a report of all current delegated entities, activities delegated and the number of Enrollees assigned or serviced by the delegated entity to the HCA by March 1st of each year applicable to this Contract and upon request by the HCA.

9.7 Behavioral Benefit Administration with Subcontractors and Subsidiaries

9.7.1 Subcontracts, as defined herein, may be used by the Contractor for the provision of any service under this Contract, except Behavioral Health Administrative Functions. Essential Behavioral Health Administrative Functions may be subcontracted for a period of time as determined by HCA and the Contractor. The Contractor shall achieve full integration of Essential Behavioral Health Administrative Functions according to a timeline agreed upon with HCA. No Subcontractor shall terminate the Contractor's legal responsibility to HCA for any work performed under this Contract nor for oversight of any functions and/or responsibilities it delegates to any Subcontractor.

9.7.2 Required Provisions. Behavioral Health Subcontracts must require Subcontractors to hold all necessary licenses, certifications, and/or permits as required by law for the performance of the activity to be performed under this Contract.

9.7.2.1 Subcontracts must require Subcontractors to notify the Contractor in the event of a change in status of any required license or certification.

9.7.3 GAIN-SS

9.7.3.1 Subcontracts for the provision of behavioral health services must require the use of the GAIN-SS and assessment process that includes use of the quadrant placement. In addition, the Subcontract must contain terms requiring corrective action if the Integrated Co-Occurring Disorder Screening and Assessment process is not implemented and maintained throughout the Contract period of performance.

9.7.3.2 If the results of the GAIN-SS are indicative of the presence of a co-occurring disorder, this information must be considered in the development of the treatment plan including appropriate referrals.

9.8 Health Homes

The Contractor shall provide health home services as a qualified health home lead organization, or may delegate the Health Home services by contracting with other qualified Health Home lead organizations, to deliver health home services for Enrollees meeting the eligibility criteria for the Health Home program. The Contractor shall subcontract with community based Care Coordination Organizations sufficient in quantity and type and may also provide Health Home services as a Care Coordination Organization.

Network adequacy for a Care Coordination Organization (CCO) network will be determined by evidence of signed subcontracts with at least five of the CCOs described below. Two of the five

subcontracts must be with an organization that provides mental health services and an organization that provides long-term services and supports. The Contractor must assign at least 35 percent of their Health Home Enrollee population to the subcontracted CCO when providing Health Home services in each coverage area.

The following CCOs meet the requirement for "sufficiency" of a Health Home network:

9.8.1 Federally Qualified Health Centers
9.8.2 Area Agencies on Aging
9.8.3 Rural Health Clinics
9.8.4 Community Mental Health Agencies
9.8.5 Mental Health clinics or counseling services
9.8.6 Substance Use Disorder Treatment Agencies or counseling services
9.8.7 Hospitals
9.8.8 Behavioral Health Organizations
9.8.9 Medical or specialty clinics
9.8.10 Pediatric clinics
9.8.11 Social Service organizations

9.9 Home Health Providers

The Contractor may not subcontract with a home health agency unless the home health agency is in compliance with the surety bond requirements of federal law (Section 4708(d) of the Balanced Budget Act of 1997 and 42 C.F.R. § 441.16).

9.10 Physician Incentive Plans

Physician Incentive Plans, as defined herein, are subject to the conditions set forth in this Section and in federal regulations (42 C.F.R. § 438.6(h), 42 C.F.R. § 422.208 and 42 C.F.R. § 422.210). The Contractor shall provide written notification to HCA on an annual basis that its physician's incentive plans, if any, comply with federal regulations.

9.10.1 Prohibited Payments: The Contractor shall make no payment to a physician or Physician Group, directly or indirectly, under a Physician Incentive Plan as an inducement to reduce or limit Medically Necessary Services provided to an individual Enrollee.

9.10.2 Disclosure Requirements: Risk sharing arrangements in subcontracts with physicians or Physician Groups are subject to review and approval by HCA. Prior to entering into, modifying or extending the risk sharing arrangement in a subcontract at any tier, the Contractor shall provide the following information about its Physician Incentive Plan, and the Physician Incentive Plans of its Subcontractors to HCA:

9.10.2.1 A description of the incentive plan including whether the incentive plan includes referral services.

9.10.2.2 If the incentive plan includes referral services, the information provided to HCA shall include:

9.10.2.2.1 The type of incentive plan (e.g., withhold, bonus, capitation).

9.10.2.2.2 For incentive plans involving withholds or bonuses, the percent that

is withheld or paid as a bonus.

9.10.2.2.3 Proof that stop-loss protection meets the requirements identified within the provisions of this Section, including the amount and type of stop-loss protection.

9.10.2.2.4 The panel size and, if commercial members and Enrollees are pooled, a description of the groups pooled and the risk terms of each group. Medicaid, Medicare, and commercial members in a physician's or Physician Group's panel may be pooled provided the terms of risk for the pooled Enrollees and commercial members are comparable, and the incentive payments are not calculated separately for pooled Enrollees. Commercial members include military members.

9.10.3 If the Contractor, or any Subcontractor, places a physician or Physician Group at Substantial Financial Risk, the Contractor shall assure that all physicians and Physician Groups have either aggregate or per member stop-loss protection for services not directly provided by the physician or Physician Group.

9.10.3.1 If aggregate stop-loss protection is provided, it must cover ninety percent (90%) of the costs of referral services that exceed twenty-five percent (25%) of maximum potential payments under the subcontract.

9.10.3.2 If stop-loss protection is based on a per-member limit, it must cover ninety percent (90%) of the cost of referral services that exceed the limit as indicated below based on panel size, and whether stop-loss is provided separately for professional and institutional services or is combined for the two.

9.10.3.2.1 1,000 members or fewer, the threshold is $3,000 for professional services and $10,000 for institutional services, or $6,000 for combined services.

9.10.3.2.2 1,001 - 5,000 members, the threshold is $10,000 for professional services and $40,000 for institutional services, or $30,000 for combined services.

9.10.3.2.3 5,001 - 8,000 members, the threshold is $15,000 for professional services and $60,000 for institutional services, or $40,000 for combined services.

9.10.3.2.4 8,001 - 10,000 members, the threshold is $20,000 for professional services and $100,000 for institutional services, or $75,000 for combined services.

9.10.3.2.5 10,001 - 25,000, the threshold is $25,000 for professional services and $200,000 for institutional services, or $150,000 for combined services.

9.10.3.2.6 25,001 members or more, there is no risk threshold.

9.10.3.3 The Contractor shall provide the following information regarding its Physician Incentive Plans to any Enrollee who requests it:

9.10.3.3.1 Whether the Contractor uses a Physician Incentive Plan that affects the use of referral services;

9.10.3.3.2 The type of incentive arrangement; and

9.10.3.3.3 Whether stop-loss protection is provided.

9.11 **Provider Education**

The Contractor will maintain records of the number and type of providers and support staff participating in provider education, including evidence of assessment of participant satisfaction from the training process.

9.11.1 The Contractor shall maintain a system for keeping Participating Providers informed about:

9.11.1.1 Covered Services for Enrollees served under this Contract.

9.11.1.2 Coordination of care requirements.

9.11.1.3 HCA and the Contractor's policies and procedures as related to this Contract.

9.11.1.4 Health Homes.

9.11.1.5 HCA First Steps Program - Maternity Support Services (MSS). The Contractor shall notify providers about HCA's First Steps Program, MSS, using the HCA MSS informational letter template that includes the HCA First Steps Program website and Provider Directory.

9.11.1.6 Interpretation of data from the Quality Improvement program.

9.11.1.7 Practice guidelines as described in the provisions of this Contract.

9.11.1.8 Behavioral health services through the Contractor. The Contractor shall provide a link to the provider directory annually to all Primary Care Providers, including its contracted mental health and children's mental health professionals. The Contractor shall provide the link to its Primary Care Providers no later than January 31st.

9.11.1.9 Behavioral Health resource line (RCW 74.09).

9.11.1.10 The information requirements for UM decision making, procedure coding and submitting claims. The Contractor shall inform behavioral health network providers in writing regarding these requirements.

9.11.1.11 Contractor care management staff for assistance in care transitions and care management activity.

9.11.1.12 Program Integrity requirements.

9.11.1.13 DSHS long-term care services including availability of home and community based care.

9.11.1.14 DSHS developmental disability services including community-based care.

9.11.1.15 DSHS/Children's Administration services for children in state dependency care.

9.11.1.16 Educational opportunities for Primary Care Providers, such as those produced by the Washington State Department of Health Collaborative, the Washington State Medical Association or the Washington State Hospital Association, etc. The Contractor shall offer continuing medical and clinical education, including when network providers complete attendance requirements for contractually required training.

9.11.2 The Contractor shall develop and deliver ongoing training for network providers. The training objective is to strengthen the knowledge, skill and expertise of all parties to improve integrated care delivery as it relates to outreach and engagement, screening and assessment, appropriate referral and delivery of person-centered, recovery-oriented care. Training shall go beyond concepts to address how to incorporate guidelines and principles into daily practice. This shall include offering technical assistance and support tools regarding coordinated care practices defined in Section 14 of this Contract. The training program shall meet the following minimum requirements:

9.11.2.1 Training shall be accessible to network providers at alternate times and days of the week. A schedule of training shall be available on the Contractor's website and updated as needed but at least annually.

9.11.2.2 Training for behavioral health network providers shall address the following requirements:

9.11.2.2.1 The application of evidence-based, research-based, Promising Practices related to the assessment and treatment of behavioral health conditions, including those from the Bree Collaborative.

9.11.2.2.2 Incorporation of recovery and Resilience principles in service provision as well as policies and procedures.

9.11.2.2.3 Screening, identification and referral for treatment for medical conditions and risk factors commonly occurring in individuals with severe and persistent behavioral health mental illness or chronic SUD. For individuals on medication, screening includes review of Enrollee medical and medication history, and for individuals on psychotropic medication, vital signs, weight, and BMI. Screening tools used with children and Youth shall be developmentally age-appropriate.

9.11.2.2.4 Subcontracts must require Subcontractors to participate in training when requested by HCA. Requests for HCA to allow an exception to participation in required training must be in writing and include a

plan for how the required information will be provided to targeted Subcontractor staff.

9.11.2.2.5 Annually, all community behavioral health employees who work directly with Enrollees must be provided with training on safety and violence prevention topics described in RCW 49.19.030.

9.11.2.3 The Contractor shall ensure all of its contracted Primary Care Providers are offered training related to all of the following:

9.11.2.3.1 Screening for behavioral health conditions using developmentally, age appropriate screening tools.

9.11.2.3.2 Brief Intervention and Referral to Treatment for Enrollees aged thirteen (13) years and older.

9.11.2.3.3 The application of evidence-based, research-based and Promising Practices (including those from the Bree Collaborative) for behavioral health conditions commonly occurring in primary care.

9.11.2.3.4 Identification of individuals with First Episode Psychosis (FEP) and referral to appropriate FEP services.

9.11.2.4 Behavioral health and medical providers shall be offered training on effective approaches to managing individuals with co-occurring conditions including individuals with behavioral health and co-occurring medical conditions or co-occurring intellectual and developmental disabilities. Training shall address the following requirements:

9.11.2.4.1 Care Coordination requirements as defined in Section 14, including, but not limited to creating and maintaining a shared care plan;

9.11.2.4.2 Collaborative care or similar research-based models for Care Coordination;

9.11.2.4.3 Discharge planning for Enrollees transitioning from the hospital to the community; and

9.11.2.4.4 Accurate diagnosis and appropriate treatment for individuals with I/DD.

9.11.2.5 Enrollees, family members and other caregivers are involved in the planning, development and delivery of trainings specific to delivery of behavioral health services and behavioral health-medical integration initiatives.

9.11.2.6 Cultural competency shall be incorporated into provider training specific to delivery of behavioral health services and behavioral health-medical integration initiatives.

9.11.3 The Contractor shall maintain records of the number and type of providers and support

staff participating in provider education, including evidence of assessment of participant satisfaction from the training process.

9.12 Claims Payment Standards

9.12.1 The Contractor shall meet the timeliness of payment standards specified for Medicaid fee-for-service in Section 1902(a)(37) of the Social Security Act, 42 C.F.R. § 447.46 and specified for health carriers in WAC 284-170-431. These standards shall also be applicable to State-only and federal block grant fund payments. To be compliant with payment standards the Contractor shall pay or deny, and shall require subcontractors to pay or deny, ninety-five percent (95%) of clean claims within thirty (30) calendar days of receipt, ninety-five percent (95%) of all claims within sixty (60) calendar days of receipt and ninety-nine percent (99%) of clean claims within ninety (90) calendar days of receipt. The Contractor and its providers may agree to a different payment requirement in writing on an individual claim.

9.12.1.1 A claim is a bill for services, a line item of service or all services for one (1) Enrollee within a bill.

9.12.1.2 A clean claim is a claim that can be processed without obtaining additional information from the provider of the service or from a third party.

9.12.1.3 The date of receipt is the date the Contractor receives the claim from the provider.

9.12.1.4 The date of payment is the date of the check or other form of payment.

9.12.2 The Contractor shall support both hardcopy and electronic submission of claims and encounters for all claim types (hospital and professional services).

9.12.3 The Contractor must support hardcopy and electronic submission of claim inquiry forms, and adjustment claims and encounters.

9.12.4 The Contractor shall educate and support Behavioral Health Providers about the requirement to submit HIPAA-compliant encounters.

9.12.4.1 The Contractor shall work with BH Providers to resolve encounters or claims not approved on initial submission, identify and resolve errors in encounter submission before they become widespread and systemic, and address other billing issues discovered during the first 180 days of the Contract.

9.12.4.2 The Contractor shall ensure timely payment to BH providers for services delivered to enrollees when a mental health or SUD provider cannot submit HIPAA-compliant encounters or electronic claims.

9.12.4.3 The Contractor shall produce and provide monthly reports to contracted BH providers to assist with claims management that includes numbers of accepted claims or encounters vs. those that are not accepted on initial submission, and error rates by types of errors.

9.12.5 The Contractor shall update its claims and encounter system to support additional

behavioral health services, provider types and provider specialties for rendering providers that will be added under the Apple Health - Fully Integrated Managed Care program.

9.12.6 The Contractor shall allow providers 365 days to submit claims for services provided under this Contract unless the provider has agreed or agrees to a shorter timely filing timeframe in their contract with the Contractor.

9.12.7 The Contractor shall produce and submit to HCA a quarterly claims denial analysis report. The first report shall be due October 1, 2016, reflecting the April 1, 2016 through June 30, 2016 contract period and each successive quarter of the Contract. The report shall include the following data:

9.12.7.1 Total number of:

9.12.7.1.1 Approved claims for which there was at least one denied line; and

9.12.7.1.2 Completely denied claims.

9.12.7.2 Total number of claims adjudicated in the reporting claim.

9.12.7.3 Total number of behavioral health claims denied by claim line.

9.12.7.4 Summary by reason and type of claims denied.

9.12.7.5 The total number of denied claims divided by the total number of claims.

9.12.7.6 For each of the five network billing providers with the highest number of total denied claims, the number of total denied claims expressed as a ratio to all claims adjudicated.

9.12.7.7 Total number of:

9.12.7.7.1 Behavioral Health claims received, that were not approved upon initial submission.

9.12.7.7.2 The total number of rejected/non-clean behavioral health claims, divided by the total number of claims submitted.

9.12.7.7.3 The top five reasons for behavioral health claims being rejected upon initial submission.

9.12.8 The report shall include a narrative, including the action steps planned to address:

9.12.8.1 The top five (5) reasons for denial, including provider education to the five network billing providers with the highest number of total denied claims. Provider education must address root causes of denied claims and actions to address them.

9.12.8.2 Claims denied in error by the Contractor.

9.13 **Federally Qualified Health Centers / Rural Health Clinics Report**

The Contractor shall provide HCA with information related to subcontracted Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC), as required by HCA Federally Qualified Health Center and Rural Health Center Billing Guides, published by HCA and incorporated by reference into this Contract.

9.14 **Provider Credentialing**

The Contractor's policies and procedures shall meet NCQA requirements related to the credentialing and re-credentialing of Health Care Professionals who have signed contracts or participation agreements with the Contractor. The Contractor shall ensure and demonstrate compliance with the requirements described in this Contract.

9.14.1 The Contractor's policies and procedures shall ensure compliance with the following requirements described in this section.

9.14.1.1 The Contractor's medical director or other designated physician shall have direct responsibility for and participation in the credentialing program.

9.14.1.2 The Contractor shall have a designated Credentialing Committee to oversee the credentialing process.

9.14.2 The Contractor's credentialing and recredentialing program shall include:

9.14.2.1 Identification of the type of providers credentialed and recredentialed.

9.14.2.2 Specification of the verification sources used to make credentialing and recredentialing decisions, including any evidence of provider sanctions.

9.14.2.3 A process for provisional credentialing that affirms that:

9.14.2.3.1 The practitioner may not be held in a provisional status for more than sixty (60) calendar days; and

9.14.2.3.2 The provisional status will only be granted one (1) time and only for providers applying for credentialing the first time.

9.14.2.3.3 Provisional credentialing shall include an assessment of:

9.14.2.3.3.1 Primary source verification of a current, valid license to practice;

9.14.2.3.3.2 Primary source verification of the past five (5) years of malpractice claims or settlements from the malpractice carrier or the results of the National Practitioner Databank query; and

9.14.2.3.3.3 A current signed application with attestation.

9.14.2.4 Prohibition against employment or contracting with providers excluded from participation in federal health care programs under federal law and as described in the Excluded Individuals and Entities provisions of this Contract.

9.14.2.5 A detailed description of the Contractor's process for delegation of credentialing and recredentialing.

9.14.2.6 Verification of provider compliance with all Program Integrity requirements in this Contract.

9.14.3 The Contractor's process for communicating findings to the provider that differ from the provider's submitted materials shall include communication of the provider's rights to:

9.14.3.1 Review materials.

9.14.3.2 Correct incorrect or erroneous information.

9.14.3.3 Be informed of their credentialing status.

9.14.4 The Contractor's process for notifying providers within fifteen (15) calendar days of the credentialing committee's decision.

9.14.5 An appeal process for providers for quality reasons and reporting of quality issues to the appropriate authority and in accord with the Program Integrity requirements of this Contract.

9.14.6 The Contractor's process to ensure confidentiality.

9.14.7 The Contractor's process to ensure listings in provider directories for Enrollees are consistent with credentialing file content, including education, training, certification and specialty designation.

9.14.8 The Contractor's process for recredentialing providers at minimum every thirty-six (36) months through information verified from primary sources, unless otherwise indicated.

9.14.9 The Contractor's process to ensure that offices of all Health Care Professionals meet office site standards established by the Contractor.

9.14.10 The Contractor's system for monitoring sanctions, limitations on licensure, complaints and quality issues or information from identified adverse events and provide evidence of action, as appropriate based on defined methods or criteria. (42 C.F.R. § 455.101).

9.14.11 The Contractor's process and criteria for assessing and reassessing organizational providers.

9.14.12 The criteria used by the Contractor to credential and recredential practitioners shall include (42 C.F.R. § 438.230(b)(1)):

9.14.12.1 Evidence of a current valid license or certification to practice;

9.14.12.2 A valid DEA or CDS certificate if applicable;

9.14.12.3 Evidence of appropriate education and training;

9.14.12.4 Board certification if applicable;

9.14.12.5 Evaluation of work history;

9.14.12.6 A review of any liability claims resulting in settlements or judgments paid on or on behalf of the provider; and

9.14.12.7 A signed, dated attestation statement from the provider that addresses:

9.14.12.7.1 The lack of present illegal drug use;

9.14.12.7.2 A history of loss of license and criminal or felony convictions;

9.14.12.7.3 A history of loss or limitation of privileges or disciplinary activity;

9.14.12.7.4 Current malpractice coverage;

9.14.12.7.5 Any reason(s) for inability to perform the essential functions of the position with or without accommodation; and

9.14.12.7.6 Accuracy and completeness of the application.

9.14.12.8 Verification of the: National Provider Identifier, the provider's enrollment as a Washington Medicaid provider, and the Social Security Administration's death master file.

9.14.13 The Contractor shall ensure that subcontracted providers defined as "high categorical risk" in 42 C.F.R. § 424.518, are enrolled through the Medicare system, which requires a criminal background check as part of the enrollment process. The Contractor shall ensure that providers defined as "high categorical risk" provide an enrollment verification letter from Medicare issued after March 23, 2011 as part of the credentialing process. The Contractor shall ensure that contracted providers defined as "high categorical risk" revalidate their Medicare enrollment every three (3) years in compliance with 42 C.F.R. § 424.515.

9.14.13.1 If a "high categorical risk" subcontracted provider is not enrolled in the Medicare system and delivers a service that is not commonly delivered to a Medicare covered subscriber, e.g. someone under twenty-one (21) years of age, the above requirement to submit a letter from Medicare as part of the Contractor's credentialing process is waived. However, the provider must successfully complete the Contractor's credentialing process, which could include a background check.

9.14.14 The Contractor shall terminate any provider where HCA or Medicare has taken any action to revoke the provider's privileges for cause, and the provider has exhausted all applicable appeal rights or the timeline for appeal has expired. For cause may include, but is not limited to, Fraud; integrity; or quality (42 C.F.R. § 455.101).

9.14.15 The Contractor shall notify HCA in accord with the Notices section of this Contract, within three (3) business days of receipt of information relating to disciplinary action against the accreditation, certification, license and/or registration of the Contractor, an employee, Subcontractor or Subcontractor employee.

9.14.16 The Contractor shall require providers defined as "high categorical risk" for potential Fraud as defined in 42 C.F.R. § 424.518 to be enrolled and screened by Medicare.

9.14.17 The Contractor's policies and procedures shall be consistent with 42 C.F.R. § 438.12, and the process shall ensure the Contractor does not discriminate against particular Health Care Professionals that serve high-risk populations or specialize in conditions that require costly treatment, and any other methods for assuring nondiscrimination.

9.15 **Crisis Service**

9.15.1 The Contractor shall contract with the HCA's selected Behavioral Health Administrative Services Organization (BH-ASO) for the administration of Crisis Services.

9.15.2 The Contractor shall reimburse the BH-ASO for behavioral health Crisis Services delivered to individuals enrolled in the Contractor's FIMC plan. The reimbursement shall be upon receipt of a valid claim per the requirements for timely accurate claims payment under this Contract or a monthly sub-capitation.

9.15.3 In order to ensure the current level of crisis funding for the Regional Service Area is sustained for the initial two (2) years of the contract, the following provisions shall be met:

9.15.3.1 Any sub-capitation arrangement with the BH-ASO shall be reviewed and approved by the HCA.

9.15.3.2 The Contractor shall participate in a semi-annual financial reconciliation process related to predicted versus actual Crisis Services utilization.

9.15.4 The Contractor shall submit complete and accurate encounter data related to the provision of Crisis Services under this Contract in formats prescribed by the HCA.

9.15.5 The Contractor shall enter into a subcontract with the BH-ASO to evaluate and monitor the performance of the crisis system and develop corrective action where needed.

9.15.6 The subcontract with the BH-ASO shall contain the following provisions.

9.15.6.1 Crisis Services shall be available twenty (24) hours per day, seven (7) days per week, three hundred sixty five (365) days per year. This shall include availability of a 24/7 regional crisis hotline that provides screening and referral to a network of local providers, and availability of a 24/7 mobile crisis outreach team. Individuals will be able to access Crisis Services without full completion of Intake Evaluations and/or other screening and assessment processes. MCOs shall make it a requirement for behavioral health providers to be the first contact for their assigned member to allow for an attempt at prevention or early intervention strategies to be implemented prior to Crisis Services being contacted.

9.15.6.2 The BH-ASO shall collaborate with the Contractor to develop and implement

strategies to coordinate care with community behavioral health providers for individuals with a history of frequent crisis system utilization. Coordination of care strategies will seek to reduce utilization of Crisis Services by promoting relapse/crisis prevention planning and early intervention and outreach that addresses the development and incorporation of wellness recovery action plans and Mental Health Advance Directives in treatment planning consistent with requirements in Section 14 of this Contract.

9.15.6.3 The BH-ASO shall establish information systems to support data exchange consistent with the requirements under this Contract including, but not limited to eligibility interfaces, exchange of claims and encounter data and sharing of care plans and mental health Advance Directive necessary to coordinate service delivery in accordance with applicable privacy laws, including HIPAA and 42 C.F.R. Part 2.

9.15.6.4 The Contractor shall make provisions for the BH-ASO to access the individual service plan on a 24/7 basis for clients receiving BH services.

9.15.6.5 The BH-ASO shall participate in a semi-annual financial reconciliation process as directed by the HCA.

9.15.7 The Contractor shall either cover Emergency Fills without authorization, or guarantee authorization and payment after the fact for any Emergency Fill dispensed by a contracted pharmacy.

10 ENROLLEE RIGHTS AND PROTECTIONS

10.1 General Requirements

10.1.1 The Contractor shall comply with any applicable federal and state laws that pertain to Enrollee rights and ensure that its staff and affiliated providers protect and promote those rights when furnishing services to Enrollees (42 C.F.R. § 438.100(a)(2)).

10.1.2 The Contractor shall have in place written policies that guarantee each Enrollee the following rights (42 C.F.R. § 438.100(b)(2)):

10.1.2.1 To be treated with respect and with consideration for their dignity and privacy (42 C.F.R. § 438.100(b)(2)(ii)).

10.1.2.2 To receive information on available treatment options and alternatives, presented in a manner appropriate to the Enrollee's ability to understand (42 C.F.R. § 438.100(b)(2)(iii)).

10.1.2.3 To participate in decisions regarding their health care, including the right to refuse treatment (42 C.F.R. § 438.100(b)(2)(IV)).

10.1.2.4 To be free from any form of restraint or seclusion used as a means of coercion, discipline, convenience, or retaliation (42 C.F.R. § 438.100(b)(2)(IV)).

10.1.2.5 To request and receive a copy of their medical records, and to request that they be amended or corrected, as specified in 45 C.F.R. § 164 (42 C.F.R. § 438.100(b)(2)(iv)).

10.1.2.6 Each Enrollee must be free to exercise their rights, and exercise of those rights must not adversely affect the way the Contractor or its Subcontractors treat the Enrollee (42 C.F.R. § 438.100(c)).

10.1.2.7 To choose a behavioral Health Care Provider.

10.1.3 The Contractor shall require a criminal history background check through the Washington State Patrol for employees and volunteers of the Contractor who may have unsupervised access to children, people with developmental disabilities, or vulnerable adults.

10.2 Cultural Considerations

10.2.1 The Contractor shall promote access to and delivery of services that are provided in a culturally competent manner to all Enrollees, including those with limited English proficiency, diverse cultural and ethnic backgrounds, disabilities, and regardless of gender, sexual orientation or gender identity.

10.2.2 The Contractor shall participate in and cooperate with HCA efforts to promote the National Standards for Culturally and Linguistically Appropriate Services (CLAS) in Health and Health Care. The Contractor will provide effective, equitable, understandable, and respectful quality care and services that are responsive to diverse cultural health beliefs and practices, preferred languages, health literacy, and other communication needs (42

C.F.R. § 438.206(c)(2)).

10.2.3 At a minimum, the Contractor shall:

10.2.3.1 Educate and train governance, leadership, and workforce in culturally and linguistically appropriate policies and practices on an outgoing basis (CLAS Standard 4);

10.2.3.2 Offer language assistance to individuals who have limited English proficiency and/or other communication needs, at no cost to them, to facilitate timely access to all health care and services (CLAS Standard 5);

10.2.3.3 Inform all individuals of the availability of language assistance services clearly and in their preferred language, verbally and in writing (CLAS Standard 6);

10.2.3.4 Ensure the competence of individuals providing language assistance, recognizing that the use of untrained individuals and/or minors as interpreters should be avoided (CLAS Standard 7);

10.2.3.5 Provide easy–to-understand print and multimedia materials and signage in the languages commonly used by the populations in the service area (CLAS 8);

10.2.3.6 Establish culturally and linguistically appropriate goals (CLAS Standard 9);

10.2.3.7 Conduct ongoing assessments of the organization's CLAS, related activities and integrate CLAS, related measures into measurement and continuous quality improvement activities (CLAS Standard 10);

10.2.3.8 Collect and maintain accurate and reliable demographic data to monitor and evaluate the impact of CLAS on health equity and outcomes and to inform service delivery (CLAS 11); and

10.2.3.9 Create conflict and Grievance resolution processes that are culturally and linguistically appropriate to identify, prevent, and resolve conflict or complaints (CLAS 14).

10.3 **Advance Directives and Physician Orders for Life Sustaining Treatment (POLST)**

10.3.1 The Contractor shall meet the requirements of WAC 182-501-0125, 42 C.F.R. § 438.3, 438.10, 422.128, 489.100 and 489 Subpart I as described in this section.

10.3.2 The Contractor's Advance Directive policies and procedures shall be disseminated to all affected providers, Enrollees, HCA, and, upon request, Potential Enrollees.

10.3.2.1 The Contractor shall develop policies and procedures to address Physician Orders for Life Sustaining Treatment (POLST) and ensure that they are distributed in the same manner as those governing Advance Directives.

10.3.3 The Contractor's written policies respecting the implementation of Advance Directive POLST rights shall include a clear and precise statement of limitation if the Contractor cannot implement an Advance Directive as a matter of conscience (42 C.F.R. § 422.128).

At a minimum, this statement must do the following:

10.3.3.1 Clarify any differences between Contractor conscientious objections and those that may be raised by individual physicians.

10.3.3.2 Identify the state legal authority permitting such objection.

10.3.3.3 Describe the range of medical conditions or procedures affected by the conscience objection.

10.3.4 If an Enrollee is incapacitated at the time of initial enrollment and is unable to receive information (due to the incapacitating condition or a mental disorder) or articulate whether or not he or she has executed an Advance Directive or received a POLST, the Contractor may give Advance Directive information to the Enrollee's family or surrogate in the same manner that it issues other materials about policies and procedures to the family of the incapacitated Enrollee or to a surrogate or other concerned persons in accordance with state law. The Contractor is not relieved of its obligation to provide this information to the Enrollee once he or she is no longer incapacitated or unable to receive such information. Follow-up procedures must be in place to ensure that the information is given to the individual directly at the appropriate time.

10.3.5 The Contractor must require and ensure that the Enrollee's medical record documents, in a prominent part, whether or not the individual has executed an Advance Directive or received a POLST.

10.3.6 The Contractor shall not condition the provision of care or otherwise discriminate against an Enrollee based on whether or not the Enrollee has executed an Advance Directive or received a POLST.

10.3.7 The Contractor shall ensure compliance with requirements of state and federal law (whether statutory or recognized by the courts of the State) regarding Advance Directives or POLSTs.

10.3.8 The Contractor shall provide education to staff concerning its policies and procedures on Advance Directives or POLSTs.

10.3.9 The Contractor shall provide community education regarding Advance Directives that may include material required herein, either directly or in concert with other providers or entities. Separate community education materials may be developed and used, at the discretion of the Contractor. The same written materials are not required for all settings, but the material should define what constitutes an Advance Directive, emphasizing that an Advance Directive is designed to enhance an incapacitated individual's control over medical treatment, and describe applicable state and federal law concerning Advance Directives. The Contractor shall document its community education efforts (42 C.F.R. § 438.6(i)(3)).

10.3.10 The Contractor is not required to provide care that conflicts with an Advance Directive; and is not required to implement an Advance Directive if, as a matter of conscience, the Contractor cannot implement an Advance Directive and state law allows the Contractor or any Subcontractor providing services under this Contract to conscientiously object.

10.3.11 The Contractor shall inform Enrollees that they may file a Grievance with the Contractor if the Enrollee is dissatisfied with the Contractor's Advance Directive policy and procedure or the Contractor's administration of those policies and procedures. The Contractor shall also inform Enrollees that they may file a Grievance with the Washington State Department of Health if they believe the Contractor is non-compliant with Advance Directive and POLST requirements.

10.4 **Mental Health Advance Directive**

10.4.1 The Contractor shall maintain a written Mental Health Advance Directive (MHAD) policy and procedure that respects individuals' Advance Directive for behavioral health care. Policy and procedures must comply with Chapter 71.32 RCW.

10.4.2 The Contractor shall inform all Enrollees who present for mental health services of their right to a Mental Health Advance Directive, and shall provide technical assistance to those who express an interest in developing and maintaining a Mental Health Advance Directive.

10.4.3 The Contractor shall maintain current copies of any Mental Health Advance Directive in the Enrollee's record.

10.4.4 The Contractor shall inform Enrollees that complaints concerning noncompliance with a MHAD should be referred to the Department of Health by calling 1-360-236-2620.

10.5 **Enrollee Choice of PCP/Behavioral Health Provider**

10.5.1 The Contractor must implement procedures to ensure each Enrollee has a source of primary care appropriate to their needs (42 C.F.R. § 438.207(c)).

10.5.2 The Contractor shall allow, to the extent possible and appropriate, each new Enrollee to choose a participating PCP (42 C.F.R. § 438.6(m)) or behavioral health professional.

10.5.3 The Contractor shall offer each Enrollee a choice of providers for medically necessary behavioral health services.

10.5.4 In the case of newborns, the parent shall choose the newborn's PCP.

10.5.5 In the case of American Indian/Alaska Native (AI/AN) Enrollees, the Enrollee may choose a tribal clinic as his or her PCP, whether or not the tribal clinic is a network provider.

10.5.6 If the Enrollee does not make a choice at the time of enrollment, the Contractor shall assign the Enrollee to a PCP or clinic, within reasonable proximity to the Enrollee's home, no later than fifteen (15) business days after coverage begins.

10.5.7 The Contractor shall allow an Enrollee to change PCP or clinic at any time with the change becoming effective no later than the beginning of the month following the Enrollee's request for the change (WAC 182-538-060 and WAC 284-170-360).

10.5.8 The Contractor may limit an Enrollee's ability to change PCPs in accord with the Patient Review and Coordination provisions of this Contract.

10.6 **Prohibition on Enrollee Charges for Covered Services**

10.6.1 Under no circumstances shall the Contractor, or any providers used to deliver services under the terms of this Contract, including Non-Participating Providers, charge Enrollees for Covered Services (SSA 1932(b)(6), SSA 1128B(d)(1), 42 C.F.R. § 438.106 and WAC 182-502-0160).

10.6.2 Prior to authorizing services with Non-Participating Providers, the Contractor shall assure that Non-Participating Providers fully understand and accept the prohibition against balance billing Enrollees.

10.6.3 The Contractor shall require providers to report when an Enrollee is charged for services. The Contractor shall maintain a central record of the charged amount, Enrollee's agreement to pay, if any, and actions taken regarding the billing by the Contractor. The Contractor shall be prepared at any time to report to HCA any and all instances where an Enrollee is charged for services, whether or not those charges are appropriate.

10.6.4 If an Enrollee has paid inappropriate charges, the Contractor will make every effort to have the provider repay the Enrollee the inappropriate amount. If the Contractor's efforts to have the provider repay the Enrollee fail, the Contractor will repay the Enrollee the inappropriately charged amount.

10.6.5 The Contractor shall have a separate and specific policy and procedure that fully articulates how the Contractor will protect Enrollees from being billed for contracted services.

10.6.6 The Contractor shall coordinate benefits with other insurers in a manner that does not result in any payment by or charges to the Enrollee for Covered Services including other insurer's copayments and coinsurance.

10.7 **Provider/Enrollee Communication**

The Contractor may not prohibit, or otherwise restrict, a Health Care Professional acting within their lawful scope of practice from advising or advocating on behalf of an Enrollee who is their patient, for the following (42 C.F.R. § 438.102(a)(1)(i)):

10.7.1 The Enrollee's health status, medical care, or treatment options, including any alternative treatment that may be self-administered (42 C.F.R. § 438.102(a)(1)(i)).

10.7.2 Any information the Enrollee needs in order to decide among all relevant treatment options (42 C.F.R. § 438.102(a)(1)(ii)).

10.7.3 The risks, benefits, and consequences of treatment or non-treatment (42 C.F.R. § 438.102(a)(1)(iii)).

10.7.4 The Enrollee's right to participate in decisions regarding their health care, including the right to refuse treatment, and to express preferences about future treatment decisions (42 C.F.R. § 438.102(a)(1)(iv)).

10.8 **Enrollee Self-Determination**

The Contractor shall ensure that all providers, obtain informed consent prior to treatment from Enrollees, or persons authorized to consent on behalf of an Enrollee as described in RCW 7.70.065; comply with the provisions of the Natural Death Act (Chapter 70.122 RCW) and state and federal Medicaid rules concerning Advance Directives (WAC 182-501-0125 and 42 C.F.R. § 438.6(m)), and, when appropriate, inform Enrollees of their right to make anatomical gifts (Chapter 68.64 RCW).

10.9 **Women's Health Care Services**

The Contractor must provide female Enrollees with direct access to a women's health practitioners within the Contractor's network for covered care necessary to provide women's routine and preventive health care services. This includes prescriptions for pharmaceutical or medical supplies ordered by a directly accessed women's health care practitioner, and which are in the practitioner's scope of practice in accord with the provisions of WAC 284-170-350 and 42 C.F.R. § 438.206(b)(2).

10.10 **Maternity Newborn Length of Stay**

The Contractor shall ensure that hospital delivery maternity care is provided in accordance with RCW 48.43.115.

10.11 **Enrollment Not Discriminatory**

10.11.1 The Contractor will not discriminate against Enrollees due to an adverse change in the Enrollee's health status, the cost of meeting the Enrollee's health care needs, because of the Enrollee's utilization of medical services, diminished mental capacity, uncooperative or disruptive behavior resulting from their special needs or treatable behavioral health condition (WAC 182-538-130 and 42 C.F.R. § 438.56(b)(2)).

10.11.2 No eligible person shall be refused enrollment or re-enrollment, be terminated from enrollment, or be discriminated against in any way because of health status, including the existence of a pre-existing physical or behavioral health condition, functional impairment, pregnancy and/or hospitalization, or the expectation of the need for frequent or high cost care (42 C.F.R. § 438.6(d)(1 and 3)).

10.11.3 The Contractor will not discriminate against Enrollees or those eligible to enroll on the basis of race, color, or national origin, gender, gender identify, age, veteran or military status, sexual orientation, or the presence of any sensory, behavioral health or physical disability, or the use of a trained guide dog or service animal by a person with a disability, and will not use any policy or practice that has the effect of discriminating on the basis of race, color, or national origin (42 C.F.R. § 438.3(d)(4) and U.S.C. 18116).

11 UTILIZATION MANAGEMENT PROGRAM AND AUTHORIZATION OF SERVICES

11.1 Utilization Management General Requirements

The Contractor shall follow the Utilization Management (UM) requirements described in this Section and educate UM staff in the application of UM protocols, and communicating the criteria used in making UM decisions. UM protocols shall recognize and respect the cultural needs of diverse populations.

11.1.1 Drug Utilization Review (DUR) Program

11.1.1.1 The Contractor shall operate a drug utilization review program that complies with the requirements described in Section 1927(g) of the Social Security Act and 42 C.F.R. Part 456, Subpart K.

11.1.1.2 The Contractor shall provide a detailed description of its drug utilization review program by December 31st of each calendar year for the prior federal fiscal year (October 1st through September 30th). The first report is due no later than December 31, 2018. HCA will provide the report template.

11.1.1.3 Contractor must provide a DUR Program to assure that prescriptions are appropriate, Medically Necessary and not likely to result in adverse medical outcomes, and to enhance the quality of patient care by educating prescribers, pharmacists and Enrollees.

11.1.2 Prospective Drug Utilization Review (Pro-DUR)

11.1.2.1 Contractor must provide for a review of drug therapy before each prescription is filled or delivered to a member at the point-of-sale or point-of-distribution. The review shall include screening for potential drug therapy problems due to therapeutic duplication, drug-disease contraindications, drug-drug interactions, incorrect drug dosage or duration of drug treatment, drug-allergy interactions and clinical abuse/misuse.

11.1.3 Retrospective Drug Utilization Review (Retro-DUR)

11.1.3.1 Contractor must, through its drug claims processing and information retrieval system, examine claims data and other records to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists and members.

11.1.3.2 Contractor shall, on an ongoing basis, assess data on drug use against explicit predetermined standards (using nationally recognized compendia and peer reviewed medical literature) including but not limited to monitoring for therapeutic appropriateness, overutilization and underutilization, appropriate use of generic products, therapeutic duplication, drug-disease contraindications, drug-drug interactions, incorrect drug dosage or duration of drug treatment, and clinical abuse/misuse and, as necessary, introduce remedial strategies, in order to improve the quality of care.

11.1.3.3 Contractor shall provide for active and ongoing educational outreach programs to educate practitioners on common drug therapy problems aimed at improving prescribing or dispensing practices.

11.1.4 The Contractor shall demonstrate that all UM staff making service authorization decisions have been trained and are competent in working with the specific area of service for which they are authorizing and managing including, but not limited to, co-occurring MH and SUDs, co-occurring behavioral health and medical diagnoses, and co-occurring behavioral health and I/DD.

11.1.5 The Contractor's policies and procedures related to UM shall comply with, and require the compliance of Subcontractors with delegated authority for Utilization Management, the requirements described in this section.

11.1.6 The Contractor shall have and maintain a Utilization Management Program (UMP) description for the physical and behavioral health services it furnishes its Enrollees (WAC 284-43-2000(2)). The UMP description shall include:

11.1.6.1 The definition of the Contractor's UMP structure and assignment of responsibility for UMP activities to appropriate individuals.

11.1.6.2 Identification of a designated physician responsible for program implementation, oversight and evaluation, and evidence of the physician and a behavioral health practitioner's involvement in program development and implementation.

11.1.6.3 Identification of the type of personnel responsible for each level of UM decision-making.

11.1.6.4 The use of board-certified consultants to assist in making medical necessity determinations.

11.1.6.5 Assurance that a physician, doctoral level psychologist, certified addiction medicine specialist or pharmacist, as appropriate, reviews any behavioral health denial based on medical necessity.

11.1.6.6 A written description of all UM-related committee(s).

11.1.6.7 Descriptions of committee responsibilities.

11.1.6.8 Description of committee participant titles, including UM Subcontractor, Sub-contractor representatives and practicing providers.

11.1.6.9 Meeting frequency.

11.1.6.10 Maintenance of signed meeting minutes reflecting decisions made by each committee, as appropriate.

11.1.6.11 Behavioral healthcare benefits to include at a minimum:

11.1.6.11.1 Benefit structure and description;

11.1.6.11.2 Triage and referral procedures and protocols, if any, (i.e., clearly describe how Enrollees access behavioral healthcare services);

11.1.6.11.3 UM activities and staff roles and responsibilities;

11.1.6.11.4 Coordination activities with behavioral healthcare system;

11.1.6.11.5 Monitoring and oversight of the behavioral health program; and

11.1.6.11.6 Strategies to foster integration of physical health and behavioral health.

11.1.6.12 Annual evaluation and update of the UMP.

11.1.6.13 By no later than three (3) months after the Contract effective date and annually thereafter, the Contractor shall submit to HCA for approval a UMP description that incorporates and accommodates initiatives requested by HCA when there are changes to the UMP approved by the Contractor and HCA.

11.1.7 The Contractor shall monitor each Enrollee's needs and appropriately refers Enrollees for Care Coordination or Intensive Care Management services consistent with Section 14 of this Contract.

11.1.8 The Contractor shall document use and periodic review of written clinical decision-making criteria based on clinical evidence, including policies and procedures for appropriate application of the criteria (WAC 284-43-2000(2)).

11.1.9 The Contractor shall have written policies for applying UMP decision-making criteria based on individual Enrollee needs, such as age, comorbidities, complications and psychosocial and home environment characteristics, where applicable; and the availability of services in the local delivery system.

11.1.10 The Contractor shall have mechanisms for providers and Enrollees on how they can obtain the UM decision-making criteria upon request, including UM Adverse Benefit Determination (denial) determination letter template language reflecting the same (WAC 284-43-2000(2)).

11.1.11 The Contractor shall have mechanisms for at least annual assessment of inter-rater reliability of all clinical professionals and as appropriate, non-clinical staff responsible for UM decisions for both physical and behavioral health.

11.1.12 The Contractor shall maintain a list of all behavioral health services requiring prior authorization by the Contractor and submit to the HCA annually on January 31, each year. The Contractor shall also publish this list on their website.

11.1.13 The Contractor shall maintain written job descriptions of all Contractor UM staff. Contractor staff that review denials of care based on medical necessity shall have job descriptions that describe required education, training or professional experience in medical or clinical practice and evidence of a current, non-restricted license, including HIPAA training compliance.

11.1.14 The Contractor shall have mechanisms to verify that claimed services were actually provided.

11.1.15 The Contractor shall require authorization decisions for behavioral health services made by U.S. licensed behavioral health professionals. Contractor staff described in this subsection shall review any behavioral health Adverse Benefit Determination (denial) based on medical necessity, including any decision to authorize a service in an amount, duration or scope that is less than requested.

11.1.15.1 A physician board-certified or board-eligible in General Psychiatry or Child Psychiatry;

11.1.15.2 A physician board-certified or board-eligible in Addiction Medicine, a Subspecialty in Addiction Psychiatry or by ASAM;

11.1.15.3 A licensed, doctoral level psychologist; or

11.1.15.4 A pharmacist, as appropriate.

11.1.16 The Contractor shall have Behavioral Health Professionals on staff with Utilization Management experience working in a behavioral health Managed Care setting or WA State behavioral health clinical settings. Some of these staff shall include individuals who are Certified Chemical Dependency Professionals (CDPs) or have three (3) years of experience in a Substance Use Disorder setting.

11.1.17 The Contractor must designate at least one (1) Children's Care Manager that is a Children's Mental Health Specialist who is or is supervised by a Children's Mental Health Specialist who oversees behavioral health services requested for Enrollees under age twenty-one (21).

11.1.18 The Contractor shall have Utilization Management staff who have experience and expertise in working with one (1) or more of the following populations:

11.1.18.1 Children, Transitional Age Youth, adults and older adults with behavioral health needs;

11.1.18.2 High risk groups such as individuals with behavioral health conditions with or without co-occurring SUD;

11.1.18.3 Co-occurring behavioral health and chronic medical conditions or I/DD;

11.1.18.4 Individuals involved with multiple service systems;

11.1.18.5 Individuals with a SUD in need of medication-assisted treatment;

11.1.18.6 High risk groups, such as individuals involved in the juvenile justice and criminal justice systems; and

11.1.18.7 Individuals who are homeless.

11.1.19 The Contractor shall have a sufficient number of behavioral health clinical peer reviewers available to conduct denial and appeal reviews or to provide clinical consultation on psychological testing, complex case review and other treatment needs.

11.1.20 The Contractor shall ensure that any physical or behavioral health clinical peer reviewer who is subcontracted or works in a service center other than the Contractor's Washington State service center shall be subject to the same supervisory oversight and quality monitoring as staff located in the Washington State service center, to include participation in initial orientation and at least annual training on Washington State specific benefits, protocols and initiatives.

11.1.21 The Contractor shall ensure that any behavioral health actions must be peer-to-peer — that is, the credential of the licensed clinician making the decision to authorize service in an amount, duration or scope that is less than requested must be at least equal to that of the recommending clinician. In addition:

11.1.21.1 A physician board-certified or board-eligible in General Psychiatry must review all inpatient level of care Adverse Benefit Determinations (full or partial denials, terminations and reductions) for psychiatric treatment.

11.1.21.2 A physician board-certified or board-eligible in Addiction Medicine, a Subspecialty in Addiction Psychiatry or by ASAM, must review all inpatient level of care Adverse Benefit Determinations (full or partial denials, terminations, and reductions) for SUD treatment.

11.1.22 The Contractor shall ensure that appeals of Adverse Benefit Determinations shall be evaluated by health care providers who were not involved in the initial decision and who have appropriate expertise in the field of medicine that encompasses the covered person's condition or disease. (WAC 284-43-4040(4).

11.1.22.1 The Contractor shall ensure documentation of timelines for Appeals shall be in accordance with the Appeal Process provisions of the Grievance and Appeal System Section of this Contract.

11.1.23 The Contractor shall follow the coverage decisions of the Health Technology Assessment (HTA) program (Chapter 182-55 WAC) specifically endorsed by HCA for the Apple Health - Fully Integrated Managed Care population and, upon HCA's request, provide documentation demonstrating compliance (See http://www.hca.wa.gov/about-hca/health-technology-assessment).

11.1.24 Prior Authorization Administrative Simplification Workgroup. The Contractor shall participate in the statewide Prior Authorization Administrative Simplification Workgroup convened by the OIC (RCW 48.165.030). The Contractor will abide by best practice recommendations agreed to by the Prior Authorization Administrative Simplification Workgroup unless otherwise directed by HCA.

11.1.25 Opioid Crisis Engagement. The Contractor's Medical Director or representative shall participate in the Washington HCA Managed Care Medical Director's meeting to collaborate on approaches to the opioid crisis. Contractor activities developed in collaboration with peer managed care organizations and the HCA medical directors to address this health and safety concern may include, but are not limited to: Identification and management of Enrollees taking high-dose opioids for non-cancer pain; prescriber and Enrollee education about the risk of using high dose opioids, including the provision of opioid dosing guidelines to the prescriber, use of naloxone, requesting second opinions

from a pain management specialist, preauthorization of opioid medication, negotiating taper plans with the prescriber resulting in safer dosing levels and referrals to mental health services and/or substance use disorder programs for assessment.

11.1.26 The Contractor shall not structure compensation to individuals or entities that conduct utilization management activities so as to provide incentives for the individual or entity to deny, limit, or discontinue Medically Necessary Services to any Enrollee (42 C.F.R. § 438.210(e)).

11.1.27 The Contractor shall not penalize or threaten a provider or facility with a reduction in future payment or termination of Participating Provider or participating facility status because the provider or facility disputes the Contractor's determination with respect to coverage or payment for health care service.

11.1.28 The Contractor shall develop and implement UM protocols, including policies and procedures and Level of Care Guidelines for behavioral health services that are specific to Washington State Levels of Care, consistent with the HCA's medical necessity criteria and comply with federal and state parity requirements.

11.1.29 The Contractor shall establish criteria for, and document and monitor consistent application of Medical Necessity criteria and Level of Care Guidelines to include:

11.1.29.1 UM protocols and guidelines as well as any subsequent modifications to the protocols and guidelines for behavioral health levels of care shall be submitted to the HCA for prior review and approval.

11.1.29.2 The Contractor's Level of Care Guidelines must include criteria for authorization of inpatient behavioral health care at a community hospital and extensions to community hospital episodes of care.

11.1.29.3 The Contractor shall establish protocols for discharge planning during initial and continued stay reviews that addresses:

11.1.29.3.1 Treatment availability and community supports necessary for recovery including, but not limited to: housing, financial support, medical care, transportation, employment and/or educational concerns, and social supports.

11.1.29.3.2 Barriers to access to and/or engagement with post-discharge ambulatory appointments, including Medication Management and other interventions.

11.1.29.3.3 Procedures for Concurrent Review, if applicable for Enrollees requiring extended inpatient care due to poor response to treatment and/or placement limitations.

11.1.29.3.4 Corrective action expectations for ambulatory providers who do not follow-up on Enrollees discharged from inpatient settings as per the transitional health care services timeframes defined in Section 14 of this Contract.

11.2 **Prescription Drug Authorization Decisions and Timeframes**

11.2.1 Contractor must include in its written policies and procedures an assurance that all requirements and conditions governing coverage and payment for Covered Outpatient Drugs, such as, but not limited to, prior authorization (including step therapy), medical necessity guidelines, age edits, drug rebate encounter submission, reporting, notices of decision, etc. will, apply, regardless of whether the Covered Outpatient Drug is provided as an outpatient drug benefit or as a "medical benefit" incident to a medical service and billed by the prescribing Provider using codes such as the Healthcare Common Procedure Coding System (HCPCS).

11.2.2 Authorization Determinations for Covered Out Patient Drugs or Over-the-Counter Drugs: Consistent with Section 1927(d)(5) of the Social Security Act, all authorization determinations for prescriptions or over-the-counter drugs must be made no later than the following business day after receipt of the request for service unless additional information is required. Any additional information needed must be requested within one business day of the initial request for authorization and determinations must be made no later than one business day after receipt of the additional information. If the provider does not respond to the Contractor's request for additional information within three (3) business days of the request the Contractor must make a decision based on the information at hand.

11.2.3 Contractor shall have in place a mechanism to allow automated approval of prior authorization criteria based on situation specific codes or values submitted via point-of-sale by the dispensing pharmacy. Overrides of prior authorization criteria may be based on values submitted in either the prior authorization or diagnosis fields.

11.2.4 Contractor shall have a process for providing an emergency drug supply to Enrollees when a delay in authorization would interrupt a drug therapy that must be continuous or when the delay would pose a threat to the Enrollee's health and safety. The drug supply provided must be sufficient to bridge the time until an authorization determination is made.

11.2.5 Contractor shall have a process for authorization after the fact of an emergency fill as defined in this Contract when an emergency fill of a medication is dispensed according to the professional judgment of the dispensing pharmacist not to exceed thirty (30) calendar days' supply. The authorization for the prescription must match the drug quantity and days supplied as dispensed by the pharmacist.

11.3 **Medical Necessity Determination**

The Contractor shall collect all information necessary to make medical necessity determinations (42 C.F.R § 456.111 and 456.211). The Contractor shall determine which services are medically necessary, according to the definition of Medically Necessary Services in this Contract. The Contractor's determination of medical necessity in specific instances shall be final except as specifically provided in this Contract regarding Appeals, hearings and independent review.

11.4 **Authorization of Services**

11.4.1 The Contractor shall follow the authorization of services requirements described in this section. The Contractor shall not have or implement authorization policies that inhibit Enrollees from obtaining medically necessary contracted services and supplies. For example, inpatient admissions for deliveries or home births should not require prior

authorization because there is not a question of medical necessity associated with a delivery. It is reasonable to require notification of admissions for delivery or of a home delivery to support Concurrent Review activities or Case Management.

11.4.2 Authorizations for contracted services and supplies that are needed on an ongoing basis shall not be required any more frequently than every six (6) months. Services and supplies needed on an ongoing basis include, but are not limited to, insulin pens, incontinence supplies, ongoing medications or medications for Chronic Conditions.

11.4.3 The Contractor's policies and procedures related to authorization and post-service review of services shall include compliance with 42 C.F.R. § 438.210, WAC 284-43-2000(6)(b), Chapters 182-538 and 182-550 WAC, WAC 182-501-0160 and 182-501-0169, and require compliance of Subcontractors with delegated authority for authorization of services with the requirements described in this Section, and shall include a definition of "service authorization" that includes an Enrollee's request for services.

11.4.4 The Contractor shall provide education and ongoing guidance and training to Enrollees and providers about it's UM protocols and Level of Care Guidelines, including admission, continued stay, and discharge criteria.

11.4.5 The Contractor shall have in effect mechanisms to ensure consistent application of UMP review criteria for authorization decisions (42 C.F.R. § 438.210(b)(1)(i)).

11.4.6 The Contractor shall consult with the requesting provider when appropriate (42 C.F.R. § 438.210(b)(2)(ii)).

11.4.7 The Contractor shall require that any decision to deny a service authorization request or to authorize a service in an amount, duration, or scope that is less than requested, be made by a Health Care Professional who has appropriate clinical expertise in treating the Enrollee's condition or disease (42 C.F.R. § 438.210(b)(3)).

11.4.7.1 In denying services, the Contractor will only deny a service as non-covered if HCA has determined that the service is non-covered under the fee-for-service program. For services that are excluded from this Contract, but are covered by HCA, the Contractor's denial will include directions to the Enrollee about how to obtain the services through HCA and will direct the Enrollee to those services and coordinate receipt of those services.

11.5 **Timeframes for Authorization Decisions**

11.5.1 The Contractor shall provide for the following timeframes for authorization decisions and notices:

11.5.1.1 Denial of Payment that may result in Payment Liability: The authorization decision and notice is provided for the enrollee, at the time of any Adverse Benefit Determination affecting the claim.

11.5.1.2 Termination, suspension, or reduction of previously authorized services: The authorization decision and notice is provided ten (10) calendar days prior to such termination, suspension, or reduction, except in the following circumstances:

11.5.1.2.1 The Enrollee dies;

11.5.1.2.2 The Contractor has a signed written Enrollee statement requesting service termination or giving information requiring termination or reduction of services (where the Enrollee understands that termination, reduction or suspension of services is the result of supplying this information);

11.5.1.2.3 The Enrollee is admitted to an institution where he or she is ineligible for services;

11.5.1.2.4 The Enrollee's address is unknown and mail directed to him or her has no forwarding address;

11.5.1.2.5 The Enrollee has moved out of the Contractor's service area past the end of the month for which a premium was paid;

11.5.1.2.6 The Enrollee's PCP prescribes the change in the level of medical care;

11.5.1.2.7 An adverse determination regarding the preadmission screening for nursing facility was made; or

11.5.1.2.8 The safety or health of individuals in the nursing facility would be endangered, the Enrollee's health improves sufficiently to allow a more immediate transfer or discharge, and immediate transfer or discharge is required by the Enrollee's urgent medical needs, or an Enrollee has not resided in the nursing facility for thirty (30) calendar days (applies only to Adverse Benefit Determinations for nursing facility transfers).

11.5.1.3 Standard authorizations for Health Care Services determinations: The authorization decisions are to be made and notices are to be provided as expeditiously as the Enrollee's health condition requires, not to exceed five (5) calendar days following the receipt of the request for service. A possible extension of nine (9) additional calendar days (totaling no more than fourteen (14) calendar days from the receipt of request for services) is allowed if additional information is required and requested. The Contractor must make a decision to approve, deny, or request additional information from the provider within five (5) calendar days of the original receipt of the request (42 C.F.R. § 438.210(d)(1)).

11.5.1.3.1 A possible extension of up to fourteen (14) additional calendar days (not to exceed twenty-eight (28) calendar days total) is allowed under the following circumstances (42 C.F.R. § 438.210(d)(1)(i-ii)):

11.5.1.3.1.1 The Enrollee or the provider requests extensions; or

11.5.1.3.1.2 The Contractor justifies and documents a need for

additional information and how the extension is in the Enrollee's interest.

11.5.1.3.2 If the Contractor extends the timeframe past fourteen (14) calendar days of the receipt of the request for service:

11.5.1.3.2.1 The Contractor shall provide the Enrollee written notice within three (3) business days of the Contractor's decision to extend the timeframe. The notice shall include the reason for the decision to extend the timeframe and inform the Enrollee of the right to file a grievance if he or she disagrees with that decision.

11.5.1.3.2.2 The Contractor shall issue and carry out its determination as expeditiously as the Enrollee's health condition requires, and no later than the date the extension expires (42 C.F.R. § 438.404(c)(4)).

11.5.1.3.3 For service authorization decisions not reached within the timeframes specified in 42 C.F.R. § 438.404 (c)(5) (which constitutes a denial and is thus an Adverse Benefit Determination), authorization decisions are to be made and Notices of Benefit Determinations are to be provided no later than the date that the timeframes expire.

11.5.1.4 The Contractor shall acknowledge receipt of a standard authorization request for psychiatric inpatient services within two (2) hours, with a decision with twelve (12) hours of receipt of the request.

11.5.1.5 The Contractor shall adhere to the requirements set forth in the Apple Health Mental Health Services Billing Guide, April 1, 2016. Psychiatric Inpatient Instructions and Requirements can be found at http://hca.wa.gov/assets/billers-and-providers/Mental-Health-Services-20160401.pdf, page 13, or are available upon request from HCA.

11.5.1.6 Expedited Authorization Decisions: For cases in which a provider indicates, or the Contractor determines, that following the timeframe for standard authorization decisions could seriously jeopardize the Enrollee's life or health, or ability to attain, maintain, or regain maximum function, the Contractor shall make an expedited authorization decision and provide notice as expeditiously as the Enrollee's health condition requires. Expedited requests are categorized and handled as either immediate or urgent as follows:

11.5.1.6.1 For immediate requests, the Contractor will make the decision within one business day after receipt of the request for service when lack of treatment may result in an emergency visit or emergency admission.

11.5.1.6.2 For all other urgent requests:

11.5.1.6.2.1 The Contractor will make the decision within forty-eight (48) hours if the information provided is sufficient; or

11.5.1.6.2.2 The Contractor will request additional information within twenty-four (24) hours, if the information provided is not sufficient to approve or deny the request. The Contractor must give the provider forty-eight (48) hours to submit the requested information and then approve or deny the request within forty-eight (48) hours of the receipt of the additional information (WAC 284-43-2000).

11.5.1.6.3 The Contractor may extend the expedited time period by up to fourteen (14) calendar days under the following circumstances (42 C.F.R. § 438.210(d)(2):

11.5.1.6.3.1 The Enrollee requests the extension; or

11.5.1.6.3.2 The Contractor justifies and documents a need for additional information and how the extension is in the Enrollee's interest.

11.5.1.7 Concurrent Review Authorizations: The Contractor must make its determination within one (1) business day of receipt of the request for authorization.

11.5.1.7.1 Requests to extend concurrent care review authorization determinations may be extended to within three (3) business days of the request of the authorization, if the Contractor has made at least one (1) attempt to obtain needed clinical information within the initial one (1) business day after the request for authorization of additional days or services.

11.5.1.7.2 Notification of the Concurrent Review determination shall be made within one (1) business day of the Contractor’s decision.

11.5.1.7.3 Expedited appeal timeframes apply to Concurrent Review requests.

11.5.1.8 Post-service Authorizations: For post-service authorizations, including pharmacy post-service authorizations, the Contractor must make its determination within thirty (30) calendar days of receipt of the authorization request.

11.5.1.8.1 The Contractor shall notify the Enrollee in writing and the requesting provider either orally or in writing within three (3) business days of the Contractor’s determination.

11.5.1.8.2 Standard appeal timeframes apply to post-service denials.

11.5.1.8.3 When post-service authorizations are approved, they become

effective the date the service was first administered.

11.5.1.9 Verified Enrollee Fraud: The Contractor shall give notice at least five (5) calendar days before the effective date when the Adverse Benefit Determination is termination, suspension, or reduction of previously authorized Medicaid-Covered Services when Enrollee Fraud has been verified.

11.6 **Notification of Coverage and Authorization Determinations**

11.6.1 For all Adverse Benefit Determinations, the Contractor must notify the Enrollee in writing and the ordering provider or Facility orally or in writing. The Contractor must notify the parties, other than the Enrollee, in advance whether it will provide notification by phone, mail, fax or other means.

11.6.1.1 Adverse Authorization Decisions involving an Expedited Authorization: The Contractor must notify the Enrollee in writing of the decision. The Contractor may initially provide notice orally to the Enrollee or the requesting provider within seventy two (72) hours of the request. The Contractor shall send the written notice no later than seventy two (72) hours after receipt of the request for service.

11.6.1.2 Adverse Authorization Decisions involving a WISe screening. The Contractor must notify the Enrollee in writing of the decision to deny WISe services if a Children and Adolescent Needs and Strengths screen is provided and WISe services are not offered.

11.6.1.3 The Contractor shall notify the requesting provider and give the Enrollee written notice of any decision by the Contractor to deny a service authorization request, or to authorize a service in an amount, duration, or scope that is less than requested. The notice shall meet the following requirements (42 C.F.R. § 438.210(c) and 438.404):

11.6.1.3.1 The notice to the Enrollee shall meet the requirements of the, Information Requirements for Enrollees and Potential Enrollees of this Contract to ensure ease of understanding.

11.6.1.3.2 For all authorization decisions, the notice shall be mailed as expeditiously as the Enrollee's health condition requires and within three (3) business days of the Contractor's decision.

11.6.1.3.3 The notice to the Enrollee and provider shall explain the following (42 C.F.R. § 438.404(b)(1-3)(5-7)):

11.6.1.3.3.1 The Adverse Benefit Determination the Contractor has taken or intends to take.

11.6.1.3.3.2 The reasons for the Adverse Benefit Determination, in easily understood language, including citation to the Washington Administrative Code rules or any Contractor guidelines, protocols, or other criteria that were the basis of the decision.

11.6.1.3.3.3 If applicable the notice must include information about alternative covered services/treatment which may be seen as a viable treatment option in lieu of denied services.

11.6.1.3.3.4 The Enrollee and providers right to request and receive free of charge a copy of the rule, guideline, protocol or other criterion that was the basis for the decision.

11.6.1.3.3.5 A statement whether or not an Enrollee has any liability for payment.

11.6.1.3.3.6 A toll-free telephone number to call if the Enrollee is billed for services.

11.6.1.3.3.7 The Enrollee's or the provider's right to file an appeal and any deadlines applicable to the process.

11.6.1.3.3.8 If services are denied as non-covered, inform Enrollees how to access the Exception to Rule (ETR) process including, but not limited to, the fact that an Enrollee may appeal an Adverse Benefit Determination affecting his or her services and simultaneously request an ETR to obtain the services that are the subject of the appeal, and that requesting an ETR does not affect any deadlines applicable to the appeal process.

If services are denied or authorized in a more limited scope, amount or duration than requested because they would exceed the established limit on the scope, amount or duration of the requested service, inform Enrollees how to access the Limitation Extension (LE) process including, but not limited to, the fact that an Enrollee may appeal an Adverse Benefit Determination affecting his or her services and simultaneously request an LE to obtain the services that are the subject of the appeal, and that requesting an LE does not affect any deadlines applicable to the appeal process.

11.6.1.3.3.9 The procedures for exercising the Enrollee's rights.

11.6.1.3.3.10 The circumstances under which expedited resolution is available and how to request it.

11.6.1.3.3.11 The Enrollee's right to have benefits continue pending resolution of the appeal, how to request

that benefits be continued, and the circumstances under which the Enrollee may be required to pay for these services.

11.6.1.3.3.12 The Enrollee's right to receive the Contractor's assistance with filing the appeal.

11.6.1.3.3.13 The Enrollee's right to equal access to services for Enrollees and potential Enrollees with communications barriers and disabilities.

11.6.1.4 Untimely Service Authorization Decisions: When the Contractor does not reach service authorization decisions within the timeframes for either, standard or expedited service authorizations it is considered a denial and thus, an Adverse Benefit Determination. The Contractor shall issue a formal Notice of Adverse Benefit Determination to the Enrollee, including the Enrollee's right to an Appeal.

11.6.1.5 UM Authorization Turnaround Time Compliance Report: The Contractor will send quarterly a report to HCA by the last day of the month following the quarter that shall include:

11.6.1.5.1 Monthly UM authorization determination data that demonstrates timeliness compliance rates separated into Standard, Pharmacy, Expedited, Concurrent Review, and Post-service timelines, including:

11.6.1.5.1.1 Percentage compliance, including those in which the timeline is extended appropriately;

11.6.1.5.1.2 Specific numbers of authorization determinations meeting contractual timeframes and the numbers of those that did not; and

11.6.1.5.1.3 For those authorization determinations that did not meet contractual timeframes, the range of time to complete the authorization determinations.

11.6.1.5.2 If UM authorization turnaround time compliance is below 90 percent in any month during the quarter for any of the authorization categories specified in this Contract, the report shall also include a narrative description of the Contractor's efforts before and after notification to HCA to address the problem.

11.7 **Experimental and Investigational Services for Managed Care Enrollees**

11.7.1 In determining whether a service that the Contractor considers experimental or investigational is medically necessary for an individual Enrollee, the Contractor must have and follow policies and procedures that mirror the process for HCA's medical necessity determinations for its fee-for-service program described in WAC 182-501-0165, including the option to approve an investigational or experimental service when there is:

11.7.1.1 A humanitarian device exemption for the requested service or device from the Food and Drug Administration (FDA); or

11.7.1.2 A local Institutional Review Board (IRB) protocol addressing issues of efficacy and safety of the requested service that satisfies both the HCA and the requesting provider.

11.7.2 Medical necessity decisions are to be made by a qualified healthcare professional and must be made for an individual Enrollee based on that Enrollee's health condition. The policies and procedures shall identify the persons responsible for such decisions. The policies and procedures and any criteria for making decisions shall be made available to HCA upon request.

11.7.3 Criteria to determine whether an experimental or investigational service is medically necessary shall be no more stringent for Medicaid Enrollees than that applied to any other Enrollees.

11.7.4 An Adverse Benefit Determination made by the Contractor shall be subject to Appeal through the Contractor's Appeal process, hearing, and independent review process in accordance with the Grievance and Appeal System Section of this Contract.

11.8 Compliance with Office of the Insurance Commissioner Regulations

The Contractor shall comply with all Office of the Insurance Commissioner (OIC) regulations regarding utilization management and authorization of services unless those regulations are in direct conflict with federal regulations. Where it is necessary to harmonize federal and state regulations, HCA will direct such harmonization. If an OIC regulation changes during the Period of Performance of this Contract, HCA will determine whether and when to apply the regulation.

11.9 Institutes of Mental Disease

The Contractor may provide services in lieu of those described in the Medicaid State Plan and allowed under Medicaid. The services must meet all DBHR licensing and certification standards and be medically necessary. The Contractor is not required to provide these services in lieu of Medicaid State Plan services. All costs and encounter reporting requirements are the same for any provided in lieu of services.

12 PROGRAM INTEGRITY

12.1 General Requirements

12.1.1 The Contractor shall have and comply with policies and procedures that guide and require the Contractor and the Contractor's officers, employees, agents and Subcontractors to comply with the requirements of this section. (42 C.F.R. § 438.608).

12.1.2 The Contractor shall include Program Integrity requirements in its subcontracts and provider application, credentialing and recredentialing processes.

12.1.3 The following are relevant citations for Program Integrity compliance. The Contractor is expected to be familiar with, comply with, and require compliance with all regulations related to Program Integrity whether or not those regulations are listed below:

12.1.3.1 Section 1902(a)(68) of the Social Security Act;

12.1.3.2 42 C.F.R. § 438.608;

12.1.3.3 42 C.F.R. § 455;

12.1.3.4 42 C.F.R. § 1000 through 1008;

12.1.3.5 Chapter 182-502A WAC; and

12.1.3.6 Chapters 74.09 and 74.66.

12.1.4 The Contractor shall ensure compliance with the Program Integrity provisions of this Contract, including proper payments to providers or Subcontractors and methods for detection and prevention of Fraud, Waste, and Abuse.

12.1.5 The Contractor shall have a staff person dedicated to working collaboratively with HCA on Program Integrity issues, and with MFCU on fraud and abuse investigation issues. This will include the following:

12.1.5.1 Participation in MCO-specific, quarterly Program Integrity meetings with HCA following the submission of the quarterly allegation log defined in Section 12.10, Reporting, of this Contract. Discussion at these meetings shall include but not be limited to case development and monitoring.

12.1.5.2 Participation in a bi-annual Contractor-wide forum to discuss best practices, performance metrics, provider risk assessments, analytics, and lessons learned.

12.1.5.3 Quality control and review of encounter data submitted to HCA.

12.1.5.4 Participation in meetings with MFCU, as determined by MFCU and the Contractor.

12.1.6 The Contractor shall perform ongoing analysis of its authorization, utilization, claims, provider's billing patterns, and encounter data to detect improper payments, and shall

perform audits and investigations of subcontractors, providers and provider entities.

12.1.6.1 When the Contractor or the state identifies an Overpayment, pursuant to RCW 74.09.220, the funds must be recovered by and returned to the state or the Contractor. For the purposes of this subsection, "overpayment" means a payment from the Contractor to a provider or subcontractor to which the provider or subcontractor is not legally entitled, including amounts in dispute.

12.1.6.2 To maintain compliance with regulations found in Section 1128J(d) of the Social Security Act, Overpayments that are not recovered by or returned to the Contractor within sixty (60) calendar days from the date they were identified and known by the provider or subcontractor and the Contractor, may be recovered by HCA.

12.2 **Disclosure by Managed Care Organization: Information on Ownership and Control**

12.2.1 The Contractor must provide to HCA the following disclosures (42 C.F.R. § 455.104):

12.2.1.1 The identification of any person or corporation with a direct, indirect or combined direct/indirect ownership interest of five percent (5%) or more of the Contractor's equity (or, in the case of a Subcontractor's disclosure, five percent (5%) or more of the subcontractor's equity);

12.2.1.2 The identification of any person or corporation with an ownership interest of five percent (5%) or more of any mortgage, deed of trust, note or other obligation secured by the Contractor if that interest equals at least five percent (5%) of the value of the Contractor's assets (or, in the case of a subcontractor's disclosure, a corresponding obligation secured by the Subcontractor equal to five percent (5%) of the Subcontractor's assets);

12.2.1.3 The name, address, date of birth, and Social Security Number of any managing employee of the Managed Care organization. For the purposes of this Subsection "managing employee" means a general manager, business manager, administrator, corporate officer, director (i.e. member of the board of directors), or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of an institution, organization, or agency.

12.2.2 The disclosures must include the following:

12.2.2.1 The name, address, and financial statement(s) of any person (individual or corporation) that has five percent (5%) or more ownership or control interest in the Contractor.

12.2.2.2 The name and address of any person (individual or corporation) that has five percent (5%) or more ownership or control interest in any of the Contractor's subcontractors.

12.2.2.3 Indicate whether the individual/entity with an ownership or control interest is related to any other Contractor's employee such as a spouse, parent, child, or siblings; or is related to one of the Contractor's officers, directors or other

owners.

12.2.2.4 Indicate whether the individual/entity with an ownership or control interest owns five percent (5%) or greater in any other organizations.

12.2.2.5 The address for corporate entities must include as applicable primary business address, every business location, and P.O. Box address.

12.2.2.6 Date of birth and Social Security Number (in the case of an individual).

12.2.2.7 Other tax identification number (in the case of a corporation) with an ownership or control interest in the Managed Care Organization or its Subcontractor.

12.2.3 The Contractor must terminate or deny network participation if a provider, or any person with five percent (5%) or greater direct or indirect ownership interest fails to submit sets of fingerprints in a form and manner to be determined by HCA, within thirty (30) calendar days when requested by HCA or any authorized federal agency.

12.2.4 Disclosures from the Contractor are due to HCA at any of the following times:

12.2.4.1 When the Contractor submits a proposal in accordance with an HCA procurement process.

12.2.4.2 When the Contractor executes the Contract with HCA.

12.2.4.3 Upon renewal or extension of the Contract.

12.2.4.4 Within thirty-five (35) calendar days after any change in ownership of the Contractor. The Contractor shall report the change on HCA PIR005 – WA MCO Ownership Change Reporting Template.

12.2.4.5 Upon request by HCA.

12.3 **Disclosure by Managed Care Organization: Information on Ownership and Control, Subcontractors and Providers**

12.3.1 The Contractor shall include the following provisions in its written agreements with all Subcontractors and providers who are not individual practitioners or a group of practitioners:

12.3.1.1 Requiring the Subcontractor or provider to disclose to the MCO upon contract execution (42 C.F.R. § 455.104(c)(1)(ii)), upon request during the re-validation of enrollment process under 42 C.F.R. § 455.414, 42 C.F.R. § 455.104(c)(1)(iii), and within thirty-five (35) business days after any change in ownership of the Subcontractor or provider 42 C.F.R. § 455.104(c)(1)(iv).

12.3.1.2 The name and address of any person (individual or corporation) with an ownership or control interest in the Subcontractor or provider. 42 C.F.R. § 455.104(b)(1)(i).

12.3.1.3 If the Subcontractor or provider is a corporate entity, the disclosure must include primary business address, every business location, and P.O. Box address (42 C.F.R. § 455.104(b)(1)(i)).

12.3.1.4 If the Subcontractor or provider has corporate ownership, the tax identification number of the corporate owner(s) (42 C.F.R. § 455.104(b)(1)(iii)).

12.3.1.5 If the Subcontractor or provider is an individual, date of birth and Social Security Number (42 C.F.R. § 455.104(b)(1)(ii)).

12.3.1.6 If the Subcontractor or provider has a five percent (5%) ownership interest in any of its Subcontractors, the tax identification number of the Subcontractor(s) (42 C.F.R. § 455.104(b)(1)(iii)).

12.3.1.7 Whether any person with an ownership or control interest in the Subcontractor or provider is related by marriage or blood as a spouse, parent, child, or sibling to any other person with an ownership or control interest in the Subcontractor/provider (42 C.F.R. § 455.104(b)(2)).

12.3.1.8 If the Subcontractor or provider has a five percent (5%) ownership interest in any of its Subcontractors, whether any person with an ownership or control interest in such Subcontractor is related by marriage or blood as a spouse, parent, child, or sibling to any other person with an ownership or control interest in the Subcontractor or provider (42 C.F.R. § 455.104(b)(2)).

12.3.1.9 Whether any person with an ownership or control interest in the Subcontractor/provider also has an ownership or control interest in any other Medicaid provider, in the State's fiscal provider or in any Managed Care entity (42 C.F.R. § 455.104(b)(4)).

12.3.2 Upon request, the Contractor and the Contractor's Subcontractors shall furnish to HCA, within thirty-five (35) calendar days of the request, full and complete business transaction information as follows:

12.3.2.1 The ownership of any Subcontractor with whom the Contractor or Subcontractor has had business transactions totaling more than $25,000 during the twelve (12) month period ending on the date of the request.

12.3.2.2 Any significant business transactions between the Contractor or Subcontractor and any wholly owned supplier, or between the provider and any Subcontractor, during the five (5) year period ending on the date of the request.

12.3.3 Upon request, the Contractor and the Contractor's Subcontractors shall furnish to the Washington Secretary of State, the Secretary of the US Department of Health and Human Services, the Inspector General of the US Department of Health and Human Services, the Washington State Auditor, the Comptroller of the Currency, and HCA a description of the transaction between the Contractor and the other party of interest within thirty-five (35) calendar days of the request, including the following transactions 42 C.F.R. § 438.50(c)(1):

12.3.3.1 A description of transactions between the Contractor and a party in interest (as defined in section 1318(b) of the Public Health Service Act), including the

following:

12.3.3.1.1 Any sale or exchange, or leasing of any property between the Contractor and such a party.

12.3.3.1.2 Any furnishing for consideration of goods, services (including management services), or facilities between the Contractor and such a party but not including salaries paid to employees for services provided in the normal course of their employment.

12.3.3.1.3 Any lending of money or other extension of credit between the Contractor and such a party. (1903(m)(4)(B); 42 C.F.R. § 438.50(c)(1)).

12.4 Information on Persons Convicted of Crimes

The Contractor shall include the following provisions in its written agreements with all Subcontractors and providers who are not individual practitioners or a group of practitioners:

12.4.1 Requiring the Subcontractor/provider to investigate and disclose to the MCO, at contract execution or renewal, and upon request by the MCO of the identified person who has been convicted of a criminal offense related to that person's involvement in any program under Medicare, Medicaid, or the title XX services program since the inception of those programs and who is (42 C.F.R. 455.106(a)):

12.4.1.1 A person who has an ownership or control interest in the Subcontractor or provider (42 C.F.R. § 455.106(a)(1)).

12.4.1.2 An agent or person who has been delegated the authority to obligate or act on behalf of the subcontractor or provider (42 C.F.R. § 455.101; 42 C.F.R. § 455.106(a)(1)).

12.4.1.3 An agent, managing employee, general manager, business manager, administrator, director, or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of, the subcontractor or provider (42 C.F.R. § 455.101; 42 C.F.R. § 455.106(a)(2)).

12.5 Fraud, Waste and Abuse (FWA)

12.5.1 The Contractor, or the Contractor's subcontractor delegated responsibility by the Contractor for coverage of services and payment of claims under the contract between HCA and the Contractor, shall implement and maintain administrative and management arrangements or procedures designed to detect and prevent fraud, waste and abuse. (42 C.F.R. § 438.608(a)). The arrangements or procedures must include the following:

12.5.1.1 A compliance program that includes, at a minimum, all of the following elements:

12.5.1.1.1 Written policies, procedures, and standards of conduct that articulate the organization's commitment to comply with all applicable requirements and standards under the contract, and all

applicable federal and state requirements.

12.5.1.1.2 Designation of a Compliance Officer who is accountable for developing and implementing policies and procedures, and practices designed to ensure compliance with the requirements of the contract and who directly reports to the Chief Executive Officer (CEO) and the Board of Directors.

12.5.1.1.3 Establishment of a Regulatory Compliance Committee on the Board of Directors and at the senior management level charged with overseeing the organization's compliance program and its compliance with the requirements under this contract.

12.5.1.1.4 System for training and education for the Compliance Officer, the organization's senior management, and the organization's employees for the federal and state standards and requirements under this Contract.

12.5.1.1.5 Effective lines of communication between the Compliance Officer and the Contractor's staff and subcontractors.

12.5.1.1.6 Enforcement of standards through well-publicized disciplinary guidelines.

12.5.1.1.7 Establishment and implementation of procedures and a system with dedicated staff of routine internal monitoring and auditing of compliance risks, prompt response to compliance issues as they are raised, investigation of potential problems as identified in the course of self-evaluation and audits, correction of such problems promptly and thoroughly (or coordination of suspected criminal acts with law enforcement agencies) to reduce the potential for recurrence, and ongoing compliance with the requirements under this Contract.

12.5.1.2 Provision for prompt reporting of all overpayments identified and recovered, specifying the overpayments due to potential fraud, to HCA.

12.5.1.3 Provision for notification to HCA when the Contractor receives information about a change in a network provider's circumstances that may affect the network provider's eligibility to participate in the managed care program, including the termination of the provider agreement with the Contractor.

12.5.1.4 Provision for a method to verify, by sampling or other methods, whether services that have been represented to have been delivered by network providers were received by Enrollees and the application of such verification processes on a regular basis. The Contractor may use explanation of benefits (EOB) for such verification only if the Contractor suppresses EOBs that would be a violation of Enrollee confidentiality requirements for women's healthcare, family planning, sexually transmitted diseases, and behavioral health services (42 C.F.R. § 455.20).

12.5.1.5 The requirement for written policies for all employees of the Contractor, and of any subcontractor, agent, or provider, that provide detailed information about the False Claims Act and other federal and state laws described in Section

1902(a)(68) of the Social Security Act, the Washington false claims statutes, chapters 74.66 RCW and RCW 74.09.210, including information about rights of employees to be protected as whistleblowers, and the criminal statutes found in chapter 74.09 sections .230 through .280 RCW.

12.5.1.6 Provision for prompt referral of any potential fraud, waste or abuse that the Contractor identifies to HCA Program Integrity and any potential fraud directly to the Medicaid Fraud Control Unit.

12.5.1.7 Provision for the Contractor's suspension of payments to a network provider for which HCA determines there is a credible allegation of fraud in accordance with 42 C.F.R. § 455.23.

12.5.1.8 Provision for prompt response to detected offenses, and for development of corrective action initiatives.

12.5.2 The Contractor and its subcontractors shall:

12.5.2.1 Provide written disclosure of any prohibited affiliation under 42 C.F.R. § 438.610 to HCA;

12.5.2.2 Provide written disclosures of information on ownership and control required under 42 C.F.R. § 455.104; and

12.5.2.3 Report to HCA within sixty (60) calendar days when it has identified capitation payments or other payment amounts received are in excess to the amounts specified in this Contract. (42 C.F.R. § 438.608(c)).

12.5.3 Treatment of recoveries made by the Contractor of overpayments to the providers. (42 C.F.R. § 438.608(d)).

12.5.3.1 The Contractor and its subcontractors shall have:

12.5.3.1.1 Have internal policies and procedures for the documentation, retention and recovery of all overpayments, specifically for the recovery of overpayments due to fraud, waste, or abuse.

12.5.3.1.2 Report the identification and recovery of all overpayments as required in subsection 12.9.4.

12.5.3.2 This subsection of the contract does not apply to any amount of a recovery to be retained under False Claim Act cases or through other investigations.

12.5.3.3 The Contract shall have a mechanism for a network provider to report to the Contractor when it has received an overpayment, to return the overpayment within sixty (60) calendar days, and to notify the Contractor in writing of the reason for the overpayment.

12.5.3.4 The Contractor shall report at least annually to HCA, or as required in the Contract, on their recoveries of overpayments. See Subsection 12.9, Reporting.

12.5.3.5 HCA will utilize the information and documentation collected in subsection 12.5.3 of this Contract for setting actuarially sound capitation rates for each Contractor consistent with the requirements in 42 C.F.R. § 438.4.

12.6 Referrals of Credible Allegations of Fraud and Provider Payment Suspensions

The Contractor shall establish policies and procedures for MFCU referrals on credible allegations of Fraud and for payment suspension when the Contractor determines there is a Credible Allegation of Fraud (42 C.F.R § 455.23).

12.6.1 When the Contractor has concluded that a credible allegation of fraud or abuse exists, the Contractor shall make a Fraud referral to MFCU and HCA within five (5) business days of the determination. The referral must be sent to MFCUreferrals@atg.wa.gov with copies to HotTips@hca.wa.gov. The Contractor shall report using HCA PIR007-WA Fraud, Waste and Abuse Reporting Template.

12.6.2 If HCA, MFCU or other law enforcement agency accepts the allegation for investigation, HCA shall notify the Contractor's compliance officers within two (2) business days of the acceptance notification, along with a directive to suspend payment to the affected provider(s) if it is determined that suspension will not impair MFCU's or law enforcement's investigation. HCA shall notify the Contractor if the referral is declined for investigation. If HCA, MFCU, or other law enforcement agencies decline to investigate the Fraud referral, the Contractor may proceed with its own investigation and comply with the reporting requirements contained in this Subsection.

12.6.3 Upon receipt of notification from HCA, the Contractor shall send notice of the decision to suspend program payments to the provider within the following timeframes:

12.6.3.1 Within five (5) calendar days of taking such action unless requested in writing by HCA, the Medicaid Fraud Control Unit (MFCU), or law enforcement agency to temporarily withhold such notice.

12.6.3.2 Within thirty (30) calendar days if requested by HCA, MFCU, or law enforcement in writing to delay sending such notice. The request for delay may be renewed in writing no more than twice and in no event may the delay exceed ninety (90) calendar days.

12.6.4 The notice must include or address all of the following (42 C.F.R. § 455.23(2):

12.6.4.1 State that payments are being suspended in accordance with this provision;

12.6.4.2 Set forth the general allegations as to the nature of the suspension action. The notice need not disclose any specific information concerning an ongoing investigation;

12.6.4.3 State that the suspension is for a temporary period and cite the circumstances under which the suspension will be lifted;

12.6.4.4 Specify, when applicable, to which type or types of claims or business units the payment suspension relates; and

12.6.4.5 Where applicable and appropriate, inform the provider of any Appeal rights available to this provider, along with the provider's right to submit written evidence for consideration by the Contractor.

12.6.5 All suspension of payment actions under this section will be temporary and will not continue after either of the following:

12.6.5.1 The Contractor is notified by HCA or MFCU that there is insufficient evidence of Fraud by the provider; or

12.6.5.2 The Contractor is notified by HCA or MFCU that the legal proceedings related to the provider's alleged Fraud are completed.

12.6.6 The Contractor must document in writing the termination of a payment suspension and issue a notice of the termination to the provider and to HCA.

12.6.7 The Contractor or HCA may find that good cause exists not to suspend payments, in whole or in part, or not to continue a payment suspension previously imposed, to an individual or entity against which there is an investigation of a Credible Allegation of Fraud if any of the following are applicable:

12.6.7.1 MFCU or other law enforcement officials have specifically requested that a payment suspension not be imposed because such a payment suspension may compromise or jeopardize an investigation.

12.6.7.2 Other available remedies are available to the Contractor, after HCA approves the remedies, that more effectively or quickly protect Medicaid funds.

12.6.7.3 The Contractor determines, based upon the submission of written evidence by the individual or entity that is the subject of the payment suspension, there is no longer a Credible Allegation of Fraud and that the suspension should be removed. The Contractor shall review evidence submitted by the provider and submit it with a recommendation to HCA. HCA shall direct the Contractor to continue, reduce or remove the payment suspension within thirty (30) calendar days of having received the evidence.

12.6.7.4 Enrollee access to items or services would be jeopardized by a payment suspension because of either of the following:

12.6.7.4.1 An individual or entity is the sole community physician or the sole source of essential specialized services in a community.

12.6.7.4.2 The individual or entity serves a large number of Enrollees within a federal Health Resources and Services Administration (HRSA) designated medically underserved area.

12.6.7.5 MFCU or law enforcement declines to certify that a matter continues to be under investigation.

12.6.7.6 HCA determines that payment suspension is not in the best interests of the Medicaid program.

12.6.8 The Contractor shall maintain for a minimum of six (6) years from the date of issuance all materials documenting:

12.6.8.1 Details of payment suspensions that were imposed in whole or in part; and

12.6.8.2 Each instance when a payment suspension was not imposed or was discontinued for good cause.

12.6.9 If the Contractor fails to suspend payments to an entity or individual for whom there is a pending investigation of a Credible Allegation of Fraud without good cause, and HCA directed the Contractor to suspend payments, HCA may impose sanctions in accordance with the Sanctions Subsection of this Contract.

12.6.10 If any government entity, either from restitutions, recoveries, penalties or fines imposed following a criminal prosecution or guilty plea, or through a civil settlement or judgment, or any other form of civil action, receives a monetary recovery from any entity or individual, the entirety of such monetary recovery belongs exclusively to the state of Washington and the Contractor and any involved subcontractor have no claim to any portion of this recovery.

12.6.11 Furthermore, the Contractor is fully subrogated, and shall require its Subcontractors to agree to subrogate, to the state of Washington for all criminal, civil and administrative action recoveries undertaken by any government entity, including, but not limited to, all claims the Contractor or subcontractor has or may have against any entity or individual that directly or indirectly receives funds under this Contract including, but not limited to, any Health Care Provider, manufacturer, wholesale or retail supplier, sales representative, laboratory, or other provider in the design, manufacture, marketing, pricing, or quality of drugs, pharmaceuticals, medical supplies, medical devices, durable medical equipment, or other health care related products or services.

12.6.12 Any funds recovered and retained by a government entity will be reported to the actuary to consider in the rate-setting process.

12.6.13 For the purposes of this Section, “subrogation” means the right of any state of Washington government entity or local law enforcement to stand in the place of a Contractor or client in the collection against a third party.

12.7 **Investigations**

12.7.1 The Contractor shall cooperate with all state and federal agencies that investigate Fraud, waste and abuse.

12.7.2 The Contractor shall suspend its own investigation and all program integrity activities if notified in writing to do so by any applicable state or federal agency (i.e., MFCU, DOH, OIG, and CMS).

12.7.3 The Contractor shall maintain all records, documents and claim or encounter data for Enrollees, providers and subcontractors who are under investigation by any state or federal agency in accordance with retention rules or until the investigation is complete and the case is closed by the investigating state or federal agency.

12.7.4 The Contractor shall comply with directives resulting from state or federal agency investigations.

12.7.5 The Contractor shall request a refund from a third-party payer, provider or subcontractor when an investigation indicates that such a refund is due. These refunds must be reported to HCA as Overpayments.

12.8 Excluded Individuals and Entities

The Contractor is prohibited from paying with funds received under this Contract for goods and services furnished by an excluded person, at the medical direction or on the prescription of an excluded person. The Contractor shall notify the suppliers of the excluded individual and allow the suppliers a fifteen (15) day grace period from the notification to stop all prescription fills (Social Security Act (SSA) section 1903(i)(2) of the Act; 42 C.F.R. § 455.104, 42 C.F.R. § 455.106, and 42 C.F.R. § 1001.1901(b)).

12.8.1 The Contractor shall monitor for excluded individuals and entities by:

12.8.1.1 Screening Contractor and Subcontractor individuals and entities with an ownership or control interest during the initial provider application, credentialing and recredentialing processes and prior to entering into a contractual or other relationship where the individual or entity would benefit directly or indirectly from funds received under this Contract and payable by a federal health care program.

12.8.1.2 Screening individuals during the initial provider application, credentialing and recredentialing process and before entering into a contractual or other relationship where the individual would benefit directly or indirectly from funds received under this Contract or payable by a federal health care program.

12.8.1.3 Screening, the LEIE and SAM lists monthly by the 15th of each month for all Contractor and Subcontractor individuals and entities with an ownership or control interest, individuals defined as affiliates, as defined in the Federal Acquisition Regulation, of a person described in paragraph (a)(1), and individuals that would benefit from funds received under this Contract for newly added excluded individuals and entities. 42 C.F.R. § 438.610(a), 42 C.F.R. § 438.610(b), SMD letter 2/20/98).

12.8.2 The Contractor will not make any payments for goods or services that directly or indirectly benefit any excluded individual or entity effective with the date of exclusion. The Contractor will immediately recover any payments for goods and services that benefit excluded individuals and entities that it discovers.

12.8.3 The Contractor shall immediately terminate any employment, contractual and control relationships with any excluded individual or entity discovered during its provider screening processes, including the provider application, credentialing and recredentialing, and shall report these individuals and entities within ten (10) business days of discovery.

12.8.4 Civil monetary penalties may be imposed against the Contractor if it employs or enters into a contract with an excluded individual or entity to provide goods or services to Enrollees (SSA section 1128A (a)(6) and 42 C.F.R. § 1003.102(a)(2)).

12.8.5 An individual or entity is considered to have an ownership or control interest if they have

direct or indirect ownership of five percent (5%) or more, or are a managing employee (e.g., a general manager, business manager, administrator, or director) who exercises operational or managerial control, or who directly or indirectly conducts day-to-day operations (SSA section 1126(b), 42 C.F.R. § 455.104(a), and 42 C.F.R. § 1001.1001(a)(1)).

12.8.6 In addition, if HCA notifies the Contractor that an individual or entity is excluded from participation by HCA, the Contractor shall terminate all beneficial, employment, and contractual and control relationships with the excluded individual or entity immediately (WAC 182-502-0030).

12.8.7 The HCA will validate that the Contractor is conducting all screenings required by this Section during its annual monitoring review.

12.9 **Reporting**

12.9.1 All Program Integrity notification and reporting to HCA shall be in accordance with the provisions of the General Terms and Conditions of this Contract unless otherwise specified herein.

12.9.2 All Program Integrity notification and reports shall be submitted through the MC-Track application unless otherwise instructed in this Section and/or within the notification form or report templates. See table below of the listing of notification forms and reports and their respective due dates:

DELIVERABLES	FREQUENCY	DUE DATE
Annual Program Integrity Plan for WA State	Annual	March 1st of each calendar year.
Records	On Request, or while On-site	By the date specified in HCA's record request or while onsite.
PIR001 – Annual Program Integrity Report for WA State	Annual	March 1st of each calendar year.
PIR002 – WA Quarterly Recoveries Reporting Form	Quarterly	30th of the following month after quarter ends.
PIR003 – WA Quarterly Allegation Log	Quarterly	30th of the following month after quarter ends.
PIR004 – WA MCO Provider Termination Reporting Form	Monthly	15th of the following month.
PIR005 – WA MCO Ownership Change Reporting Form	Ad Hoc	Within thirty five (35) calendar days of an owner change
PIR006 – WA Excluded Individual Reporting Form	Ad Hoc	Within five (5) business days from the date of discovery.
PIR007 – WA Fraud Referral Form	Ad Hoc	Within five (5) business days from the date of determining a credible allegation of fraud exists.

12.9.3 Quarterly Allegation Log: Notwithstanding the obligation to report suspicions of provider and Subcontractor Fraud directly to MFCU and HCA as required under 12.10.1 of this Section, the Contractor shall, on a quarterly basis (April, July, October, and January) submit to HCA, in a format determined by HCA, a report of all allegations of provider and

Subcontractor Fraud received and reviewed by the Contractor during the previous quarter. The Quarterly Allegation Log shall be reported using HCA PIR003-WA Quarterly Allegation Log.

12.9.4 On a quarterly basis, the Contractor shall submit to HCA using HCA PIR002 WA Quarterly Program Integrity Activities Report form. This report shall include all program integrity activities performed and indicate any identified and recovered improper payments as well as any prepayment claims adjudication implementations. It is understood that identified improper payments may not be recovered during the same reporting time period.

12.9.5 On an annual basis, the Contractor shall submit to HCA:

12.9.5.1 An Annual Program Integrity Plan for WA State. See subsection 12.9.2 for the specific due date.

12.9.5.1.1 A completed Annual Program Integrity Plan of activities the Contractor plans for the upcoming year. The plan shall include all provider and service-specific program integrity activities such as, but not limited to: algorithms, data analytics, clinical reviews, audits, investigations planned, services requiring prior authorization, payment edits and audits, provider credentialing, and COB/TPL identification. See subsection 12.9.2 for the specific due date.

12.9.5.2 A completed HCA PIR001 – WA Annual Program Integrity Report for WA State. See subsection 12.9.2 for the specific due date.

12.9.5.2.1 A completed Annual Program Integrity Report containing details of the improper payments identified, overpayments recovered, and costs avoided for the program integrity activities conducted by the Contractor for the preceding year. The report shall include a report of all provider and service-specific program integrity activities such as, but not limited to: algorithms, data analytics, clinical reviews, audits, investigations, authorization denials, payment edits and audits, provider credentialing outcomes and terminations, and COB/TPL identification outcomes.

12.9.6 If the Contractor suspects client/member/Enrollee Fraud:

12.9.6.1 The Contractor shall notify the HCA Office of Medicaid Eligibility and Policy (OMEP) of any cases in which the Contractor believes there is a serious likelihood of Enrollee Fraud by:

12.9.6.1.1 Sending an email to WAHeligibilityfraud@hca.wa.gov; or

12.9.6.1.2 Calling the Office of Medicaid Eligibility and Policy at 360-725-0934 and leave a detailed voice mail message; or

12.9.6.1.3 Mailing a written referral to:

Health Care Authority

Attention: OMEP
P.O. Box 45534
Olympia, WA 98504-5534

Or

12.9.6.1.4 Faxing the written complaint to Attention Washington Apple Health Eligibility Fraud at 360-725-1158

12.9.7 Any excluded individuals and entities discovered in the screening described in the Fraud, Waste and Abuse Subsection of this Contract, including the provider application, credentialing and recredentialing processes, must be reported to HCA within five (5) business days of discovery. The identified excluded individual/entities shall be reported using HCA PIR006- WA Excluded Individual Template.

12.9.8 The Contractor is responsible for investigating Enrollee Fraud, waste and abuse, and referring Enrollee Fraud to HCA OMEP. The Contractor shall provide initial allegations, investigations and resolutions of Enrollee Fraud to HCA OMEP.

12.9.9 The Contractor shall investigate and disclose to HCA, within ten (10) calendar days of Contractor's discovery or upon request of HCA, the identity of any person who has been convicted of a criminal offense related to that person's involvement in any program under Medicare, Medicaid, or the title XXI services program since the inception of those programs and who is an agent or person who has been delegated the authority to obligate or act on behalf of the Contractor.

12.9.10 The Contractor shall, on a monthly basis, check the LEIE and SAM database to identify any excluded individuals/entities. Documentation shall be kept validating the review of the databases and provided to HCA upon request.

12.9.11 The Contractor shall submit to HCA a monthly List of Terminations Report including providers terminated due to sanction, invalid licenses, services, billing, data mining, investigation and any related program integrity involuntary termination; provider terminations for convenience; and providers who self-terminated. The report must be completed using HCA PIR004 – WA MCO Provider Termination Reporting Template.

12.9.12 The Contractor shall submit to HCA via MC-Track or ProviderOne help ticket all payment and enrollment inquiries to include but not limited to Newborn retro-enrollment, Service Base Enhancement (DCR, WISe, etc.), regular premium payments and other demographic changes that may impact eligibility (DOD, Address, etc.) Please refer to the Premium Payment and Other Injury section of the Encounter Data Reporting Guide.

12.10 **Access to Records, and On-site Inspections and Periodic Audits**

12.10.1 Upon request, the Contractor and the Contractor's providers and Subcontractors shall allow HCA, MFCU or any other authorized state or federal agency or duly authorized representative with access to the Contractor's and the Contractor's providers and Subcontractors premises during normal Business Hours to inspect, review, audit, investigate, monitor or otherwise evaluate the performance of the Contractor and its providers and Subcontractors. The Contractor and its providers and Subcontractors shall forthwith produce all records, documents, or other data requested as part of such

inspection, review, audit, investigation, monitoring or evaluation. Copies of records and documents shall be made at no cost to the requesting agency (42 C.F.R. § 455.21(a)(2); 42 C.F.R. § 431.107(b)(2)). A record includes, but is not limited to:

12.10.1.1 Medical records;

12.10.1.2 Billing records;

12.10.1.3 Financial records;

12.10.1.4 Any record related to services rendered, quality, appropriateness, and timeliness of service;

12.10.1.5 Any record relevant to an administrative, civil or criminal investigation or prosecution; and

12.10.1.6 Any record of a Contractor-paid claim or encounter, or a Contractor-denied claim or encounter.

12.10.2 Upon request, the Contractor, its provider or Subcontractor shall provide and make staff available to assist in such inspection, review, audit, investigation, monitoring or evaluation, including the provision of adequate space on the premises to reasonably accommodate HCA, MFCU or other state or federal agency.

12.10.3 HCA will conduct, or contract for the conduct of, periodic audits of the Contractor no less frequently than once every three (3) years of the accuracy, truthfulness, and completeness of the encounter and financial data submitted by, or on behalf of, each Contractor. (42 C.F.R. 438.602(e)).

12.11 Affiliations with Debarred or Suspended Persons

Pursuant to Section 1932(d)(1)(A) of the SSA (42 U.S.C. § 1396u-2(d)(1)(A)):

12.11.1 The Contractor shall not knowingly have a director, officer, partner, or person with beneficial ownership of more than five percent (5%) of the Contractor's equity who has been debarred or suspended from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued pursuant to Executive Order No. 12549 or under guidelines implementing such order.

12.11.2 The Contractor shall not knowingly have a director, officer, partner, or person with beneficial ownership of more than five percent (5%) percent of the Contractor's equity who is affiliated with another person who has been debarred or suspended from participating in procurement activities under the Federal Acquisition Regulation or from participating in non-procurement activities under regulations issued pursuant to Executive Order No. 12549 or under guidelines implementing such order.

12.11.3 The Contractor shall not have an employment, consulting, or any other contractual agreement with a debarred or suspended person or entity for the provision of items or services that are significant and material to this Contract.

12.11.4 The Contractor shall agree and certify it does not employ or contract, directly or indirectly, with:

12.11.4.1 Any individual or entity excluded from Medicaid or other federal health care program participation under Sections 1128 (42 U.S.C. § 1320a-7) or 1128A (42 U.S.C. § 1320a) of the Social Security Act for the provision of health care, utilization review, medical social work, or administrative services or who could be excluded under Section 1128(b)(8) of the Social Security Act as being controlled by a sanctioned individual;

12.11.4.2 Any individual or entity discharged or suspended from doing business with the HCA; or

12.11.4.3 Any entity that has a contractual relationship (direct or indirect) with an individual convicted of certain crimes as described in Section 1128(b)(8) of the Social Security Act.

12.12 **Transparency**

12.12.1 HCA shall post on its website, as required by 42 C.F.R. § 438.10(c)(3), the following documents and reports:

12.12.1.1 The Contract;

12.12.1.2 The data at 42 C.F.R. § 438.604(a)(5) which HCA certifies that the Contractor has complied with the Contract requirements for availability and accessibility of services, including adequacy of the provider network, as set forth in 42 C.F.R. § 438.206;

12.12.1.3 The name and title of individuals included in 42 C.F.R. § 438.604(a)(6) to confirm ownership and control of the Contractor, described in 42 C.F.R. § 455.104, and subcontractors as governed by 42 C.F.R. § 438.230; and

12.12.1.4 The results of any audits, under 42 C.F.R. 438.602(e), of the accuracy, truthfulness, and completeness of the encounter and financial data submitted and certified by the Contractor.

12.12.2 HCA will post performance metrics and outcomes on its website.

13 GRIEVANCE AND APPEAL SYSTEM

13.1 General Requirements

The Contractor shall have a Grievance and Appeal System which complies with the requirements of 42 C.F.R. § 438 Subpart F and Chapters 182-538, 182-526, and 284-43 WAC, insofar as those WACs are not in conflict with 42 C.F.R. § 438 Subpart F. The Grievance and Appeal System includes a Grievance process, a single level of appeal, access to the state's administrative hearing process, and access to independent review through the Contractor. NOTE: Provider claim disputes initiated by the provider are not subject to this Section.

13.1.1 The Contractor shall have policies and procedures addressing the Grievance and Appeal System, which comply with the requirements of this Contract. HCA must approve, in writing, all Grievance and Appeal System policies and procedures and related notices to Enrollees regarding the Grievance and Appeal System.

13.1.2 The Contractor is an independent party and is responsible for its own representation in any administrative hearing, independent review, review by the Board of Appeals, and subsequent judicial proceedings.

13.1.3 The Contractor shall provide information on the covered person's right to obtain a second opinion (WAC 284-43-4020(2)(h)).

13.1.4 The Contractor shall give Enrollees any reasonable assistance necessary in completing forms and other procedural steps for Grievances and Appeals (42 C.F.R. § 438.406(a)(1) and WAC 284-43-4020(2)(d))

13.1.5 The Contractor shall cooperate with any representative authorized in writing by the Enrollee (WAC 284-43-4020(2)(e)).

13.1.6 The Contractor shall consider all information submitted by the Enrollee or representative (WAC 284-43-4020(2)(f)).

13.1.7 The Contractor shall acknowledge receipt of each Grievance, either orally or in writing, within two (2) business days.

13.1.8 The Contractor shall acknowledge in writing the receipt of each Appeal. The Contractor shall provide the written notice to both the Enrollee and requesting provider within five (5) calendar days of receipt of the Appeal (42 C.F.R. § 438.406(a)(2).

13.1.9 The Contractor shall ensure that decision makers on Grievances and Appeals were not involved in previous levels of review or decision-making (42 C.F.R. § 438.406(a)(3)(i) and WAC 284-43-4040(4)).

13.1.10 A physician, doctoral level psychologist, certified addiction medicine specialist, or pharmacist, as appropriate, shall review any behavioral health Appeal of care based on medical necessity.

13.1.11 Decisions regarding Grievances and Appeals shall be made by individuals with clinical expertise in treating the Enrollee's condition or disease if any of the following apply (42

C.F.R. § 438.406(a)(3)(ii)):

13.1.11.1 If the Enrollee is appealing an Adverse Benefit Determination concerning medical necessity, including any decision to not authorize the service in an amount, duration or scope less than requested.

13.1.11.2 If an Enrollee Grievance concerns a denial of expedited resolution of an Appeal.

13.1.11.3 If the Grievance or Appeal involves any clinical issues.

13.1.12 With respect to any decisions described in Section 13.1.10 that involve behavioral health, the Contractor shall ensure that the individuals making such decisions:

13.1.12.1 Has clinical expertise in treating the Enrollee's condition or disease that is age appropriate and when clinically indicated (e.g., a pediatric psychiatrist for a child Enrollee).

13.1.12.2 A physician board-certified or board-eligible in General Psychiatry or Child Psychiatry if the Grievance or Appeal is related to inpatient level of care denials for psychiatric treatment.

13.1.12.3 A physician board-certified or board-eligible in Addiction Medicine, a Sub-specialty in Addiction Psychiatry or by ASAM, if the Grievance or Appeal is related to inpatient level of care denials for SUD treatment.

13.1.12.4 Are one (1) or more of the following, as appropriate, if a clinical Grievance or Appeal is not related to inpatient level of care denials for psychiatric or SUD treatment:

13.1.12.4.1 Physicians board-certified or board-eligible in Psychiatry, Addiction Medicine or a sub-specialty in Addiction Psychiatry or by ASAM;

13.1.12.4.2 Licensed, doctoral level psychologists; or

13.1.12.4.3 Pharmacists.

13.2 **Grievance Process**

The following requirements are specific to the Grievance Process:

13.2.1 Only an Enrollee or the Enrollee's authorized representative may file a Grievance with the Contractor; a provider may not file a Grievance on behalf of an Enrollee (42 C.F.R. § 438.402(b)(3)) unless the provider is acting on behalf of the Enrollee and with the Enrollee's written consent.

13.2.2 Enrollee Grievances must be filed with the Contractor, not with HCA. HCA will forward any Grievance received by HCA to the Contractor for resolution.

13.2.2.1 The Contractor shall request the Enrollee's written consent should a provider request an Appeal on behalf of an Enrollee without the Enrollee's written consent.

13.2.3 The Contractor shall accept, document, record, and process Grievances forwarded by HCA or DSHS.

13.2.4 The Contractor shall provide a written response to HCA within three (3) business days to any constituent grievance, unless HCA requests an expedited response. For the purpose of this subsection, "constituent grievance" means a complaint or request for information from any state or federal elected official or any state or federal agency director or designee.

13.2.5 The Contractor shall investigate and resolve all Grievances whether received orally or in writing (WAC 284-43-4020(2)(g)). The Contractor shall not require an Enrollee or his/her authorized representative to provide written follow-up for a Grievance the Contractor received orally.

13.2.6 The Contractor shall complete the resolution of a Grievance and notice to the affected parties as expeditiously as the Enrollee's health condition requires, but no later than forty-five (45) calendar days from receipt of the Grievance.

13.2.7 The Contractor must notify Enrollees of the resolution of Grievances within five (5) business days of determination. The notification may be orally or in writing for Grievances not involving clinical issues. Notices of disposition for clinical issues must be in writing.

13.2.8 Enrollees do not have the right to a hearing in regard to the resolution of a Grievance.

13.3 **Appeal Process**

The following requirements are specific to the Appeal process:

13.3.1 An Enrollee, the Enrollee's authorized representative, or a provider acting on behalf of the Enrollee and with the Enrollee's written consent, may Appeal a Contractor Adverse Benefit Determination (42 C.F.R. § 438.402(b)(1)(ii)).

13.3.1.1 If a provider has requested an Appeal on behalf of an Enrollee, but without the Enrollee's written consent, the Contractor shall not dismiss the Appeal without first contacting the Enrollee, informing the Enrollee within five (5) calendar days of receipt of the provider's request, that an Appeal has been made on the Enrollee's behalf, and then asking if the Enrollee would like to continue the Appeal. The Contractor shall have made at least three (3) attempts to contact the Enrollee on three (3) different business days, at three (3) different times during the day, without success, prior to dismissing the provider-initiated appeal request.

If the Enrollee does wish to continue the Appeal, the MCO shall obtain from the Enrollee a written consent for the Appeal. If the Enrollee does not wish to continue the Appeal, the MCO shall formally dismiss the Appeal, in writing, with appropriate Enrollee Appeal rights and by delivering a copy of the dismissal to the provider as well as the Enrollee.

13.3.1.2 For expedited Appeals, the Contractor may bypass the requirement for Enrollee written consent and obtain Enrollee oral consent. The Enrollee's oral consent shall be documented in the Contractor's UMP records.

13.3.2 If HCA receives a request to Appeal an Adverse Benefit Determination of the Contractor, HCA will forward relevant information to the Contractor and the Contractor will contact the Enrollee.

13.3.3 For Appeals of standard service authorization decisions, an Enrollee, or a provider acting on behalf of the Enrollee, must file an Appeal, either orally or in writing, within sixty (60) calendar days of the date on the Contractor's Notice of Adverse Benefit Determination. This also applies to an Enrollee's request for an expedited Appeal (42 C.F.R. § 438.402(b)(2) and WAC 182-538-110).

13.3.4 For Appeals for termination, suspension, or reduction of previously authorized services when the Enrollee requests continuation of such services, an Enrollee must file an Appeal within ten (10) calendar days of the date of the Contractor's mailing of the Notice of Adverse Benefit Determination. If the Enrollee is notified in a timely manner and the Enrollee's request for continuation of services is not timely, the Contractor is not obligated to continue services and the timeframes for Appeals of standard resolution apply (42 C.F.R. § 438.420 and WAC 182-538-110).

13.3.5 The Enrollee may request an appeal either orally or in writing. An oral appeal must be followed by a written, signed, appeal unless the Enrollee requests an expedited resolution (42 C.F.R. § 438.402(c)(3)(ii).

13.3.6 The Appeal process shall provide the Enrollee a reasonable opportunity to present evidence, and allegations of fact or law, in person as well as in writing. The Contractor shall inform the Enrollee of the limited time available for this in the case of expedited resolution (42 C.F.R. § 438.406(b)(2)).

13.3.7 HCA will notify the Contractor of hearing determinations. The Appeal process shall provide the Enrollee and the Enrollee's representative opportunity, before and during the Appeals process, to examine the Enrollee's case file, including medical records, and any other documents and records considered during the Appeal process (42 C.F.R. § 438.406(b)(3)).

13.3.8 The Appeal process shall include as parties to the Appeal, the Enrollee and the Enrollee's representative, or the legal representative of the deceased Enrollee's estate (42 C.F.R. § 438.406(b)(4)).

13.3.9 In any Appeal of an Adverse Benefit Determination by a Subcontractor, the Contractor or its Subcontractor shall apply the Contractor's own clinical practice guidelines, standards, protocols, or other criteria that pertain to authorizing specific services.

13.3.10 The Contractor shall resolve each Appeal and provide notice, as expeditiously as the Enrollee's health condition requires, within the following timeframes (42 C.F.R. § 438.408(b)(2)-(3)):

13.3.10.1 For standard resolution of Appeals and for Appeals for termination, suspension or reduction of previously authorized services a decision must be made within fourteen (14) calendar days after receipt of the Appeal, unless the Contractor notifies the Enrollee that an extension is necessary to complete the Appeal; however, the extension cannot delay the decision beyond twenty-eight (28) calendar days of the request for Appeal.

13.3.10.2 For any extension not requested by an Enrollee, the Contractor must give the Enrollee written notice of the reason for the delay.

13.3.10.3 For expedited resolution of Appeals or Appeals of behavioral health drug authorization decisions, including notice to the affected parties, no longer than three (3) calendar days after the Contractor receives the Appeal.

13.3.11 The Contractor shall provide notice of resolution of the Appeal in a language and format, which may be understood by the Enrollee. The notice of the resolution of the Appeal shall:

13.3.11.1 Be in writing and sent to the Enrollee and the requesting provider. For notice of an expedited resolution, the Contractor shall also make reasonable efforts to provide oral notice (42 C.F.R. § 438.408(d)).

13.3.11.2 Include the date completed and reasons for the determination in easily understood language (42 C.F.R. § 438.408(e)).

13.3.11.3 Include a written statement of the clinical rationale for the decision, including how the requesting provider or Enrollee may obtain the UMP clinical review or decision-making criteria.

13.3.11.4 For Appeals not resolved wholly in favor of the Enrollee (42 C.F.R. § 438.408(e)(2)):

13.3.11.4.1 Include information on the Enrollee's right to request a hearing and an independent review and how to do so.

13.3.11.4.2 Include information on the Enrollee's right to receive services while the hearing is pending and how to make the request.

13.3.11.4.3 Inform the Enrollee that the Enrollee may be held liable for the amount the Contractor pays for services received while the hearing is pending, if the hearing decision upholds the Contractor's Adverse Benefit Determination.

13.4 **Expedited Appeal Process**

13.4.1 The Contractor shall establish and maintain an expedited Appeal review process for Appeals when the Contractor determines or a provider indicates that taking the time for a standard resolution could seriously jeopardize the Enrollee's life, physical or mental health or ability to attain, maintain, or regain maximum function (42 C.F.R. § 438.410(a)).

13.4.2 The Enrollee may file an expedited Appeal either orally or in writing. No additional Enrollee follow-up is required.

13.4.3 The Contractor shall make a decision on the Enrollee's request for expedited Appeal and provide written notice, as expeditiously as the Enrollee's health condition requires, within seventy-two (72) hours after the Contractor receives the Appeal (42 C.F.R. § 438.408(b)(3)). The Contractor shall also make reasonable efforts to provide oral notice.

13.4.4 The Contractor may extend the timeframes by up to fourteen (14) calendar days if the Enrollee requests the extension; or the Contractor shows there is a need for additional information and how the delay is in the Enrollee's interest.

13.4.5 For any extension not requested by an Enrollee, the Contractor must give the Enrollee written notice of the reason for the delay.

13.4.6 The Contractor shall ensure that punitive action is not taken against a provider who requests an expedited resolution or supports an Enrollee's Appeal (42 C.F.R. § 438.410(b)).

13.4.7 If the Contractor denies a request for expedited resolution of an Appeal, it shall transfer the Appeal to the timeframe for standard resolution and make reasonable efforts to give the Enrollee prompt oral notice of the denial, and follow up within two (2) calendar days with a written notice of denial (42 C.F.R. § 438.410(c)).

13.4.8 The Enrollee has a right to file a Grievance regarding the Contractor's denial of a request for expedited resolution. The Contractor must inform the Enrollee of their right to file a Grievance in the notice of denial.

13.5 **Administrative Hearing**

13.5.1 Only the Enrollee or the Enrollee's authorized representative may request a hearing. A provider may not request a hearing on behalf of an Enrollee.

13.5.2 If an Enrollee does not agree with the Contractor's resolution of the Appeal, the Enrollee may file a request for a hearing within the following time frames (See WAC 182-526-0200):

13.5.2.1 For hearings regarding a standard service, within one hundred twenty (120) calendar days of the date of the notice of the resolution of the Appeal (42 C.F.R. § 438.402(b)(2)).

13.5.2.2 For hearings regarding termination, suspension, or reduction of a previously authorized service, if the Enrollee requests continuation of services, within ten (10) calendar days of the date on the Contractor's mailing of the notice of the resolution of the Appeal. If the Enrollee is notified in a timely manner and the Enrollee's request for continuation of services is not timely, the Contractor is not obligated to continue services and the timeframes for a hearing regarding a standard service apply (42 C.F.R. § 438.420).

13.5.3 If the Enrollee requests a hearing, the Contractor shall provide to HCA and the Enrollee, upon request, and within three (3) business days, and for expedited Appeals, within one (1) business day, all Contractor-held documentation related to the Appeal, including but not limited to, any transcript(s), records, or written decision(s) from Participating Providers or delegated entities.

13.5.4 When medical necessity is an issue, the Contractor's medical director or designee shall review all cases where a hearing is requested and any related Appeals and the outcome of any independent review.

13.5.5 The Enrollee must exhaust Appeal rights prior to filing a request for a hearing with HCA.

13.5.6 The Contractor will be bound by the final order, whether or not the final order upholds the Contractor's decision. Implementation of the final order shall not be the basis for termination of enrollment by the Contractor.

13.5.7 If the final order is not within the purview of this Contract, then HCA will be responsible for the implementation of the final order.

13.5.8 The hearings process shall include as parties to the hearing, the Contractor, the Enrollee and the Enrollee's representative, or the legal representative of the deceased Enrollee's estate and HCA.

13.6 **Independent Review**

After exhausting both the Contractor's Appeal process and the Administrative Hearing, the Enrollee has the right to request an independent review in accordance with RCW 48.43.535 and Chapter 182-538 WAC.

The MCO will advise the HCA Appeals Administrator at P.O. Box 45504, Olympia, WA 98504-5504 when an Enrollee requests an independent review as soon as the MCO becomes aware of the request. The MCO will forward a copy of the decision made by the Independent Review Organization to the Appeals Administrator as soon as the MCO receives the decision.

13.7 **Petition for Review**

Any party may Appeal the initial order from the Administrative Hearing to HCA Board of Appeals in accordance with Chapter 182-526 WAC. Notice of this right shall be included in the Initial Order from the Administrative Hearing.

13.8 **Continuation of Services**

13.8.1 The Contractor shall continue the Enrollee's services if all of the following apply (42 C.F.R. § 438.420):

13.8.1.1 An Appeal, hearing, or independent review, is requested on or before the later of the following:

13.8.1.1.1 Within ten (10) calendar days of the Contractor mailing the notice of Adverse Benefit Determination, which for Adverse Benefit Determination involving services previously authorized, shall be delivered by a method that certifies receipt and assures delivery within three (3) calendar days.

13.8.1.1.2 The intended effective date of the Contractor's proposed Adverse Benefit Determination.

13.8.1.2 The Appeal involves the termination, suspension, or reduction of a previously authorized course of treatment.

13.8.1.3 The original period covered by the original authorization has not expired.

13.8.1.4 The Enrollee requests an extension of services.

13.8.2 If, at the Enrollee's request, the Contractor continues or reinstates the Enrollee's services while the Appeal, hearing, or independent review, is pending, the services shall be continued until one of the following occurs (42 C.F.R. § 438.420 and WAC 182-526-0200 and WAC 182-538-110):

13.8.2.1 The Enrollee withdraws the Appeal, hearing, or independent review request.

13.8.2.2 The Enrollee has not requested a hearing (with continuation of services until the hearing decision is reached) within the ten (10) calendar days after the Contractor mailed the notice of resolution of the appeal.

13.8.2.3 When the Office of Administrative Hearings issues a decision adverse to the Enrollee.

13.8.3 If the final resolution of the Appeal upholds the Contractor's Adverse Benefit Determination, the Contractor may recover from the Enrollee the amount paid for the services provided to the Enrollee for the first sixty (60) calendar days during which the Appeal was pending, to the extent that they were provided solely because of the requirement for continuation of services.

13.9 Effect of Reversed Resolutions of Appeals and Hearings

13.9.1 If the Contractor, or an independent review (IR) decision by an independent review organization (IRO), or a final order from the Office of Administrative Hearings (OAH) or HCA Board of Appeals (BOA), reverses a decision to deny, limit, or delay services that were not provided while the Appeal was pending, the Contractor shall authorize or provide the disputed services promptly, and as expeditiously as the Enrollee's health condition requires, but no later than 72 hours from the date the Contractor receives notice reversing the determination (42 C.F.R. § 438.424(a)).

13.9.2 If the final order of OAH or the HCA Board of Appeals, or an IRO reverses a decision to deny authorization of services, and the Enrollee received the disputed services while the Appeal was pending, the Contractor shall pay for those services (42 C.F.R. § 438.424(b)).

13.10 Recording and Reporting Adverse Benefit Determinations, Grievances, Appeals and Independent Reviews

The Contractor shall maintain records of all Adverse Benefit Determinations, Grievances, Appeals and independent reviews.

13.10.1 The records shall include Adverse Benefit Determinations, Grievances and Appeals handled by delegated entities, and all documents generated or obtained by the Contractor in the course of responding to such Adverse Benefit Determinations, Grievances, Appeals, and independent reviews.

13.10.2 The Contractor shall provide a report of all Adverse Benefit Determinations, Grievances, Appeals and independent reviews to HCA in accordance with the Grievance and Appeal System Reporting Requirements published by HCA.

13.10.2.1 The Contractor will separately track, trend and report behavioral health Adverse Benefit Determinations, Grievances, Appeals, and independent reviews.

13.10.2.2 The Contractor will separately track, trend and report Grievances, Appeals, and independent reviews for children/youth referred to WISe.

13.10.3 The Contractor is responsible for maintenance of records for and reporting of any Grievance, Adverse Benefit Determinations, and Appeals handled by delegated entities.

13.10.4 Delegated Adverse Benefit Determinations, Grievances, and Appeals are to be integrated into the Contractor's report.

13.10.5 Data shall be reported in HCA and Contractor agreed upon format. Reports that do not meet the Grievance and Appeal System Reporting Requirements shall be returned to the Contractor for correction. Corrected reports will be resubmitted to HCA within thirty (30) calendar days.

13.10.6 The report medium shall be specified by HCA and shall be in accordance with the Grievance and Appeal System Reporting Requirements published by HCA.

13.10.7 Reporting of Adverse Benefit Determinations shall include all denials or limited authorization of a requested service, including the type or level of service, and the reduction, suspension, or termination of a previously authorized service but will not include denials of payment to providers unless the Enrollee is liable for payment in accordance with WAC 182-502-0160 and the provisions of this Contract.

13.10.8 The Contractor shall provide information to HCA regarding denial of payment to providers upon request.

13.10.9 Reporting of Grievances shall include all expressions of Enrollee dissatisfaction not related to an Adverse Benefit Determination. All Grievances are to be recorded and counted whether the Grievance is remedied by the Contractor immediately or through its Grievance and quality of care service procedures.

14 CARE COORDINATION

14.1 Continuity of Care

The Contractor shall ensure Continuity of Care for Enrollees in an active course of treatment for a chronic or acute physical or behavioral health condition, including children receiving WISe services and TAY who have a current care plan. The Contractor shall ensure medically necessary care for Enrollees is not interrupted and transitions from one setting or level of care to another are promoted for six months after the implementation of this Contract. The Contractor shall honor service authorizations made by other systems such as BHOs, fee for service and Apple Health Managed Care Organizations (42 C.F.R. § 438.208). After the initial six months of the contract, the continuity of care period shall be no less than ninety (90) days for all new Enrollees.

14.1.1 When changes occur in the Contractor's provider network or service areas, the Contractor shall comply with the notification requirements identified in the Service Area and Provider Network Changes provisions in this Contract.

14.1.2 The Contractor shall make every effort to preserve Enrollee provider relationships, including relationships through transitions.

14.1.3 Where preservation of provider relationships is not possible and reasonable, the Contractor shall provide transition to a provider who will provide equivalent, uninterrupted care as expeditiously as the Enrollee's physical and behavioral health condition requires.

14.1.4 The Contractor shall allow Enrollees to continue to receive care from non-participating providers with whom an Enrollee has a documented established relationship. The Contractor shall take the following steps:

14.1.4.1 The Contractor must make a good faith effort to subcontract with the established non-participating provider.

14.1.4.2 If transition is necessary, the Contractor shall facilitate collaboration between the established non-participating provider and the new participating provider to plan a safe, medically appropriate transition in care.

14.1.4.3 If the non-participating provider or the Enrollee will not cooperate with a necessary transition, the Contractor may transfer the Enrollee's care to a participating provider within ninety (90) calendar days of the Enrollee's enrollment effective date.

14.1.4.4 Pay the non-participating provider indefinitely if it chooses when the non-participating provider accepts payment rates the Contractor has established.

14.1.4.5 Apply utilization management decision-making standards to non-participating providers that are no more stringent than standards for

participating providers.

14.1.5 Unless required in this Contract to provide longer continuation of a prescribed medication, the Contractor shall allow new Enrollees to fill prescriptions written prior to enrollment until the first of the following occurs:

14.1.5.1 The Enrollee's prescription expires. If the Enrollee's prescription expires before evaluation by a participating provider, the Contractor shall facilitate a primary care visit and shall not deny the prescription.

14.1.5.2 A participating provider examines the Enrollee to determine the continued need for the prescription, and if necessary, appropriate changes are made that do not threaten the health of the Enrollee.

14.1.5.2.1 If the Enrollee refuses an evaluation by a participating provider the Contractor may refuse to cover the prescription as long as the Enrollee's safety and the safety of others is considered in the decision.

14.1.6 The Contractor must approve payment for the dispensing of a refill of an antipsychotic, antidepressant, or antiepileptic medication without regard to length of enrollment or examination by a participating provider.

14.1.7 The Contractor shall provide for the smooth transition of care for Enrollees who lose Medicaid eligibility while hospitalized in behavioral health inpatient or residential treatment facilities or while incarcerated or in homeless shelters. The Contractor shall include protocols for coordination with the BHO in other RSAs to facilitate referral for state funded or federal block grant services, when such funds are available, in order to maintain Continuity of Care.

14.1.8 The Contractor shall provide Care Coordination for children participating in WISe.

14.1.8.1 The Contractor shall act consistent with the requirements of the WISe program and requirements of the T.R. v. Quigley and Teeter Settlement Agreement to provide intensive home and community-based services to help children receive behavioral health treatment and connect with natural supports in their homes, schools and communities (See https://www.dshs.wa.gov/sites/default/files/BHSIA/dbh/Mental%20Health/WISe%20Manual%20v%201.7-FINAL.pdf).

14.1.8.2 The Contractor shall not impose restrictions to access WISe services.

14.1.8.2.1 The Contractors shall have policies and procedures consistent with the WISe Program Components Model, and the most current version of the WISe "Program Policy and Procedure Manual".

14.1.8.2.2 The Contractor shall follow WISe policies and procedures to screen, identify, and engage children, youth and caretakers who are eligible to receive the services under WISe.

14.1.8.2.3 The Contractor shall participate in the planning and implementation of a standardized screening and assessment process and uniform reporting of service level for children and youth with intensive behavioral health needs with the Enrollee consent and according to the timelines and guidelines published by DSHS to the extent they are not inconsistent with this Contract or federal regulations.

14.1.8.2.4 Contractors shall report on actions taken in response to WISe Quality Management Plan reports and associated outcomes.

14.1.8.2.5 The Contractor shall develop and implement a plan to achieve WISe capacity as set forth by DBHR and meet identified capacity targets in proportion to your enrollment.

The Contractor shall submit a bi-monthly progress report (January, March, May, July, September, November), no later than the last day of the month, that includes the following:

14.1.8.2.5.1 The current WISe service capacity for the region and the number of youth enrolled in WISe each month during the reporting period.

14.1.8.2.5.2 The increase or decrease in WISe capacity compared to the previous progress report.

14.1.8.2.5.2.1 If the Contractor experiences a decrease, the Contractor shall include an explanation for the decrease and an action plan for bringing the Contractor for increasing capacity to meet performance.

14.1.8.2.5.2.2 If the Contractor has an action plan from the previous progress report, the Contractor shall identify what action items were accomplished.

14.1.8.2.6 The Contractor shall identify challenges in meeting their service capacity targets and identify strategies to address those challenges.

14.1.9 Continuity and Care Coordination for TAY:

14.1.9.1 The Contractor shall develop a comprehensive transition plan in collaboration with other systems and providers, including agencies contracted to provide services to Youth, that identifies the Enrollee's goals, objectives, and strategies to achieve goals. The transition plan shall take

into account the following:

14.1.9.1.1 Individual behavioral and physical health needs, which may include continued services in the adult behavioral or physical health systems. The transition plan shall address the need for continuity and coordination of services and supports for the Enrollee and the Enrollee's family and identify developmentally and culturally appropriate adult services;

14.1.9.1.2 Connections with supportive housing and supported employment services through the Foundational Community Supports program, post-secondary education, technical training, housing community support, natural supports, and cross-system coordination as needed to attain the Enrollee's goals.

14.2 Population Health Management: Plan

The Contractor shall develop a plan to address Enrollee needs across the continuum of care, and ensure services are coordinated for all Enrollees. The plan shall be reviewed by HCA during the annual monitoring review. The Population Health Management plan shall include at a minimum the following focus areas:

14.2.1 Keeping Enrollees healthy;

14.2.2 Managing Enrollees with emerging risk;

14.2.3 Enrollee safety and outcomes across settings; and

14.2.4 Managing multiple chronic conditions.

The Contractor's Population Health Management plan shall establish methods to identify targeted populations for each focus area and includes interventions that meet the requirements of NCQA and the subsections below.

14.3 Population Health Management: Identification and Triage

14.3.1 Initial Health Screen

14.3.2 The Contractor shall conduct a brief Initial Health Screen (IHS) containing behavioral, developmental, physical and oral health questions within sixty (60) calendar days of enrollment for all new Enrollees, including Family Connects and reconnects, beginning the first (1st) of the month after the month of enrollment (42 C.F.R. § 438.208(b)(3)).

14.3.2.1 The Contractor shall use evidence-based screening tools appropriate to the age of the Enrollee which shall include but is not limited to:

14.3.2.1.1 Tobacco use assessment; and

14.3.2.1.2 Housing and housing instability assessment;

14.3.3 The Contractor shall make at least three (3) reasonable attempts on different days and times of day to contact an Enrollee to complete the IHS and document these attempts, for Enrollees who are not referred for Health Home services. The requirements described in Exhibit C apply to Enrollees who are referred for Health Home services.

14.3.4 Initial Health Assessment (IHA): To assess identified Individuals with Special Health Care Needs who are not eligible for Health Home services, the Contractor's care coordinator shall conduct an Initial Health Assessment (IHA) within sixty (60) calendar days of the identification of special needs or IHS that indicates the need for care coordination. The assessment shall determine ongoing need for care coordination services and the need for clinical and non-clinical services, including referrals to specialists and community resources.

14.3.4.1 The assessment shall include, at minimum, an evaluation of the Enrollee's physical, behavioral, and oral health status, health services history, including receipt of preventive care services, current medications, and an evaluation of the need for or use of supportive services and resources, such as those described in the Coordination of Care provisions of this Contract.

14.3.4.2 The Contractor shall require the Enrollee's primary care provider and care coordinator to ensure arrangements are made for the Enrollee to receive follow-up services that reflect the findings in the IHA, such as consultations with mental health and/or substance use disorder providers or referral to community- based social services.

14.3.4.3 The IHA shall be maintained in the Enrollees' medical record and in the Contractor's care coordination file and available during subsequent preventive health visits.

14.3.5 The Contractor will use other data sources to identify enrollees who need care coordination and care management services, including but not limited to:

14.3.5.1 Review of administrative data sets, such as PRISM;
14.3.5.2 Children with elevated blood lead screen levels;
14.3.5.3 Indicators of potential for high risk pregnancy;
14.3.5.4 Enrollees with unmet care needs or evidence of being underserved;
14.3.5.5 Claims or encounter data;
14.3.5.6 Pharmacy data;
14.3.5.7 Laboratory data;
14.3.5.8 Electronic health records; or
14.3.5.9 Results of Contractor-specific algorithms.

14.3.6 The Contractor will risk stratify the population to determine the level of intervention enrollees require.

14.4 **Population Health Management: Interventions**

14.4.1 The Contractor shall work with providers to achieve population health management goals, and shall provide PCPs with clinical information about their patients to improve their care.

14.4.1.1 The Contractor shall make clinical decision support tools available to providers for use at the point of care that follow evidence based guidelines for:

14.4.1.1.1 Behavioral health conditions.

14.4.1.1.2 Chronic medical conditions.

14.4.1.1.3 Acute conditions.

14.4.1.1.4 Unhealthy behaviors.

14.4.1.1.5 Wellness.

14.4.1.1.6 Overuse/appropriateness issues.

14.5 Care Coordination Services (CCS) General Requirements

The Contractor shall implement the following activities:

14.5.1 The Contractor shall offer Wellness and Prevention services to all Enrollees according to the benefits outlined in this contract.

14.5.1.1 Refer individuals identified in the IHS as having a need for Care Coordination services to the Enrollee's PCP or Mental Health Professional or SUD provider for follow-up care and needed services within thirty (30) calendar days of screening and identification.

14.5.1.2 Ensure the PCP has assessed and/or examined the Enrollee according to wellness assessment requirements and appointment scheduling standards (42 C.F.R. § 438.208(c)(2)).

14.5.1.3 Ensure the Enrollee has received appropriate follow-up health care services, including preventive care, care for Chronic Conditions, and referrals to social services and community-based organizations.

14.5.2 Care Coordination services are provided by the Contractor, clinic-based Care Coordinator staff, or community based organizations, and delivered to Enrollees who have short-term, or intermittent needs for coordination of care, such as those identified as Enrollees with Emerging Risk. Care Coordination services may be provided by non-licensed staff and include but are not limited to:

14.5.2.1 Coordinating authorization of services such as Contractor timely approval of durable medical equipment, pharmacy, and medical supplies;

14.5.2.2 Ensuring access to medically necessary mental health, or physical health

services and coordination with entities that provide mental health, SUD services, and oral health services; or

14.5.2.3 Ensuring access to community-based services, such as home care or long-term services and supports.

14.5.3 The Care Coordinator and affiliated staff shall work with Enrollees to promote the following:

14.5.3.1 Improved clinical outcomes;

14.5.3.2 Enrollee participation in care;

14.5.3.3 Continuity of Care;

14.5.3.4 Increased self-management skills;

14.5.3.5 Improved adherence to prescribed treatment; and

14.5.3.6 Improved access to care or to services that address social needs.

14.5.4 The Care Coordinator shall provide or oversee interventions that address the physical health, social, economic, behavioral health, functional impairment, cultural, and environmental factors affecting health and health care choices.

14.5.5 The Care Coordinator shall deliver services in a culturally competent manner that addresses health disparities by interacting directly and in-person with the Enrollee and his or her family in the Enrollee's primary language; with appropriate consideration of literacy and cultural preference.

14.5.6 The Care Coordinator is responsible for:

14.5.6.1 Conducting IHS or collecting IHS data from providers, to assess Enrollees for unmet health care or social service needs;

14.5.6.2 Communicating utilization patterns to providers and ensuring action by the provider on under or over-utilization patterns requiring action;

14.5.6.3 Ensuring clinical and social service referrals are made to meet identified Enrollee health and community service needs;

14.5.6.4 Ensuring referrals are made and services are delivered, including any follow-up action;

14.5.6.5 Ensuring the deployment of standardized screening tools outlined in this Contract; and

14.5.6.6 Ensuring collaboration with the regional Behavioral Health - Administrative Services Organization (BH-ASO).

14.5.7 The Contractor shall develop policies and, procedures for Care Coordination services that include:

14.5.7.1 Identification of gaps in care through IHS or analysis of claims and encounter data for Enrollee patterns of under- or overutilization.

14.5.7.2 Referral of Enrollees identified through self-referral or the IHS as having a gap in behavioral, developmental, physical or oral health services to the Enrollee's PCP and as appropriate, to a Mental Health Professional or SUD provider for services and follow-up care within thirty (30) calendar days of screening and identification.

14.5.7.3 Communication with the PCP and other providers regarding:

14.5.7.3.1 The Contractor's medical necessity decisions to authorize care and services.

14.5.7.3.2 Shared care plans and transitional services between the Care Coordinator and jails, crisis service system, prisons, acute withdrawal management and sobering centers, homeless service providers, and the PCP.

14.5.7.3.3 Enrollee over-use of emergency department, preventable hospitalizations and re-hospitalizations, crisis service, and opioid use.

14.5.8 If an Enrollee changes enrollment to another AH MCO, the Contractor shall coordinate transition of the Enrollee to the new MCO's Care Coordination system to ensure services do not lapse and are not duplicated in the transition. The Contractor must also ensure Enrollee confidentiality and Enrollee rights are protected (42 C.F.R. § 438.208 (b)(6)).

14.5.9 Care Coordinators shall monitor, provide referrals to community-based social services and assess referral completion, education, and facilitate and encourage adherence to recommended treatment. Nothing in this requirement should be construed to limit in any way the Enrollee's right to refuse treatment.

14.5.10 The Contractor shall provide a toll-free line for PCPs and specialists who seek technical and referral assistance when any condition, including behavioral health conditions, requires treatment or developmental delays are suspected or identified.

14.5.10.1 Available information shall include assistance in arranging for referrals, including mental health and SUD treatment referrals. Communication about the availability of this consultation service shall be found on the front-page of the Contractor's website and in materials supplied to providers.

14.5.11 The Contractor shall implement policies and procedures to ensure the completion of Advance Directives (physical health and mental health).

14.5.12 Use and promotion of recovery and resiliency principles to mitigate future risk of the development of physical or behavioral health care conditions.

14.5.13 The Contractor shall support practice change activities including the deployment of evidence-based and Promising Practices, preventive screening of Enrollees and models of service delivery that optimize health care service delivery, Enrollee social support and coordinated health care and social services.

14.6 Care Management Services

The Contractor shall implement activities for Enrollees identified as requiring Complex Case Management (CCM), or those with multiple chronic conditions.

14.6.1 Support of a person-centered approach to care in which Enrollee's needs, strengths, and preferences play a central role in the development and implementation of the care plan by:

14.6.1.1 Ensuring the clinical appropriateness of care;

14.6.1.2 Addressing gaps in care, including appropriate use of culturally appropriate, evidence- or research-based practices;

14.6.1.3 Promoting recovery using Certified Peer Counselors, Community Health Workers and community and natural supports;

14.6.1.4 Requesting modifications to treatment plans to address unmet service needs that limit progress;

14.6.1.5 Assisting Enrollees in relapse/crisis prevention planning that goes beyond crisis intervention and includes development and incorporation of recovery action plans and Advance Directives for individuals with a history of frequent mental health readmissions or crisis system utilization; and

14.6.1.6 Assuring coordination of assessments and evaluations with mental health, SUD and other providers.

14.6.2 Individuals identified by HCA as Health Home eligible shall receive Health Home Services as described in Exhibit C if the Enrollee consents to participate.

14.6.3 Individuals identified by the Contractor as requiring CCM shall receive services in accordance with NCQA Standards.

14.6.4 Interventions described elsewhere in Section 14.

14.6.5 Complete or verify the PCP completion of an Enrollee care plan. The care plan shall be developed in partnership with the Enrollee and in consultation with specialists and social service providers serving the Enrollee, updated at minimum annually and maintained in the Enrollee's health record (42 C.F.R. § 438.208(c)(3)); 42 C.F.R. § (438.208(c)(3)(i)). The care plan shall include all of the following:

14.6.5.1 Presenting diagnosis(es) and health problems;

14.6.5.2 An action plan, including agreed-upon health goals;

14.6.5.3 Documentation of behavioral health, social service, and community resource interventions that promote child development, healthy behaviors, and early referral and treatment for mental health and SUD conditions, including recovery-based programs; and

14.6.5.4 Documentation of Advance Directives (physical health and mental health).

14.6.6 The Contractor shall respond to EPSDT referrals from primary medical care providers with a written notice that must at a minimum include date of intake and diagnosis.

14.6.7 The Contractor shall provide information on how to obtain a provider for children/Youth who do not have a PCP.

14.7 Data Exchange Protocols

14.7.1 The Contractor shall develop data exchange protocols, including consent to release before initiating services with any subcontracted entity. Protocols must support integrated behavioral health-physical health coordination including sharing of claims and pharmacy data, treatment plans or care plans and Advance Directives necessary to coordinate service delivery, and care management for each Enrollee in accordance with applicable privacy laws, including HIPAA and 42 C.F.R. Part 2.

14.8 Allied System Coordination

14.8.1 Allied System Coordination Plan: For each RSA in which the Contractor participates, the Contractor shall develop a written Allied Systems Coordination Plan that describes how the Contractor will coordinate and collaborate with healthcare and other allied systems that serve Contractor Enrollees. The Contractor shall collaborate with ACH representatives and representatives of the entities listed in Section 14.9 to develop and update this plan as needed. The plan must describe how the Contractor will address the elements below and how the Contractor will interact with any Allied System that chooses not to participate in the jointly developed coordination plan and include the following elements:

14.8.1.1 Clearly defined roles and responsibilities of the allied systems in helping Enrollees served by more than one system. For children this includes EPSDT coordination for any child serving agency and a process for participation by the agency in the development of a cross-system ISP when indicated under EPSDT.

14.8.1.2 Identification of needed local resources, including initiatives to address those needs.

14.8.1.3 A process for facilitation of community reintegration from out-of-home placements (e.g., State hospitals, Children's Long- term Inpatient facilities, Juvenile Rehabilitation Administration facilities, foster care, nursing facilities, and acute inpatient settings) for Enrollees of all ages.

14.8.1.4 A process for working with ACH, the BH-ASO managing crisis services, and first responders, evaluate the need to develop procedures to engage and collaborate with first responders that address:

14.8.1.4.1 Education about Behavioral Health resources and crisis intervention to de-escalate volatile situations and prevent the use of lethal force.

14.8.1.4.2 Strengthening relationships between first responders and Behavioral Health providers to improve access to timely crisis response services or to improve engagement in Behavioral Health treatment.

14.8.1.4.3 Ensuring support to PCPs, emergency department, and local emergency management (fire, police) when Behavioral Health emergencies and urgent problems are encountered.

14.8.1.4.4 Jail diversion response for TAY and adults with Serious and Persistent Mental Illness (SMI) or Co-Occurring Disorders (COD).

14.8.1.4.5 Transition of incarcerated adults and TAY with SMI for the continuation of prescribed medications and other Behavioral Health services prior to re-entry to the community.

14.8.1.4.6 Prevention and treatment of overdose.

14.8.1.5 Facilitating linkages with social services and criminal justice/courts and providers under contract with the county or state.

14.8.1.6 A procedure for Contractor representatives attending relevant stakeholder, planning, and advocacy meetings and communicating/coordinating with other entities to ensure the Contractor is aligned with state and local Behavioral Health initiatives.

14.8.2 The Contractor's Allied Coordination Plan shall include the following:

14.8.2.1 Processes for the sharing of information related to eligibility, access and authorization;

14.8.2.2 A process for sharing system issues;

14.8.2.3 Procedures to identify and address joint training needs; and

14.8.2.4 A process or format to address disputes related to service or payment responsibility, including attribution for hospital-related claims.

14.9 **Coordination Between the Contractor and External Entities**

14.9.1 The Contractor shall coordinate with, and refer Enrollees to health care and social services/programs, including, but not limited to:

14.9.1.1 The Department of Social and Health Services:

14.9.1.1.1 Aging and Long-Term Support Administration (ALTSA) Home and Community Services including contracted Area Agencies on Aging;

14.9.1.1.2 Skilled nursing facilities and community-based residential programs;

14.9.1.1.3 Behavioral Health Administration.

14.9.1.1.4 Children's Administration;

14.9.1.1.5 Developmental Disabilities Administration;

14.9.1.1.6 Division of Vocational Rehabilitation;

14.9.1.1.7 Juvenile Justice and Rehabilitation Administration (JJ&RA); and

14.9.1.2 Dental services, including the promotion of oral health screening and prevention;

14.9.1.3 Department of Health (DOH) and Local Health Jurisdiction (LHJ) services, including Title V services for Children with Special Health Care Needs;

14.9.1.4 Department of Early Learning: Early Support for Infants and Toddlers;

14.9.1.5 Department of Corrections;

14.9.1.6 Criminal Justice Systems (Courts, jails, law enforcement, public defenders);

14.9.1.7 State Hospitals;

14.9.1.8 Children's Long-term Inpatient facilities;

14.9.1.9 Community Health Clinics, Federally Qualified Health Centers (FQHCs), and Apple Health Managed Care Organizations;

14.9.1.10 Educational Service Districts (ESDs);

14.9.1.11 Support Services for families and family/kinship caregivers;

14.9.1.12 HCA First Steps Program - Maternity Support Services (MSS);

14.9.1.13 HCA Apple Health Foster Care program;

14.9.1.14 Neurodevelopmental Centers. The Contractor may refer children to a DOH recognized neurodevelopmental center for the services as long as appointment wait time standards and access to care standards of this Contract are met;

14.9.1.15 Qualified Health Homes contracted with HCA;

14.9.1.16 Supported Employment programs;

14.9.1.17 State and/or federal agencies and local partners that manage access to housing;

14.9.1.18 Tribal entities;

14.9.1.19 Non-Emergency Medicaid Transportation services;

14.9.1.20 Interpreter Services;

14.9.1.21 Women, Infants, and Children (WIC) providers and programs;

14.9.1.22 HCA's contracted Third Party Administrator for supportive housing and supported employment;

14.9.1.23 BH-ASOs outside of the RSA regarding state only, federal block grant, ombuds, crisis services, and any other areas where information sharing would improve the services of either system; and

14.9.1.24 Any Offender Re-entry Community Safety Program (ORCSP) within the boundaries of the Contractor that is not a Subcontractor of the Contractor.

14.10 **Coordination and Continuity of Care: Behavioral Health Services Only (BHSO)**

14.10.1 Behavioral Health Services Only

14.10.2 The Contractor shall coordinate care for any BHSO Enrollees who receive only Behavioral Health services but receive physical health services through another Managed Care program or the fee-for-service (FFS) delivery system. The Contractor's Care Coordination activities must include all of the following:

14.10.2.1 Identification of the MCO that provides medical services to the following BHSO Enrollees:

14.10.2.1.1 Full dual eligibles who are enrolled in a Medicare Part C plan; or

14.10.2.1.2 Children, Youth and Young Adults enrolled in Apple Health Foster Care (AHFC).

14.10.2.2 A signed Memorandum of Understanding/Agreement between the Contractor and the other Managed Care delivery system that describes the process for coordinating BHSO and medical benefits.

14.10.3 For Enrollees who receive their physical health benefits in the Medicare or Medicaid FFS delivery system, the Contractor must develop data sharing protocols between the Contractor and the Enrollee's PCP for Enrollees in an active course of Behavioral Health treatment.

14.10.4 For Enrollees who are enrolled in HCA's FFS Health Home program, the Contractor must develop data sharing protocols between the Contractor and the Enrollee's Qualified Health Home.

14.10.5 The Contractor shall ensure that in the process of coordinating care, an Enrollee's privacy is protected under the privacy requirements in 45 C.F.R. parts 160 and 164 subparts A and E and 42 C.F.R. part 2, to the extent they are applicable.

14.11 Children's Long Term Care (CLIP)

14.11.1 When an Enrollee under age eighteen (18) is committed for an Involuntary Treatment Act (ITA) court order of one hundred eighty (180) calendar days under Chapter 71.34 RCW, the Contractor shall assess the child's needs prior to the admission to the CLIP facility and consider less restrictive treatment options whenever possible. The Contractor shall provide a designee to collaborate with the CLIP Administration for children subject to court-ordered treatment and provide care coordination and assistance in the development of a less restrictive alternative treatment as appropriate. A Contractor representative shall share the community and/or family recommendations for purposes of CLIP program assignment of committed Youth.

14.11.2 After CLIP admission, the Contractor shall provide Rehabilitation Case Management throughout the entirety of the CLIP treatment from preadmission through discharge, and conducted with the CLIP facility treatment team for the direct benefit of the admitted Youth to improve treatment gains and plan for successful discharge from CLIP. Activities include assessment for discharge and admission to community mental health care, integrated mental health treatment planning, resource identification, linkage to mental health rehabilitative services, and development of individualized services that promote continuity of mental health care. These specialized mental health activities are intended to promote discharge, maximize treatment benefits, minimize the risk of readmission and increase length of time in the community for the individual. The Contractor's CLIP liaison is the primary case contact for the CLIP facility treatment team and is responsible for managing cases from preadmission and treatment through discharge.

14.11.3 In the case of a CLIP admission directly from a Washington Tribal Authority, the Contractor's CLIP liaison shall work with the federally recognized tribe during discharge planning to provide appropriate services to the individual.

14.12 Children Eligible for Apple Health Foster Care

14.12.1 When the Contractor is notified an Enrollee has been placed in foster care and

enrolled with the Apple Health Foster Care (AHFC) program, the Contractor shall coordinate with the AHFC Contractor to ensure the child is transitioned to AHFC with minimal disruption in services.

14.12.2 In Regional Service Areas (RSAs) in which the Apple Health Foster Care (AHFC) Contractor holds both the AHFC contract and a Fully Integrated Managed Care Contract, all AHFC Enrollees are enrolled in the AHFC Contractor's BHSO and the terms below do not apply.

14.12.2.1 In RSAs in which the AHFC does not have an FIMC contract, eligible clients shall be enrolled in the AHFC program for physical health care services and into the Contractor's BHSO for behavioral health services. The Contractor shall coordinate with the AHFC Contractor to ensure continuity of Behavioral Health services.

14.12.3 Within the limits of available information, the Contractor shall ensure continuity of services if an Enrollee has been re-enrolled with the Contractor at the end of a foster care placement.

14.13 Children's Mental Health

14.13.1 For children who have been identified as requiring mental health treatment, the Contractor will, as necessary:

14.13.1.1 Coordinate treatment and care based on the child's assessed needs, regardless of referral source, whether the referral occurred through primary care, school-based services or another practitioner;

14.13.1.2 Follow-up to ensure an appointment has been secured; and

14.13.1.3 Coordinate with the primary care provider regarding development of a treatment plan, including medication management. (Chapter 74.09 RCW).

14.14 Behavioral Health Organizations (BHOs)

14.14.1 The Contractor shall have an operational agreement with all BHO operating outside the Contractor's awarded RSAs that, in addition to transitional care, addresses comprehensively the day-to-day operational requirements to coordinate physical and Behavioral Health care services and fully recognizes the shared responsibility for their mutual Enrollees' health care.

14.14.2 The operational agreement shall address the following:

14.14.2.1 Exchange of Enrollee health information with Enrollee consent to include:

14.14.2.1.1 Diagnosis;

14.14.2.1.2 Treatment, including treatment plan;

14.14.2.1.3 Medications;

14.14.2.1.4 Labs/Testing; and

14.14.2.1.5 Treating providers, with contact information.

14.14.2.2 Transitions in care between the Contractor and BHOs, and BHOs and the Contractor.

14.14.3 The Contractor shall require providers to coordinate with BHO providers and provide all required information to facilitate such coordination, with Enrollee consent, and shall provide written instructions to its primary care and Mental Health Professionals on how to access mental health services for Enrollees. Instructions shall include information on when an Enrollee should be referred to the BHO for an evaluation and when the Enrollee should receive services from a provider contracted with the Contractor for mental health services.

14.15 **American Indian/Alaska Natives**

14.15.1 The Contractor must designate a tribal liaison to work with Indian Health Care Providers (IHCPs).

14.15.2 The Contractor must provide for training of its tribal liaison, conducted by one (1) or more IHCPs and/or the American Indian Health Commission for Washington State and/or the DSHS Indian Policy Advisory Committee, on AI/AN health disparities and needs, the Indian health care delivery system, the government-to-government relationship between the state of Washington and the federally recognized tribes, applicable federal and state laws and regulations, applicable provisions in this Contract, and matters specific to IHCPs.

14.15.3 The Contractor must ensure its employees and agents receive training in cultural humility, including training on how to communicate with AI/AN Enrollees and IHCP staff, and in the history, culture, and services of IHCPs within the RSAs under the Contract. Training shall be obtained in collaboration with the tribes and IHCPs in such RSAs.

14.15.4 The Contractor must notify and coordinate care and transitions with any IHCP when the Contractor becomes aware an Enrollee is AI/AN or is receiving care from an IHCP and the Enrollee consents to such notification. To meet this requirement, the Contractor must develop and maintain a process for asking whether an Enrollee is a member of a federally recognized tribe or is receiving care from an IHCP and, if applicable, whether the Enrollee consents to the Contractor notifying such IHCP or federally recognized tribe.

14.15.5 With respect to voluntary psychiatric hospitalization authorization, the Contractor shall:

14.15.5.1 Develop and maintain policies and procedures that:

14.15.5.1.1 Explain how IHCP request voluntary psychiatric hospitalization authorizations for Enrollees; and

14.15.5.1.2 Authorize only psychiatrists or doctoral level psychologists of the Contractor to deny such request.

14.15.5.2 Obtain the approval of HCA's tribal liaison for such policies and procedures before they are implemented; and

14.15.5.3 Make available to IHCPs information on how to request voluntary psychiatric hospitalization authorizations for Enrollees, including policies and procedures, and how to submit appeals and expedited appeals.

14.16 **Transitional Services**

The Contractor shall ensure transitional services described in this Section are provided to all Enrollees who are transferring from one care setting to another or one level of care to another.

The Contractor shall provide Transitional Care services to Enrollees who participate in Health Home services in accordance with Exhibit C, Health Homes. When a Health Home Enrollee moves from one coverage area to another, the Contractor in the new coverage area shall provide Care Management Coordination services or other services to ensure the care plan established by the Health Home Care Coordinator in the previous county of residence continues for the Enrollee. If Health Home services were not available in the previous county of residence, the Contractor shall ensure a Health Home-eligible Enrollee receives Health Home services in the new coverage area consistent with Exhibit C of this Contract.

The Contractor shall work with appropriate staff at any hospital, including a CPE facility, to implement a safe, comprehensive discharge plan that assures continued access to medically necessary covered services which will support the client's recovery and prevent readmission. The Contractor shall have in place operational agreements or shall incorporate transitional language into existing subcontracts with the Contractor's contracted state and community physical and Behavioral Health hospitals, residential treatment facilities and long-term care facilities, and with BHOs, to ensure Enrollee care transitions. The written agreements shall define the responsibility of each party in meeting the following requirements:

14.16.1 Completion of a standardized discharge screening tool. The tool shall encompass a risk assessment for re-institutionalization, re-hospitalization, and/or SUD treatment recidivism.

14.16.2 Development of an individual Enrollee plan to mitigate the risk for re-institutionalization, re-hospitalization or treatment recidivism to include:

14.16.2.1 Information that supports discharge care needs, Medication Management, interventions to ensure follow-up appointments are attended, and follow-up for self-management of the Enrollee's chronic or acute conditions, including information on when to seek medical care and emergency care. Formal or informal caregivers shall be included in this process when requested by the Enrollee;

14.16.2.2 A written discharge plan, including scheduled follow-up appointments, provided to the Enrollee and all treating providers;

14.16.2.3 Systematic follow-up protocol to ensure timely access to follow-up care

post discharge and to identify and re-engage Enrollees who do not receive post discharge care;

14.16.2.4 Organized post-discharge services, such as home care services, after-treatment services and occupational physical therapy services;

14.16.2.5 Telephonic reinforcement of the discharge plan and problem-solving two (2) to three (3) business days following Enrollee discharge;

14.16.2.6 Information on what to do if a problem arises following discharge;

14.16.2.7 For Enrollees at high risk of re-hospitalization, a visit by the PCP or Care Coordinator at the Facility before discharge to coordinate transition;

14.16.2.8 For Enrollees at high risk of re-hospitalization, the Contractor shall ensure the Enrollee has an in-person assessment by the Enrollee's PCP or Care Coordinator for post-discharge support within seven (7) calendar days of hospital discharge. The assessment must include follow-up of: discharge instructions, assessment of environmental safety issues, medication reconciliation, an assessment of support network adequacy and services, and linkage of the Enrollee to appropriate referrals;

14.16.2.9 Scheduled outpatient Behavioral Health and/or primary care visits within seven (7) calendar days of discharge and/or physical or mental health home health care services delivered within seven (7) calendar days of discharge;

14.16.2.10 Follow-up to ensure the Enrollee saw his/her provider; and

14.16.2.11 Planning that actively includes the patient and family caregivers and support network in assessing needs.

14.16.3 The Contractor shall obtain the Enrollee's permission to share information with clinical and non-clinical providers to facilitate care transitions.

14.16.4 The Contractor, in collaboration with all hospitals including state hospitals, shall develop discharge planning policies and procedures.

14.16.4.1 The Contractor shall process all hospital prior authorization requests of all clinic services required of the Enrollee within two (2) business days. Such services shall include authorizations for any therapy, home care services, equipment or pharmaceuticals.

14.16.4.2 The Contractor shall educate state hospital discharge planning staff on clinical services requiring pre-authorization to facilitate timely discharge from the state hospital.

14.16.4.3 The Contractor shall not delay discharge from a hospital because of Contractor authorization procedures that unnecessarily delay such discharges.

14.17 **Skilled Nursing Facility Coordination**

14.17.1 The Contractor is responsible for medically necessary Skilled Nursing Facility (SNF) or NF stays when the Contractor determines Nursing Facility care is more appropriate than acute hospital care. The Contractor shall coordinate with the hospital or other acute care facility discharge planners and nursing facility Care Managers or social workers, as described in the Coordination between the Contractor and External Entities Subsection of this Contract to ensure a smooth transition of the Enrollee to or from a SNF or NF.

14.17.2 The Contractor shall coordinate with the SNF or NF to provide Care Coordination and transitional care services and shall ensure coverage of all Medically Necessary Services, prescriptions and equipment not included in the negotiated SNF daily rate. This includes but is not limited to: prescription medications, durable medical equipment, therapies, intravenous medications, and any other medically necessary service or product.

14.17.2.1 If the Contractor, in coordination with the NF or SNF, anticipates the Enrollee will be in the Facility for additional days after an Enrollee no longer meets criteria for medically necessary skilled nursing or rehabilitative care, the Contractor shall coordinate with the DSHS/ALTSA/HCS to:

14.17.2.1.1 Determine functional, financial, and institutional eligibility, if necessary; and

14.17.2.1.2 Assist the Enrollee to explore all options available for care, including whether the Enrollee will be discharged to his or her home or a community residential setting, or remain in the SNF for Long-Term Services and Supports (LTSS).

14.17.2.2 If the Enrollee is discharged home or a community residential setting, the Contractor shall coordinate with SNF/NF and HCS staff to ensure the Enrollee is discharged to a safe location and shall ensure Medically Necessary Services are available to the Enrollee including, but not limited to, home health services, durable medical equipment and supplies, outpatient rehabilitation services and any other services necessary to facilitate the Enrollee's recovery. The Contractor shall also ensure follow-up care is provided consistent with the Transitional Care Coordination requirements of this Contract.

14.17.3 If the Enrollee remains in the SNF/NF, the Enrollee remains enrolled in FIMC and ALTSA is responsible for payment of SNF/NF room and board beginning on the date it is determined the Enrollee does not meet or no longer meets criteria for the rehabilitative or skilled benefit. The Contractor continues to be responsible for all Medically Necessary Services, prescriptions, and equipment not included in the ALTSA NF rate. The Contractor shall continue to monitor the Enrollee's status and assist in coordination of transitions back to the community.

14.17.4 Issuance of an award letter by ALTSA does not constitute a guarantee or promise of payment for nursing home care.

14.17.5 The Contractor must provide written notice to the Facility, including dates of service and the date coverage will end, if the Enrollee:

14.17.5.1 Is admitted under the rehabilitative or skilled benefit;

14.17.5.2 Does not meet rehabilitative or skilled nursing criteria; or

14.17.5.3 If a previously authorized stay is being reduced.

14.17.6 For purposes of this Section, "nursing facility level of care" means ongoing support services provided in a SNF/NF for Enrollees who do not meet the criteria for rehabilitative or skilled nursing services.

14.18 Care Coordination Oversight

14.18.1 The Contractor shall have internal monitoring processes in place to ensure compliance with the Care Coordination and ICM requirements and the quality and appropriateness of care furnished to individuals with special health care needs (42 C.F.R. § 438.208).

14.18.2 Quality assurance reviews of documented Care Coordination and ICM activities shall include:

14.18.2.1 Case identification and assessment according to established risk stratification system;

14.18.2.2 Documented treatment plans and care plans with evidence of periodic revision as appropriate to the Enrollee emerging needs;

14.18.2.3 Effective Enrollee monitoring, including management of barriers;

14.18.2.4 Referral management;

14.18.2.5 Effective coordination of care; and

14.18.2.6 Identification of appropriate actions for the Care Coordinator to take in support of the Enrollee, and the Care Coordinator's follow-through in performing the identified tasks.

14.18.3 The Contractor shall document quality assurance reviews on a quarterly basis due no later than the end of April, July, October and January, or upon HCA's request, and submit them to HCA for review.

14.19 Direct Access to Specialists for Individuals with Special Health Care Needs

14.19.1 When the required treatment plan of Individuals with Special Health Care Needs, Children with Special Health Care Needs or Enrollees meeting Level 2 eligibility indicates the need for frequent utilization of a course of treatment with or regular monitoring by a specialist, the Contractor shall allow these Individuals to retain the specialist as a PCP, or alternatively, be allowed direct access to specialists for

needed care (42 C.F.R. § 438.208(c)(4) and 438.6(m)).

14.20 Transitional Planning for Incarcerated Enrollees

For the purposes of this subsection, “correctional facility” includes city and county jails, Department of Corrections (DOC) facilities, and Juvenile Rehabilitation facilities.

14.20.1 In accordance with SSB 6430 (Laws of 2016, chapter 154), the Contractor shall coordinate care for Enrollees as they transition into a correctional facility or upon release from a correctional facility. The Contractor shall initiate development of and make progress toward obtaining data sharing agreements with correctional facilities to enable the Contractor and these facilities to share health information about the Enrollees. Transitional care coordination shall be provided for up to the first thirty (30) calendar days of incarceration or as needed and upon the Enrollee’s release. When correctional facilities opt out of this activity the Contractor is not required to pursue these facilities.

14.20.2 The Contractor shall:

14.20.2.1 Provide transitional Care Coordination services to Enrollees when they enter a correctional facility, including:

14.20.2.1.1 Working with the facility to define the responsible party at the facility who will provide care coordination activities in the facility;

14.20.2.1.2 Ensuring the facility is aware of the Enrollee’s special needs, such as a PRISM score of 1 or higher, SUD, mental health needs, or chronic health conditions, and is aware of medications and supplies the enrollee needs; and

14.20.2.1.3 Providing information to enable the facility to maintain the Enrollee’s medication regimen while the Enrollee is incarcerated.

14.20.2.2 Provide services and Care Coordination for Enrollees upon release from a correctional facility or state hospital, including:

14.20.2.2.1 Coordinating with the facility to get copies of the Enrollee’s medical records at the time of discharge;

14.20.2.2.2 Requesting the Enrollee sign a Release of Information to allow exchange of health care information between systems;

14.20.2.2.3 Using an evidence based approach to care coordination as the Enrollee transitions from incarceration to the community;

14.20.2.2.4 Ensuring expedited prior authorization for medications or supplies prescribed while the Enrollee was incarcerated;

14.20.2.2.5 Prioritize Care Coordination for Enrollees with special needs,

such as a PRISM score of 1 or higher, SUD, mental health needs, or chronic health conditions;

14.20.2.2.6 Providing the Enrollee with an overview of benefits for which the Enrollee is eligible through the MCO;

14.20.2.2.7 Discuss with the Enrollee how to access a PCP, notify the Enrollee who their PCP is or help the Enrollee to find a PCP; and

14.20.2.2.8 Assist the Enrollee to access the following services:

14.20.2.2.8.1 Transportation to Medicaid appointments;

14.20.2.2.8.2 Follow-up appointments for Behavioral Health or medical services;

14.20.2.2.8.3 Housing and employment assistance; and

14.20.2.2.8.4 Other support services the Enrollee may need.

14.20.3 HCA shall provide:

14.20.3.1 Information to the Contractor about the Enrollee's incarceration status when the information is available to HCA.

14.20.4 When possible, HCA shall coordinate with the Contractor to re-enroll the Enrollee with the MCO he or she was enrolled in prior to incarceration, even when the incarceration was longer than six months.

15 SPECIAL PROVISIONS FOR FIMC

15.1 Special Provisions for Subcontracts with IHCP

15.1.1 If, at any time during the term of this Contract, an IHCP submits a written request to the Contractor at the mailing address set forth on the cover page of this Contract indicating such IHCP's intent to enter into a subcontract with the Contractor, the Contractor must negotiate in good faith with the IHCP.

15.1.1.1 Any such subcontract must include the Special Terms and Conditions set forth in the IHCP Addendum, to be developed in consultation with the IHCPs and Tribes, based on the Model QHP Addendum for Indian Health Care Providers issued by the U.S. Department of Health and Human Services on April 4, 2013. To the extent that any provision set forth in the subcontract between the Contractor and the IHCP conflicts with the provisions set forth in the IHCP Addendum, the provisions of the IHCP Addendum shall prevail.

15.1.1.2 Such subcontract may include additional Special Terms and Conditions that are approved by the IHCP and the Contractor. Each party must provide the HCA Tribal Liaison with a complete copy of such additional Special Terms and Conditions, in the format specified by the HCA, and a written statement that both parties have agreed to such additional Special Terms and Conditions.

15.1.2 Any subcontracts with IHCP must be consistent with the laws and regulations that are applicable to the IHCP. The Contractor must work with each IHCP to prevent the Contractor's business operations from placing requirements on the IHCP that are not consistent with applicable law or any of the Special Terms and Conditions in the subcontract between the Contractor and the IHCP.

15.1.3 The Contractor may seek technical assistance from the HCA Tribal Liaison to understand the legal protections applicable to IHCPs and American Indian/Alaska Native Medicaid recipients.

15.1.4 In the event that (a) the Contractor and the IHCP fail to reach an agreement on a subcontract within ninety (90) calendar days from the date of the IHCP's written request (as described in Subsection 15.1.1) and (b) the IHCP submits a written request to HCA for a consultation with the Contractor, the Contractor and the IHCP shall meet in person with HCA in Olympia, WA within thirty (30) calendar days from the date of the IHCP's written consultation request in an effort to resolve differences and come to an agreement. Executive leadership of the Contractor must attend this meeting in person and be permitted to have legal counsel present.

15.2 Other Special Provisions for IHCP

15.2.1 No later than April 30th, the Contractor shall submit to the HCA Tribal Liaison a plan that describes various services, financing models, and other activities for the Contractor to:

15.2.1.1 Support the recommendations set forth in the Tribal Centric Behavioral Health Report to the Washington State Legislature under 2SSB 5732, Section 7, Chapter 388, Laws of 2013, issued on November 30, 2013.

15.2.1.2 Support and enhance the care coordination services provided by IHCPs for Enrollees, both American Indian/Alaska Native and non-American Indian/Alaska Native, including coordination with non-IHCP:

15.2.1.2.1 Mental health services;

15.2.1.2.2 Substance use disorder treatment services;

15.2.1.2.3 Voluntary inpatient services; and

15.2.1.2.4 Inpatient discharge services.

15.2.1.3 Improve access for American Indian/Alaska Native Enrollees (including those who do not receive care at IHCPs) to receive:

15.2.1.3.1 Behavioral health prevention services;

15.2.1.3.2 Physical and behavioral health care services for co-occurring disorders; and

15.2.1.3.3 Culturally appropriate physical and behavioral health care.

15.2.1.4 The Contractor shall work with the IHCP to coordinate an annual update to the Tribal Outreach Activity Coordination Plan with each IHCP with whom the Contractor has a Plan.

15.2.1.5 The Contractor shall submit quarterly reports due by the 15th of the month after the quarter ends, with the first report being due September 29, 2017. Reports will briefly describe the following:

15.2.1.5.1 IHCPs the Contractor has worked with during the previous quarter;

15.2.1.5.2 IHCPs with whom the Contractor successfully negotiate a collaborative or contractual arrangements; and

15.2.1.5.3 IHCPs to whom the Contractor will reach out during the coming quarter.

15.3 **Special Provisions for American Indians and Alaska Natives**

15.3.1 If an American Indian/Alaska Native Enrollee indicates to the Contractor that he or she wishes to have an IHCP as his or her PCP, the Contractor must treat the IHCP as an in-network PCP under this Contract for such Enrollee regardless of whether or not such IHCP has entered into a subcontract with the Contractor.

15.3.2 In accordance with the Section 5006(d) of the American Recovery and Reinvestment Act of 2009, the Contractor is required to allow American Indians and Alaska Natives free access to and make payments for any participating and nonparticipating IHCPs for contracted services provided to AI/AN Enrollees at a rate equal to the rate negotiated between the Contractor and the IHCP. If such a rate has not been negotiated, the payment is to be

made at a rate that is not less than what would have otherwise been paid to a participating provider who is not an IHCP.

15.4 Special Provisions for Substance Use Disorder Benefits

All Enrollees are entitled to an assessment of need for SUD services. The Contractor shall ensure use of ASAM Level of Care Guidelines to make prior authorization and continuing care decisions for all SUD services.

15.5 Special Provisions Regarding Behavioral Health Benefits

The Contractor's administration of behavioral health benefits also shall comply with the following provisions:

15.5.1 Unless otherwise agreed upon, Essential Behavioral Health Functions and required behavioral health personnel shall be located in Washington State and available during business hours.

15.5.2 Outside of business hours, information, crisis triage, referral services and prior authorization may be conducted out-of-state. Any Contractor staff that work outside of Washington State must be trained and have knowledge of Washington State-specific behavioral health Covered Services, Managed Care rules, UM protocols and Level of Care Guidelines.

15.5.3 The Contractor must maintain an adequate complement of qualified and trained staff located in Washington State to accomplish AH - FIMC program goals and to meet the needs of individuals with serious emotional disturbance, serious mental illness and SUDs. The Contractor shall have behavioral health resources sufficient to meet all contract requirements and performance standards and shall require that all staff have the required education, experience, credentials, orientation and training to perform assigned job duties.

15.5.4 The Contractor shall designate employees who fulfil the following behavioral health functions:

15.5.4.1 A Behavioral Health Medical Director.

15.5.4.2 A Behavioral Health Clinical Director.

15.5.5 The Contractor shall designate managerial positions with the following behavioral health responsibilities:

15.5.5.1 A behavioral health Children's System Administrator.

15.5.5.2 An Addictions Administrator.

15.5.5.3 A behavioral health Utilization/Care Management Administrator.

15.5.5.4 A behavioral health network development manager.

15.5.5.5 A behavioral health provider relations manager.

15.5.6 In addition to the key and managerial staff, the Contractor shall have a sufficient number of qualified operational staff to meet its responsibilities under this Contract.

15.5.6.1 The Contractor shall locate a sufficient number of Provider Relations staff within the state to meet requirements under this Contract for provider education and training, provider profiling, and provider performance improvement or problem resolution.

15.5.6.2 The Contractor shall ensure that one (1) or more Data Management and Reporting Specialists shall have experience and expertise in Medicaid data analytics and behavioral health data systems to oversee all data interfaces and support the behavioral health specific reporting requirements under this Contract. This position can be located outside of Washington State.

15.5.6.3 The Contractor shall designate one (1) or more Community Liaisons to work within Washington State, county behavioral health leadership, and ACHs within its service area. This shall include a liaison to Enrollee and family organizations for children, youth and families and a liaison to other member-serving systems including, but not limited to State and local criminal and juvenile justice agencies, foster care agencies, housing administrators/homeless services and vocational administration. Contractor shall participate and coordinate with the designated regional ACH and actively participate in at least one (1) health improvement strategy identified by the ACH.

15.5.6.4 The Contractor shall ensure a sufficient number of qualified staff to meet both new contract requirements and increased volume including the following functions: administrative and support, member services, Grievance and Appeal, claims, encounter processing, data analysts, and financial reporting analysts.

15.5.6.5 The Contractor may administer claims out of state. If claims are administered in another location, physical and behavioral health provider relations staff shall have access to the claims payment and reporting platform during Business Hours.

15.5.7 The Contractor shall develop and maintain a human resources and staffing plan that describes how the Contractor will maintain adequate staffing:

15.5.7.1 The Contractor shall hire employees for the key and required behavioral health functions specified in the Contract. Consultants must be prior approved by the state.

15.5.7.2 The Contractor may propose a staffing plan, with prior approval by the State, which combines positions and functions with other positions.

15.5.7.3 The Contractor shall develop and implement staff training plans that address how all staff will be trained on the requirements of this Contract.

15.5.8 The Contractor must ensure development and implementation of training programs for network providers that deliver, coordinate, or oversee Behavioral Health services to Enrollees. The individual(s) responsible for Behavioral Health training must have at least two (2) years experience and expertise in developing training programs related to

behavioral health systems comparable to those under the Contract.

16 BENEFITS

16.1 Scope of Services

16.1.1 The Contractor is responsible for covering medically necessary medical and behavioral health services to Enrollees sufficient in amount, duration or scope to reasonably be expected to achieve the purpose for which the services are furnished (42 C.F.R. § 438.210(a)(3)(ii)). The Contractor shall cover services related to the following (42 C.F.R. § 438.210(a)(4); WAC 182-501-0060):

16.1.1.1 The prevention, diagnosis, and treatment of health impairments.

16.1.1.2 The achievement of age-appropriate growth and development.

16.1.1.3 The attainment, maintenance or regaining of functional capacity.

16.1.2 Integrated behavioral health services that support a bi-directional delivery of care model. The Contractor shall implement coverage of designated services collaboratively with HCA to support an integrated model of care that has no barriers by provider type or place of service, except as driven by scope of licensure, CPT or correct coding initiatives. This will include coverage of selected codes, including those classified as collaborative care codes, behavioral health integration codes and primary care codes.

16.1.3 BHSO benefits can be found in Exhibit B, Fully Integrated Managed Care (FIMC) and Behavioral Health Services Only (BHSO).

16.1.4 For Enrollees in AH-Foster Care, Access to Care Standards shall be used to determine which services are the responsibility of the FIMC contractor. See Exhibit E, Access to Care Standards.

16.1.5 Except as otherwise specifically provided in this Contract, the Contractor must provide the same amount, duration and scope of services as described in the Medicaid State Plan (42 C.F.R. § 438.210(a)(1 and 2) unless a service is specifically excluded from the Contract. Covered services that are not excluded are Contracted Services. For specific Contracted Services, the requirements of this Section shall also not be construed as requiring the Contractor to provide the specific items provided by the Health Care Authority under its fee-for-service program, but shall rather be construed to require the Contractor to provide the same scope of services. The Contractor is allowed to have guidelines, developed and overseen by appropriate Health Care Professionals, for approving services. All denials of Contracted Services are to be individual medical necessity decisions made by a Health Care Professional without being limited by such guidelines.

16.1.6 The Contractor makes the decision whether or not a contracted service is medically necessary. Medical necessity decisions are to be made based on an individual Enrollee's healthcare needs by a health care professional with expertise appropriate to the Enrollee's condition. The Contractor may not make global medical necessity decisions, since that is a coverage decision.

16.1.6.1 The amount and duration of contracted services that are medically necessary depends on the Enrollee's condition (42 C.F.R. § 438.210(a)(3)(i)).

16.1.6.2 The Contractor shall not arbitrarily deny or reduce the amount, duration or scope of required services solely because of the Enrollee's diagnosis, type of illness or condition (42 C.F.R. § 438.210(a)(3)(ii).

16.1.7 Except as specifically provided in the provisions of the Authorization of Services Section, the requirements of this Section shall not be construed to prevent the Contractor from establishing utilization control measures as it deems necessary to assure that services are appropriately utilized, provided that utilization control measures do not deny medically necessary contracted services to Enrollees nor unduly burden providers or Enrollees. The Contractor's utilization control measures are not required to be the same as those in the Medicaid fee-for-service program (42 C.F.R. § 438.210(a)(3)(iii)).

16.1.8 For services that the HCA determines are non-covered that are not specifically excluded by this Contract, excluded from coverage under federal regulation or excluded from coverage by HCA, the Contractor shall have policies and procedures consistent with WAC 182-501-0160, Exception to Rule (ETR). The Contractor shall cover a service when the criteria in this WAC are met.

16.1.9 For services that are covered, but with limits in scope, amount or duration the Contractor will have policies and procedures consistent with WAC 182-501-0169 Limitation Extension (LE) to determine medical necessity of services outside or more than the limit. The Contractor is responsible for covering a service when the criteria in this WAC are met and results in an approval of services outside or more than the limitation.

16.1.10 Nothing in this Contract shall be construed to require or prevent the Contractor from covering services outside of the scope of contracted services (42 C.F.R. § 438.6(e)). Services provided outside the scope of Contracted Services shall be reported separately to HCA and shall not be included in the rates development process.

16.1.11 Subject to the prior approval of HCA, the Contractor may provide services to Enrollees that are in addition to those covered under the Medicaid State Plan or otherwise included as a Contracted Service. As referenced herein, additional services include "in lieu of" services and "value added" services.

16.1.11.1 If the state determines that an additional service is a cost-effective substitute for a Contracted Service, the state may provide credit for the "in lieu of" service in rate setting. The Contractor shall perform a cost-benefit analysis for any in lieu of service it proposes to provide, as directed by the State, including how the proposed service would be cost-effective compared to a Contracted Service. An additional service will only be considered an in lieu of service if prior approved as such by the State.

16.1.11.2 The cost of an "extra" service provided by the Contractor will not be reflected in rate setting.

16.1.11.3 If the Contractor will provide an extra service on a routine basis and/or includes the service in the Managed Care handbook, the extra service must be prior approved in writing by the State. Any changes to an approved extra service must also be prior approved in writing by the State.

16.1.11.4 The Contractor shall not require an Enrollee to accept an additional service (in

lieu of or value added service) instead of a Contracted Service.

16.1.12 The Contractor may limit the provision of contracted services to Participating Providers except for the following:

16.1.12.1 Emergency Services;

16.1.12.2 Services provided outside the Service Areas as necessary to provide Medically Necessary Services;

16.1.12.3 Coordination of Benefits, when an Enrollee has other primary comparable physical and/or behavioral health coverage as necessary to coordinate benefits; and

16.1.12.4 Within the Contractor's service areas, as defined in the Service Areas provisions of the Enrollment Section of this Contract, the Contractor shall cover Enrollees for all physical and/or behavioral health necessary services.

16.1.13 Outside the Service Areas:

16.1.13.1 For Enrollees who are temporarily outside the service areas or who have moved to a service area not served by the Contractor and have not been enrolled with another MCO, the Contractor shall cover the following services:

16.1.13.1.1 Emergency and Post-Stabilization Services.

16.1.13.1.2 Urgent care services associated with the presentation of medical signs that require immediate attention, but are not life threatening. The Contractor may require prior-authorization for urgent care services as long as the wait times specified in the Appointment Standards provisions of the Access to Care and Provider Network Section of this Contract, are not exceeded.

16.1.13.1.3 Services that are neither emergent nor urgent, but are medically necessary and cannot reasonably wait until Enrollee's return to the service area. The Contractor is not required to cover non-symptomatic (i.e., preventive care) out of the service area. The Contractor may require prior-authorization for such services as long as the wait times specified in the Appointment Standards provision of the Access to Care and Provider Network Section of this Contract are not exceeded.

16.2 **Second Opinions**

16.2.1 The Contractor must authorize a second opinion regarding the Enrollee's health care from a qualified health care professional within the Contractor's network, or provide authorization for the Enrollee to obtain a second opinion outside the Contractor's network, if the Contractor's network is unable to provide for an independent and impartial qualified health care professional. The appointment for a second opinion must occur within thirty (30) calendar days of the request unless the Enrollee requests a delay for the second opinion to a date later than thirty (30) calendar days.

16.2.2 If the Contractor refuses to authorize a second opinion, or a second opinion from a provider of the Enrollee's choice, the refusal is an Adverse Benefit Determination, which shall be subject to Appeal under the provisions of the Grievance and Appeal System section of this Contract.

16.2.3 This Section shall not be construed to require the Contractor to cover unlimited second opinions, nor to require the Contractor to cover any services other than the professional services of the second opinion provider (42 C.F.R. § 438.206(b)(3)).

16.3 **Sterilizations and Hysterectomies**

The Contractor shall assure that all sterilizations and hysterectomies performed under this Contract are in compliance with 42 C.F.R. § 441 Subpart F, and that a Consent for Sterilization form (HHS-687) is used. A hysterectomy requires the Hysterectomy Consent and Patient Information form (HCA 13-365). These forms can be accessed using the link provided in the HCA Sterilization Supplemental Billing Guide.

16.4 **Enrollee in Facility at Enrollment: Medical Conditions**

16.4.1 If an Enrollee was admitted to a hospital the same month that enrollment occurs, the Contractor is responsible for the admission and all related services unless:

16.4.1.1 The Enrollee is SSI Blind/Disabled and admitted to a CPE hospital. In this case, HCA is responsible for the inpatient claim and the Contractor is responsible for professional services and management of the authorization requirements.

16.4.2 HCA is responsible for payment of all hospital and professional services provided from the date of admission until the date the Enrollee is discharged from the acute hospital inpatient stay when:

16.4.2.1 The client was admitted to the hospital in the same month Medicaid eligibility is established but enrollment is not completed until the following month; or

16.4.2.2 The client was on fee-for-service before the admission and is enrolled in AHMC during the admission; or

16.4.2.3 The client's eligibility is retroactive to a month prior to the current month, the client is hospitalized, and enrollment is completed during the admission.

16.4.3 If an Enrollee was admitted to a skilled nursing or nursing facility, the same month that enrollment occurs, the Contractor is responsible for the admission and all related services, until the Enrollee no longer meets rehabilitation or skilled level of care criteria.

16.4.4 DSHS is responsible for payment of any nursing facility admissions including when the Enrollee meets rehabilitation or skilled level of care criteria, provided from the date of admission until the date the Enrollee is discharged from the nursing facility when:

16.4.4.1 The client was admitted to the nursing facility in the same month Medicaid eligibility is established but enrollment is not completed until the following month; or

16.4.4.2 The client was on fee-for-service before the admission and is enrolled in AHMC during the admission; or

16.4.4.3 The client's eligibility is retroactive to a month prior to the current month, the client is admitted, and enrollment is completed during the admission

16.4.5 If the Enrollee's admission to a nursing facility is the responsibility of DSHS, under the provisions of Subsection 16.4.4, the Contractor is responsible for all other services as described in this Contract, except for the room and board for the nursing facility, that are medically necessary and required to meet the client's needs, including professional services, specialty beds, specialty wheelchairs, etc. The Contractor is responsible for management of the authorization requirements for these services.

16.4.6 The Contractor is responsible for actively participating in discharge planning from either a hospital or a nursing facility when that admission is the responsibility of HCA or DSHS, respectfully, and the delivery of care pursuant to this Contract once discharge has occurred, including any subsequent care: hospital inpatient, rehabilitation, outpatient, outpatient observation, any professional services, and any subsequent nursing facility placements that meet rehabilitative or skilled stay nursing level of care criteria.

16.4.6.1 If the Enrollee is admitted to a hospital or a nursing facility after the first of the month in which enrollment occurred, the Contractor may conduct retrospective review to establish medical necessity of the admission.

16.4.7 If an Enrollee changes AH MCOs and the change becomes effective during an inpatient admission, the AH MCO that the Enrollee was enrolled with on the date of admission is responsible for payment of all covered inpatient facility and professional services. This responsibility continues from the date of admission until the date the Enrollee no longer meets criteria for the rehabilitative or skilled benefit, or is discharged from a facility to home or a community residential setting, consistent with the Skilled Nursing Facility Coordination Subsection of this Contract. The AH MCO that is receiving the Enrollee is responsible for completing the responsibilities described in Subsection 16.4.6

16.4.7.1 The party responsible for payment under this Subsection remains responsible for medical necessity determinations and service authorizations.

16.5 **Enrollee in Facility at Enrollment: Behavioral Health**

16.5.1 For Enrollees receiving inpatient or residential services through the Medicaid fee-for-service system or RSN that were admitted prior to April 1, 2016, the Contractor shall be responsible for payment of all facility service costs beginning with the date of enrollment into FIMC or BHSO.

16.6 **Enrollee in Facility at Termination of Enrollment**

If an Enrollee is in a facility at the time of termination of enrollment and the Enrollee was enrolled with the Contractor on the date of admission, the Contractor shall be responsible for payment of all covered facility and professional services from the date of admission until one (1) of the following occurs:

16.6.1 The Enrollee is discharged from a facility to home or a community residential setting.

16.6.2 The Enrollee's eligibility to receive Medicaid services ends. The Contractor's obligation for payment ends at the end of the month the Enrollees Medicaid eligibility ends.

16.6.3 The Enrollee no longer meets the Contractor's rehabilitative or skilled criteria.

16.7 **Services Provided in Lieu of**

16.7.1 The Contractor may provide services or settings that are in lieu of services or settings covered by the State Plan as follows:

16.7.1.1 The Contractor determines that the alternative service or setting is a medically appropriate and cost effective substitute for the covered service or setting under the State Plan;

16.7.1.2 The Enrollee is not required to use the alternative service or setting;

16.7.1.3 The approved in lieu of services are authorized and identified in this Contract and may be offered to the Enrollee at the Contractor's discretion; and

16.7.1.4 The utilization of the lieu of services is reported in the Contractor's encounter data submission

16.8 **Deliveries and Newborn Coverage**

16.8.1 For newborns born while their mother is hospitalized, the party responsible for the payment of Covered Services for the mother's hospitalization shall be responsible for payment of all covered inpatient Facility and professional services provided to the newborn from the date of admission until the date the enrolled newborn is discharged from the acute care hospital.

16.8.2 If the HCA is responsible for payment of labor and delivery services provided to a mother, the HCA shall not pay the Contractor a Delivery Case Rate under the provisions of the Payment and Sanctions Section of this Contract.

16.8.3 For covered deliveries in a birthing center, the Contractor shall pay for all Covered Services, including Facility costs and professional services provided to the mother and the newborn until the date the enrolled mother and newborn are discharged from the birthing center.

16.8.4 For home deliveries, the Contractor shall pay for all costs associated with the home delivery, including professional services provided to the mother and newborn.

16.9 **General Description of Contracted Services: (See Exhibit B for BHSO only benefits)**

The Contractor shall provide the following services, as medically necessary, to Enrollees:

16.9.1 The Contractor shall provide a wellness exam to each Enrollee that documents the Enrollee's baseline health status and allows the Enrollee's PCP to monitor health improvements and outcome measures.

16.9.2 The Contractor is responsible for providing integrated medical and behavioral health services as directed by Section 14.

16.9.3 Inpatient Services:

16.9.3.1 Provided by acute care hospitals, including behavioral health Authorization and payment for services provided at CPE hospitals shall be made in accordance with the Payments to Hospitals section of this Contract.

16.9.3.2 Provided by a nursing facility, skilled nursing facility or other acute care setting, when services are determined medically necessary and nursing facility services are not covered by DSHS' Aging and Long Term Supports Administration.

16.9.3.3 Consultations with specialty providers, including psychiatric or psychology consultations, are covered during hospital stays.

16.9.3.4 The Contractor shall pay for the inpatient professional mental health services associated with a FIMC behavioral health approved inpatient psychiatric admission. The Contractor shall also pay for the inpatient psychiatric mental health claim.

16.9.4 Outpatient Hospital Services: Provided by acute care hospitals, including surgeries, labs, diagnostics and emergency room.

16.9.5 Emergency Services and Post-Stabilization Services:

16.9.5.1 Emergency Services:

16.9.5.1.1 The Contractor will provide all inpatient and outpatient Emergency Services provided by a licensed provider, acting within their scope of practice, regardless of diagnosis, without regard to whether the provider is a participating provider in accordance with the requirements of 42 C.F.R. § 438.114 as follows:

16.9.5.1.1.1 An Enrollee had an emergency medical condition, including cases in which the absence of immediate medical attention would not have had the outcomes specified in the definition of an emergency medical condition (42 C.F.R. § 438.114(c)(1)(ii)(A)).

16.9.5.1.1.2 A participating provider or other Contractor representative instructs the Enrollee to seek emergency services (42 C.F.R. § 438.114(c)(1)(ii)(B)).

16.9.5.1.1.3 When the Enrollee presents at the emergency room with a psychiatric diagnosis:

16.9.5.1.1.3.1 but is not admitted for inpatient treatment; or

16.9.5.1.1.3.2 if the Enrollee was transferred for an approved mental health admission to a different facility. The Contractor is responsible for all covered psychotropic medications prescribed as a part of the emergency room visit.

16.9.5.1.2 The Contractor shall ensure that an Enrollee who has an Emergency Medical Condition is not held liable for payment of subsequent screening and treatment needed to diagnose the specific condition or stabilize the patient (42 C.F.R. 438.114(d) (2)).

16.9.5.1.3 The Contractor shall not refuse to cover emergency or Crisis Services based on the emergency room provider, hospital, or fiscal agent not notifying the Enrollee's Primary Care Provider or the Contractor of the Enrollee's screening and treatment within ten (10) calendar days of presentation for Emergency Services (42 C.F.R. § 438.114 (c)(1)(ii)).

16.9.5.1.4 The only exclusions to the Contractor's coverage of Emergency Services are:

16.9.5.1.4.1 Dental services if provided by a dentist or an oral surgeon to treat a dental diagnosis, covered under HCAs' fee-for-service program.

16.9.5.1.5 Emergency Services shall be provided without requiring prior authorization.

16.9.5.1.6 What constitutes an Emergency Medical Condition may not be limited on the basis of lists of diagnoses or symptoms (42 C.F.R. § 438.114 (d)(1)(i)).

16.9.5.2 If there is a disagreement between a hospital and the Contractor concerning whether the patient is stable enough for discharge or transfer, or whether the medical benefits of an un-stabilized transfer outweigh the risks, the judgment of the attending physician(s) actually caring for the Enrollee at the treating Facility prevails and is binding on the Contractor (42 C.F.R. § 438.114 (d)(3)).

16.9.6 Post-Stabilization Services:

16.9.6.1 The Contractor will provide all inpatient and outpatient Post-Stabilization Services provided by a licensed provider, acting within their scope of practice, without regard to whether the provider is a participating provider, in accord with the requirements of 42 C.F.R. § 438.114 and 42 C.F.R. § 422.113(c).

16.9.6.2 The Contractor shall cover Post-Stabilization Services under the following circumstances (42 C.F.R. § 438.114(e) and 42 C.F.R. § 438.113(c)(2)(iii)):

16.9.6.2.1 The services are pre-approved by a Participating Provider or other

Contractor representative.

16.9.6.2.2 The services are not pre-approved by a Participating Provider or other Contractor representative, but are administered to maintain the Enrollee's stabilized condition within one (1) hour of a request to the Contractor for pre-approval of further post-stabilization care services.

16.9.6.2.3 The services are not pre-approved by a Participating Provider or other Contractor representative, but are administered to maintain, improve, or resolve the Enrollee's stabilized condition and the Contractor does not respond to a request for pre-approval within thirty (30) minutes (RCW 48.43.093(1)(d)), the Contractor cannot be contacted or the Contractor representative and the treating physician cannot reach an agreement concerning the Enrollee's care and a Contractor physician is not available for consultation. In this situation, the Contractor shall give the treating physician the opportunity to consult with a Contractor physician and the treating physician may continue with care of the Enrollee until a Contractor physician is reached or one (1) of the criteria identified in 42 C.F.R. § 438.114(e) and 42 C.F.R. § 422.133(c)(3) is met.

16.9.6.2.3.1 The Contractor's responsibility for Post-Stabilization Services it has not pre-approved ends when (42 C.F.R. § 438.114(e) and 42 C.F.R. § 422.133(c)(3)):

16.9.6.2.3.1.1 A Participating Provider with privileges at the treating hospital assumes responsibility for the Enrollee's care;

16.9.6.2.3.1.2 A Participating Provider assumes responsibility for the Enrollee's care through transfer;

16.9.6.2.3.1.3 A Contractor representative and the treating physician reach an agreement concerning the Enrollee's care; or

16.9.6.2.3.1.4 The Enrollee is discharged.

16.9.7 Ambulatory Surgery Center: Services provided at ambulatory centers.

16.9.8 Early, Intensive Behavior Intervention for Autism Spectrum Disorder and other related disorders (WAC 182-531A-0100-1200). Initial Clinical Evaluation by a Center of Excellence for children under twenty-one (21) years of age, with a diagnosis, or suspected diagnosis, of autism spectrum disorder, or other developmental delay conditions, for evaluation of the appropriateness of Applied Behavioral Analysis (ABA) as part of the child's plan of care.

16.9.9 Provider Services: Services provided in an inpatient or outpatient (e.g., office, clinic, emergency room, pharmacy or home) setting by licensed professionals including, but not limited to, physicians, physician assistants, advanced registered nurse practitioners, naturopaths, pharmacists, midwives, podiatrists, audiologists, registered nurses, Mental Health Professionals, chemical dependency specialists and certified dietitians. Provider services include, but are not limited to:

16.9.9.1 Medical examinations and mental health evaluations, including wellness exams for adults and EPSDT for children, and referrals for further behavioral health assessment and other services, as needed.

16.9.9.2 Annual depression screening for youth ages twelve (12) to eighteen (18) and maternal depression screening for mothers of children up to six months old.

16.9.9.3 Immunizations, including the varicella zoster (shingles) vaccine for Enrollee's age sixty (60) and over. For Enrollees under age sixty (60), the Contractor may require prior authorization.

16.9.9.4 Pregnant and postpartum Enrollees receive coverage for TDAP vaccine given in any setting (pharmacy, obstetrical provider, etc.) whether or not ordered by PCP.

16.9.9.5 Family planning services provided or by referral from a Participating Provider or practitioner.

16.9.9.6 Performing and/or reading diagnostic tests.

16.9.9.7 Medically intensive children's private duty nursing services for children age seventeen (17) and younger, in home and group home settings.

16.9.9.8 Surgical services.

16.9.9.9 Services to correct defects from birth, illness, or trauma, and mastectomy reconstruction.

16.9.9.10 Telemedicine services, provided in accordance with Substitute Senate Bill 6519 (Chapter 68, Laws of 2016).

16.9.9.11 Anesthesia.

16.9.9.12 Administering pharmaceutical products.

16.9.9.13 Fitting prosthetic and orthotic devices.

16.9.9.14 Physical Medicine Rehabilitation services.

16.9.9.15 Enrollee health education.

16.9.9.16 Nutritional counseling by a certified registered dietician for specific conditions such as failure to thrive, feeding problems, cystic fibrosis, diabetes, high blood pressure, and anemia.

16.9.9.17 Bio-feedback training when determined medically necessary.

16.9.9.18 Genetic testing for all Enrollees. Genetic counseling for children and non-pregnant adults.

16.9.9.19 Hormone therapy for any transgender Enrollees and puberty- blocking treatment for transgender adolescents consistent with HCA's gender dysphoria treatment benefit.

16.9.9.20 Medication Assisted Treatment.

16.9.10 Tissue and Organ Transplants: Heart, kidney, liver, bone marrow, lung, heart-lung, pancreas, kidney-pancreas, cornea, small bowel, and peripheral blood stem cell. The MCO shall use the same standards respecting coverage and delivery of the services as the state uses.

16.9.11 Laboratory, Radiology, and Other Medical Imaging Services: Screening, diagnostic services and radiation therapy.

16.9.12 Vision Care: Eye examinations once every twenty-four (24) months for adults and once every twelve (12) months for children under age twenty-one (21). These limitations do not apply to additional services needed for medical conditions.

16.9.13 Inpatient Behavioral Health Services:

16.9.13.1 Inpatient Withdrawal Management (Alcohol and Drug acute withdrawal management) Services required for the care and/or treatment of individuals intoxicated or incapacitated by alcohol or other drugs while the person recovers from the transitory effects of acute or chronic intoxication or withdrawal form alcohol or other drugs. Services are provided in facilities with sixteen (16) beds or less and exclude room and board. Services include:

16.9.13.1.1 Screening and acute withdrawal management; and

16.9.13.1.2 Counseling of persons admitted to a program within a certified Facility, regarding their illness in order to stimulate motivation to obtain further treatment, and referral of detoxified chemically dependent persons to other appropriate chemical dependency services providers.

16.9.13.2 Inpatient/Residential Substance Abuse Treatment Services: Rehabilitative services including diagnostic evaluation and face-to-face individual or group counseling using therapeutic techniques directed toward Enrollees who are harmfully affected by the use of mood-altering chemicals or have been diagnosed with a SUD. Techniques have a goal of recovery for individuals with SUDs. Provided in certified residential treatment facilities with sixteen (16) beds or less. Excludes room and board.

16.9.14 Outpatient Behavioral Health Services:

16.9.14.1 Brief Intervention Treatment.

16.9.14.2 Day Support.

16.9.14.3 Family Treatment.

16.9.14.4 Freestanding Evaluation and Treatment.

16.9.14.5 Mental Health Group Treatment Services.

16.9.14.6 High Intensity Treatment.

16.9.14.7 Individual Treatment Services.

16.9.14.8 Intake Evaluation.

16.9.14.9 Medication Management.

16.9.14.10 Medication Monitoring.

16.9.14.11 Peer Support: Services.

16.9.14.12 Psychological Assessment:

16.9.14.13 Rehabilitation Case Management.

16.9.14.14 Residential Mental Health Services.

16.9.14.15 Stabilization Services.

16.9.14.16 Special Population Evaluation.

16.9.15 Therapeutic Psychoeducation:

16.9.15.1 Chemical Dependency Case Management.

16.9.15.2 Chemical Dependency Outpatient Services.

16.9.15.3 Opiate Substitution Treatment.

16.9.15.4 The Contractor shall ensure Medication Management is:

16.9.15.4.1 Provided by the PCP; or

16.9.15.4.2 Provided in conjunction with a Mental Health Professional or CDP contracted with the Contractor; or

16.9.15.4.3 Provided an appropriate behavioral health specialist; and

16.9.15.4.4 In accord with the requirements of pharmacists under RCW

69.41.190(3).

16.9.16 WISe Services and Monitoring:

16.9.16.1 Wraparound with Intensive Services (WISe) provides a combination of the services identified in the current Mental Health State Plan. Provision of WISe services must include, at a minimum, access to:

16.9.16.1.1 Intake Evaluation

16.9.16.1.2 Intensive Care Coordination

16.9.16.1.3 Intensive Services

16.9.16.1.4 24/7 Crisis Intervention and Stabilization Services

16.9.16.2 Provision of WISe services must also include any of the following medically necessary services:

16.9.16.2.1 Crisis Services

16.9.16.2.2 Family Treatment

16.9.16.2.3 Group Treatment Services

16.9.16.2.4 Individual Treatment Services

16.9.16.2.5 Medication Management

16.9.16.2.6 Medication Monitoring

16.9.16.2.7 Peer Support

16.9.16.2.8 Psychological Assessment

16.9.16.2.9 Rehabilitation Case Management

16.9.16.2.10 Special Population Evaluation

16.9.16.2.11 Therapeutic Psychoeducation

16.9.16.3 Delivery of the full WISe service array focused on needs and strengths and driven by youth and family voice and choice will be evaluated by:

16.9.16.3.1 Review of Service Encounters – semiannually.

16.9.16.3.2 Individual chart review – quarterly by supervisors, annually by state.

16.9.16.3.3 Feedback on service effectiveness to meet desired goals from

youth/families through annual interviews.

16.9.16.3.4 Review of Notices of Adverse Benefit Determination that reflect an adverse decision.

16.9.16.3.5 Review of Grievances and Appeals related to WISe.

16.9.16.3.6 Quality Service Review findings where available.

16.9.16.3.7 Additional elements as detailed in the AIM.

16.9.17 Occupational Therapy, Speech Therapy, and Physical Therapy: Services for the restoration or maintenance of a function affected by an Enrollee's illness, disability, condition or injury, or for the amelioration of the effects of a developmental disability if the Enrollee is not receiving services from a Department of Health (DOH) recognized neurodevelopmental center.

16.9.18 Non-pharmaceutical birth control products, including:

16.9.18.1 ParaGard® (T 380A);

16.9.18.2 Fertility awareness-based methods, such as cycle beads, basal body temperature thermometers, and charts; and

16.9.18.3 Essure© sterilization method.

16.9.19 Enteral nutrition products, including the following:

16.9.19.1 Parenteral nutritional supplements and supplies for all clients.

16.9.19.2 Enteral nutrition products and supplies for tube-feeding are covered for all clients.

16.9.19.3 Medically necessary oral enteral nutrition products, including prescribed infant formulas not covered by WIC or additional quantities beyond amounts allowed by WIC, for clients twenty (20) years of age and under.

16.9.20 Home Health Services: Home health services through State-licensed agencies.

16.9.21 Durable Medical Equipment (DME) and Supplies and any applicable sales tax including, but not limited to: DME; surgical appliances; orthopedic appliances and braces; prosthetic and orthotic devices; breast pumps; incontinence supplies for Enrollees over three (3) years of age; and medical supplies. Incontinence supplies shall not include non-disposable diapers unless the Enrollee agrees. The Contractor shall consult with the Washington State Department of Revenue for guidance on the applicable sales tax.

16.9.22 Respiratory Care: Equipment, services and supplies.

16.9.23 Hospice Services: Includes services for adults and children and provided in Skilled Nursing Facilities/Nursing Facilities, hospitals, hospice care centers and the Enrollee's home. Hospice services include:

16.9.23.1 Pediatric Palliative Care: services provided through a hospice agency to Enrollees under twenty-one (21) years of age with a life-time-limiting medical condition.

16.9.23.2 Pediatric Concurrent Care- palliative and curative Medically Necessary Services delivered at the same time as hospice services, providing a blend of curative and palliative services for Enrollees under twenty-one (21) years of age.

16.9.24 Blood, Blood Components and Human Blood Products: Administration of whole blood and blood components as well as human blood products. In areas where there is a charge for blood and/or blood products, the Contractor shall cover the cost of the blood or blood products.

16.9.25 Treatment for Renal Failure: Hemodialysis, peritoneal dialysis, and other appropriate procedures to treat renal failure, including equipment needed in the course of treatment.

16.9.26 Smoking Cessation Services with or without Primary Care Provider referral or Contractor prior authorization. The Contractor shall submit a quarterly report to HCA. The report shall include the number of Enrollees that have accessed the Contractor's Quit Line in the previous quarter. The quarterly reports are due to HCA no later than the fifteenth of the month of January, April, July and October.

16.9.27 Newborn Screenings: The Contractor shall cover all newborn screenings required by the Department of Health.

16.9.28 Early and Periodic Screening, Diagnosis and Treatment (EPSDT) (42 U.S.C. § 1396a(a)(43), 1396d(a)(4)(b), 1396d(r)):

16.9.28.1 The Contractor shall meet all requirements under the Social Security Act (SSA) Section 1905(r) and Health Care Authority EPSDT program policy.

16.9.28.1.1 Covered screening services include, but are not limited to: a complete health and developmental history that assess for physical and mental health conditions, developmental disorders, autism and SUDs, a comprehensive, unclothed physical exam, immunizations according to age and health history, laboratory tests, including appropriate blood lead screening, health education and anticipatory guidance for both the child and caregiver, and screenings for: vision, dental, substance use conditions, mental health and hearing.

16.9.28.1.2 The Contractor shall conduct outreach efforts with Enrollees to promote completion of EPSDT services and may implement Enrollee and Primary Care Provider incentives to ensure that Enrollees under the age of twenty-one (21) receive screening services at least as frequently as the periodicity requirements for such services established by HCA. Screening services are also covered at other times, when medically necessary (42 U.S.C. § 1396(r)(1)).

16.9.28.1.3 Diagnostic and treatment services include vision, dental and hearing services and developmental screenings for all children at nine (9) months, eighteen (18) months, and one (1) between twenty-four (24) to thirty-six (36) months of age, autism screening for all children at eighteen (18) and twenty-four (24) months of age, as well as any other services prescribed to correct or ameliorate physical, mental, psychological, medical, developmental or other health conditions discovered by and determined to be medically necessary by a physician, ARNP, or PA acting within his or her scope of practice (42 U.S.C. § 1396(r)(2)-(5)).

16.9.28.1.4 The Contractor shall be responsible for all EPSDT screening, diagnostic, and treatment services found to be medically necessary during the EPSDT exam. HCA has determined that EPSDT is available to and shall be covered by the Contractor for all children eligible for any of its medical programs. The Contractor may apply utilization management requirements to screening, diagnostic and treatment services identified as a need during an EPSDT examination.

16.9.28.2 If an EPSDT service is determined to be medically necessary, the Contractor shall provide the service, whether or not it is a contracted service, unless it is specifically excluded or prohibited by federal rules. ETR procedures shall be applied to any request for a non-covered service for children.

16.9.28.3 If any EPSDT service exceeds a limit placed on the scope, amount or duration of a service, the Contractor shall use LE procedures to determine medical necessity of the requested services and authorize as indicated.

16.9.28.4 If a child with special health care needs is assigned to a specialist for primary care, the assigned specialist is responsible for ensuring the child receives EPSDT services.

16.9.28.5 The Contractor may enter into contractual agreements with school-based health centers and family planning clinics to promote delivery of EPSDT services to adolescents accessing such services. Such contracts shall:

16.9.28.5.1 Require providers to follow EPSDT requirements;

16.9.28.5.2 Coordinate identified needs for specialty care, such as referrals for vision, mental health or SUD evaluation and treatment services with the adolescent's Primary Care Provider;

16.9.28.5.3 Not deny payment for EPSDT services delivered by more than one (1) provider (Primary Care Provider, school-based provider or family planning clinic) within a calendar year;

16.9.28.5.4 Ensure the policies and procedures for accessing such services by contracting school-based health centers and family planning

clinics are compliant with applicable federal and state statutes; and

16.9.28.5.5 The Contractor shall coordinate with school-based health centers and other appropriate entities to assure activities performed by the Contractor are not duplicated.

16.9.28.6 The Contractor shall follow the guidelines found at the following website: http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Benefits/Early-and-Periodic-Screening-Diagnostic-and-Treatment.html.

16.9.29 Monaural and binaural hearing aids, including fitting, follow-up care, batteries, and repair: For Enrollees age twenty (20) and younger.

16.9.30 Bilateral Cochlear Implants, including implants, parts, accessories, batteries, chargers, and repairs: For Enrollees age twenty (20) and younger.

16.9.31 Bone-Anchored Hearing Aids (BAHA), including BAHA devices (both surgically implanted and soft band headbands), replacement parts, and batteries: For Enrollees age twenty (20) and younger.

16.9.32 Services to Inmates of City and County Jail Facilities: The Contractor shall provide inpatient hospital services to Enrollees who are inmates of a city or county jail facility when an inpatient admission occurs during the first (1st) month of the incarceration period and HCA has paid a premium for that month to the Contractor. The Contractor's existing policies about establishing medical necessity for the inpatient admission and procedure(s) may be applied, even retrospectively, to determine payment. The Contractor shall provide transitional care coordination services to inmates upon release from jail in accordance with Subsection 14.20 of this Contract.

16.9.32.1 HCA may recoup a premium payment and retroactively terminate enrollment for an inmate if the inpatient hospital services occur after the first (1st) month of incarceration period and HCA has paid for a premium for the full month of enrollment.

16.9.33 Habilitative Services: Limited to Enrollees in the Medicaid expansion population that are eligible for the Alternative Benefit Plan (ABP). Devices for adults and children provided for this purpose are covered under the DME benefit.

16.9.33.1 For Children: No limitation.

16.9.33.2 For Adults: Twenty-four (24) units each for physical and occupational therapy and six (6) units of speech therapy, subject to Limitation Extensions as determined medically necessary.

16.9.33.3 Habilitative services do not include:

16.9.33.3.1 Day habilitation services designed to provide training, structured activities and specialized services to adults;

16.9.33.3.2 Chore services to assist with basic needs;

16.9.33.3.3 Vocational services;

16.9.33.3.4 Custodial services;

16.9.33.3.5 Respite care;

16.9.33.3.6 Recreational care;

16.9.33.3.7 Residential treatment;

16.9.33.3.8 Social services; and

16.9.33.3.9 Educational services.

16.9.34 Screening, Brief Intervention and Referral to Treatment (SBIRT) services (services are provided by SBIRT certified providers) for adolescents and adults who are at who are at high risk for Substance Use Disorder, to include alcohol and drugs with or without anxiety or depression. Screening only conducted without Brief Intervention and referral to treatment is not reimbursable. SBIRT activities for identifying and reducing risk in individuals with drug or alcohol use concerns shall be one (1) of the screening tools/interventions selected. Included as part of this effort are screens for depression and anxiety.

16.9.35 Comprehensive Medication Therapy Management Services.

16.9.36 Bariatric surgery consistent with WAC 182-531-1600 and WAC 182-550-2301.

16.9.37 Early, elective inductions (before 39 weeks) that meet medically necessary indicators set by the Joint Commission. Because the Joint Commission's criteria do not capture all situations in which an early delivery is medically indicated, the Contractor shall provide a process for facilities to request a review of cases that do not meet that criteria, but which the hospital and delivering provider believe were medically necessary.

16.9.38 Medically necessary treatment for complications resulting from an excluded service.

16.10 **Enrollee Self-Referral**

16.10.1 Enrollees have the right to self-refer for certain services to participating or nonparticipating local health departments and participating or nonparticipating family planning clinics paid through separate arrangements with the state of Washington.

16.10.2 The Contractor is not responsible for the coverage of the services provided through such separate arrangements.

16.10.3 The Enrollees also may choose to receive such services from the Contractor.

16.10.4 The Contractor shall assure that Enrollees are informed, whenever appropriate, of all options in such a way as not to prejudice or direct the Enrollee's choice of where to receive the services. If the Contractor in any manner deprives Enrollees of their free

choice to receive services through the Contractor, the Contractor shall pay the local health department or family planning facility for services provided to Enrollees up to the limits described herein.

16.10.5 The Contractor shall make a reasonable effort to subcontract with all local health departments, school-based health centers, family planning agencies contracted with HCA, and IHCP Providers.

16.10.6 If the Contractor subcontracts with local health departments, school-based health centers, family planning clinics or IHCP Providers as Participating Providers or refers Enrollees to them to receive services, the Contractor shall pay the provider for services provided up to the limits described in this Contract.

16.10.7 The services to which an Enrollee may self-refer are:

16.10.7.1 Family planning services and supplies, and sexually transmitted disease screening and treatment services provided at participating or non-Participating Providers, including but not limited to family planning agencies, such as Planned Parenthood.

16.10.7.2 Immunizations, sexually-transmitted disease screening and follow-up, immunodeficiency virus (HIV) screening, tuberculosis screening and follow-up, and family planning services through and if provided by a local health department.

16.10.7.3 Immunizations, sexually transmitted disease screening, family planning and behavioral health services through and if provided by a school-based health center.

16.10.7.4 All services received by American Indian or Alaska Native Enrollees under the Special Provisions for American Indians and Alaska Natives Subsection of this Contract.

16.10.7.5 Crisis Response Services, including crisis intervention; crisis respite; investigation and detention services; and, evaluation and treatment services. Self-referrals can also be made for assessment and intake for behavioral health services.

16.11 **Pharmacy Benefits and Services**

16.11.1 General Requirements:

16.11.1.1 The Contractor shall ensure that the amount, duration, and scope of covered outpatient drugs provided under this Contract is consistent with coverage under the FFS program. The Contractor shall cover all covered outpatient drugs when determined to be Medically Necessary, unless otherwise excluded from coverage. This includes brand name and generic drugs, and over-the-counter drugs (OTCs), prescribed by licensed providers and sold or distributed by drug manufacturers that participate in the Medicaid Drug Rebate Program.

16.11.1.2 The Contractor shall provide coverage for all medically accepted indications,

as described in Section 1927(k)(6) of the Social Security Act, 42 U.S.C. 1396r-8(k)(6). This includes any use which is approved under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C.A. 301 et seq. or whose use is supported by the nationally recognized pharmacy compendia, or peer-reviewed medical literature, unless otherwise directed by HCA.

16.11.1.3 The Contractor must cover all prescription drugs produced by rebate eligible manufacturers, with the exception of those excluded under this Contract or those eligible for exclusion under 42 U.S.C. §1396r–8(d)(2) which HCA has not specifically instructed the Contractor to cover.

16.11.1.4 The Contractor shall ensure that prescription drugs produced by non-rebate eligible manufacturers are not covered, regardless of the general status of the drug on the HCA defined formulary.

16.11.1.5 The Contractor shall have in place a mechanism to deny prescriptions:

16.11.1.5.1 Written by excluded providers; and

16.11.1.5.2 Prescribed for non-medically accepted indications.

16.11.2 Apple Health Preferred Drug List and Plan Formularies

16.11.2.1 Apple Health Preferred Drug List (AH PDL)

16.11.2.1.1 The Contractor shall use the current version of the HCA-developed AH-PDL. HCA shall provide the Contractor with opportunities to offer feedback on the AH-PDL to the Drug Utilization Review (DUR) Board. HCA has final authority on drugs with preferred status on the AH-PDL. The Contractor shall not add or remove products to the AH-PDL without prior written authorization of HCA. HCA will notify the Contractor of major changes to the preferred status of drugs on the AH-PDL at least ninety (90) calendar days prior to implementation of the changes.

16.11.2.1.2 The Contractor shall use authorization criteria, limits and restrictions recommended by the Washington DUR Board and approved by HCA for drugs included on the AH-PDL whether preferred or non-preferred, unless otherwise indicated by HCA. Changes to prior authorization criteria will be submitted to the Contractor at least ninety (90) calendar days prior to implementation.

16.11.2.1.3 HCA shall provide the Contractor with comprehensive files detailing products included in the AH-PDL by active pharmaceutical ingredient, form, route of administration, strength, mechanism of action and duration of action, regardless of package size or specific National Drug Code (NDC) in a format and at a frequency mutually agreed upon by the Contractor and HCA.

16.11.2.1.3.1 The Contractor will adjudicate claims using the AH-

PDL file within five (5) business days of notification the file is available.

16.11.2.1.3.2 On or before July 1, 2018 HCA will provide the AH-PDL file through secure file transfer protocol or posted on the HCA website.

16.11.2.1.3.3 These files will include the status and authorization requirements for all drugs on the AH-PDL.

16.11.2.1.4 The Contractor shall place new drugs to market within a class included on AH-PDL in a non-preferred status until otherwise directed by HCA.

16.11.2.1.5 The Contractor must achieve a threshold of at least 90 percent of the number of prescriptions written for preferred versus non-preferred products on the AH-PDL per calendar quarter, excluding drugs that were given permanent grandfathering status. For drugs that were grandfathered for three or six months, this provision applies to the first quarter after grandfathering expired. The Contractor shall provide data to HCA forty-five (45) calendar days after the end of each calendar quarter in a format determined by HCA. The first quarter AH PDL Compliance report is due May 15th.

16.11.2.1.6 The HCA may require a corrective action for any AH-PDL non-compliance. HCA may impose sanctions if corrective actions fail to improve AH-PDL compliance.

16.11.2.1.7 The Contractor shall maintain individual product coverage and exceptions to coverage according to this section.

16.11.3 Wrap-around Drug Formulary Requirements for drugs not on the AH-PDL

16.11.3.1 The Contractor must develop and maintain a wraparound formulary for drugs not included within a class on the AH-PDL.

16.11.3.2 The Contractor's wrap-around formulary shall cover the following products and supplies unless specifically detailed in the AH-PDL:

16.11.3.2.1 Only those over-the-counter drug products covered under HCA's FFS. The Contractor's formulary must include all products or therapeutic classes of products covered under FFS and may not include any additional OTCs beyond those determined by HCA to be Medically Necessary alternatives to prescription medications. HCA will provide the Contractor a list of covered OTC medications for the purpose of formulary development.

16.11.3.2.2 Antigens and allergens;

16.11.3.2.3 Therapeutic vitamins and iron prescribed for prenatal and postnatal care;

16.11.3.2.4 Insulin Pens without requiring authorization and approval for:

16.11.3.2.4.1 Pregnant women; and

16.11.3.2.4.2 Children under age 21.

16.11.3.2.5 Psychotropic medications according to the contractor's approved formulary when prescribed by a medical or mental health professional, when he or she is prescribing medications within his or her scope of practice.

16.11.3.2.6 Hemophiliac Blood Product – Blood factors VII, VIII, and IX and the anti-inhibitor provided to Enrollees with a diagnosis of hemophilia or von Willebrand disease when the Enrollee is receiving services in an inpatient setting.

16.11.3.2.7 All Food and Drug Administration (FDA) approved contraceptive drugs, devices, and supplies, including emergency contraception, all long acting reversible contraceptives, all over-the-counter (OTC) contraceptives and contraceptive methods which require administration or insertion by a health care professional in a medical setting. Coverage of contraceptive drugs, devices and supplies must include:

16.11.3.2.7.1 All OTC contraceptives without a prescription. This includes but is not limited to condoms, spermicides, sponges and any emergency contraceptive drug that is FDA-approved to be dispensed over-the-counter. There are no limits to these OTC contraceptives. OTC contraceptives must be covered without authorization or quantity limits.

16.11.3.2.7.2 Coverage when dispensed by either a pharmacy or a Family Planning Clinic at the time of a family planning visit. Contraceptives dispensed by a Family Planning Clinic must be covered under the medical benefit.

16.11.3.2.7.3 Dispensing of twelve (12) months of contraceptives at one time without authorization requirements related to quantity or days supplied. Duration of any authorization for contraceptives for other reasons must be no less than twelve (12) months.

16.11.3.2.7.4 Contraceptive dispensing in twelve (12) month supplies unless otherwise prescribed by the clinician or the Enrollee requests a smaller supply.

16.11.3.2.7.5 Promotion of appropriate prescribing and dispensing practices in accordance with clinical guidelines to ensure the health of the Enrollee while maximizing access to effective birth control

methods or contraceptive drugs.

16.11.3.2.8 All drugs FDA labeled or prescribed as Medication Assisted Treatment (MAT) or maintenance therapy for substance use disorders, with the exception of methadone dispensed directly by opiate substitution treatment programs. The Contractor will cover all MAT according to detailed guidelines and requirements determined by HCA.

16.11.3.2.9 The term “Formulary” as used in this subsection includes lists of products and their formulary status, preferred status, authorization requirements and coverage limitations available through retail specialty, and mail order pharmacies, and drugs paid by the Contractor under the medical benefits.

16.11.3.2.10 HCA may require changes to the formulary at any time, upon sixty (60) calendar days’ written notice of the change. Required formulary changes may include any aspect of drug coverage, including, but not limited to: formulary status, limitations, prior authorization requirements, approval criteria, use of automated overrides, or determination of the benefit under which a product will be available. Failure to make requested changes by the date specified in HCA’s notice may result in sanctions as described in the Sanctions Subsection of this Contract.

16.11.3.2.11 If HCA determines the Contractor’s online formulary does not accurately reflect coverage requirements, or the Contractor is not providing coverage as previously required by HCA, the Contractor shall make the necessary changes in coverage and update its online formulary and related materials as required by HCA within five (5) business days of the request.

16.11.3.2.12 The Contractor shall have a process in place to allow access to all non-formulary drugs, other than those excluded from coverage by the HCA, when determined to be Medically Necessary.

16.11.3.2.13 The Contractor shall submit its drug formulary and related material to HCA for review and approval no later than September 1st of each contract year. The submission shall be in an electronic format according to HCA specifications for the following benefit year.

16.11.3.2.13.1 HCA shall notify the Contractor of either the approval of or required changes to the formulary and related materials, no later than October 1st, of each contract year.

16.11.3.2.13.2 If HCA notifies the Contractor of required changes, all such changes shall be completed and resubmitted to HCA no later than December 1st, of each contract year.

16.11.3.2.13.3 Once approved, any change to the formulary must be approved in writing by HCA before publication. Any proposed changes to the formulary, pharmacy programs and drug utilization management programs, such as prior authorization, step therapy, partial fills, specialty pharmacy, pill-splitting, etc. after January 1st, must be submitted to the HCA for review and approval prior to implementation, at least ninety (90) calendar days prior to implementing any changes.

16.11.3.2.14 The Contractor shall provide prominent public online access to the AH-PDL, the plan formulary and coverage criteria shall include information on how to request authorization for covered drugs, nonpreferred drugs, and nonformulary drugs. The online formulary shall be easy to access and the website in which it is situated will be designed to use easily understandable language.

16.11.4 Second Opinion for Children Prescribed Mental Health Medications.

16.11.4.1 The Contractor shall require a medication consultation by an HCA-approved Second Opinion Network (SON) provider before authorizing coverage of any psychotropic medication or medication regimens for children under eighteen (18) years of age that exceed the medication review thresholds established by HCA unless otherwise specified below:

16.11.4.1.1 For Enrollees who have previously filled prescriptions for the same drug at the same daily dosage, the Contractor shall authorize continuation of psychotropic medications exceeding these review thresholds until receipt of written report containing treatment recommendations from the SON.

16.11.4.1.2 For Enrollees who have NOT previously filled prescriptions at the same daily dosage, the Contractor shall deny authorization of psychotropic medications exceeding these review thresholds until receipt of written report containing treatment recommendations from the SON.

16.11.4.2 HCA will provide the Contractor with a list of products and definitions of review thresholds for certain psychotropic medications which require a second opinion. Changes to the medication review thresholds established by HCA will be communicated to the Contractor no less than ninety (90) calendar days before any required implementation date.

16.11.4.3 The Contractor must identify all psychotropic medication prescriptions that require a second opinion. HCA may require corrective action or apply sanctions if the Contractor incorrectly authorizes or fails to identify psychotropic medications requiring consultation.

16.11.4.4 For the defined list of psychotropic medications, the Contractor is prohibited from applying any clinically or therapeutically based claim rejections or

authorization requirements which have not been reviewed and approved by HCA.

16.11.4.4.1 No later than one (1) business day after an Enrollee is determined to exceed review thresholds, the Contractor shall contact the prescriber to request relevant clinical information and chart notes detailing the need for the requested medication(s). In the event that multiple prescribers are prescribing mental health medications for the same Enrollee, the Contractor shall request relevant documentation from each.

16.11.4.4.2 If a prescriber fails to provide documentation to support a prescription which exceeds HCA defined review thresholds within ten (10) business days, the Contractor shall deny all medications exceeding thresholds within one (1) business day.

16.11.4.4.3 No later than one (1) business day after obtaining all relevant documentation, the Contractor shall send notification of required authorization to applehealthpharmacypolicy@hca.wa.gov. Notification shall include Enrollee's name, date of birth, ProviderOne client ID, National Drug Code of the drug denied, prescribed quantity and days' supply, National Provider Identifier of prescriber, name of prescriber, fax or phone number for prescriber, National Provider Identifier of dispensing pharmacy, name of dispensing pharmacy, fax or phone number of dispensing pharmacy, date of denial by plan, and reason for denial.

16.11.4.4.4 Upon receipt of a written report from HCA, the Contractor shall approve or deny medications according to the recommendations of the SON within two (2) business days.

16.11.4.4.5 The Contractor shall have processes in place to accurately follow up with SON recommendations for future care, such as gradual tapering of medications, or required re-review based on other medication trials.

16.11.4.4.6 The Contractor shall provide case management to assist and facilitate the provision of any psychosocial recommendations made by SON.

16.11.4.4.7 Upon notification by HCA that a prescriber has failed to provide documentation to support a prescription which exceeds HCA defined review thresholds, or that the prescriber has failed to participate in an SON consultation, the Contractor shall deny all medications exceeding thresholds within five (5) business days.

16.11.4.4.8 Changes to medications or medication regimens which exceed HCA review thresholds and which are not addressed in an existing SON report require the initiation of a new SON review by the Contractor. Reduction of medication doses or discontinuation

of medications in a psychotropic polypharmacy regimen do not require a new SON.

16.11.4.4.9 Payment to the SON provider for required reviews are the responsibility of HCA according to the provisions of HCA's contract with the SON provider.

16.11.4.4.10 The Contractor is responsible for payment to the prescribing practitioner for time spent engaging in medication review process with the SON.

16.11.4.4.11 To assist prescribers in meeting the needs of Enrollees who are children with a mental health diagnosis, and in order to minimize the need for required medication reviews, the Contractor shall inform network prescribers that HCA provides access to consultation with a child psychiatrist through the Partnership Access Line (PAL). The Contractor is not required to provide payment to prescribers for voluntarily accessing the PAL.

16.11.5 Provider and Enrollee Notification

16.11.5.1 The Contractor shall have policies and procedures for notifying Providers and Enrollees of changes to the Contractor's Formulary or AH-PDL, and any changes to Prior Authorization requirements.

16.11.5.1.1 The Contractor shall provide:

16.11.5.1.1.1 Written notification for changes to the Formulary or AH-PDL and Prior Authorization requirements to all affected Providers and Enrollees at least thirty (30) days prior to the effective date of the change.

16.11.5.1.1.2 Written information about changes to the Formulary or AH-PDL and Prior Authorization requirements upon request by Providers or Enrollees.

16.11.5.1.1.3 Provide information about Formulary, AH-PDL, and Prior Authorization changes through Member and Provider newsletters, its web site, or other regularly published media of general distribution.

16.11.6 Medication Therapy Management

16.11.6.1 The Contractor shall ensure its provider contracts include provider reimbursement methods within the medical billing processes that incentivize pharmacists or other qualified providers licensed in Washington State to provide chronic care management including comprehensive medication management services to individuals, consistent with the goals established in RCW 74.09.522.

16.11.7 Rebates

16.11.7.1 The Contractor or the Contractor's pharmacy benefit manager (PBM) is prohibited from negotiating and collecting rebates for utilization by Apple Health

enrollees with drug companies for preferred or non-preferred pharmaceutical products included on the AH-PDL. If the Contractor or its Subcontractor has an existing rebate agreement with a manufacturer for a product on the AH-PDL, all Medicaid outpatient drug claims, including provider-administered drugs, must be exempt from such rebate agreements.

16.11.7.2 The Contractor or the Contractor's PBM, is authorized to negotiate and collect rebates with drug manufacturers for any product that is not included in a class on the AH-PDL.

16.11.7.3 Section 2501(c) of the Patient Protection and Affordable Care Act (ACA) expanded the drug rebate requirement to include drugs dispensed to Enrollees. Covered outpatient drugs dispensed by the Contractor to Enrollees, including those administered by physicians in their offices, are subject to the same manufacturer rebate requirements as HCA's fee-for-service outpatient drugs.

16.11.7.4 The Contractor is subject to requirements for rebate agreements as defined in Section 1927 of the Social Security Act found at: http://www.ssa.gov/OP_Home/ssact/title19/1927.htm

16.11.7.5 The Contractor shall ensure that:

16.11.7.5.1 Products in the Contractor's drug formulary are purchased from a participating rebate eligible manufacturer as defined in this Contract. A list of eligible manufacturers can be found at: http://www.hca.wa.gov/search/site/pharmacy%20rebates?section=%2A;

16.11.7.5.2 Bulk chemicals used in the compounding of medications are exempt from the federal rebate requirements.

16.11.7.5.3 Drug rebate records are kept in accordance with the Records section of this Contact and are made available to HCA upon request.

16.11.7.6 The Contractor will have processes in place to ensure the validity of medical claim data for rebate collection purposes, including but not limited to:

16.11.7.6.1 Validating the association between submitted HCPC codes and their corresponding National Drug Code (NDC) using sources other than the CMS NDC - HCPCS Crosswalk for Medicare Part B Drugs. Validation must include processes for correctly paying claims with previously unknown NDC-HCPC associations as well as denying claims for invalid associations.

16.11.7.6.2 Denying claims for products that come in unbreakable package sizes such as single-dose vials when the number of units billed is not a multiple of the number of units included in the unbreakable package.

16.11.7.7 HCA retains all funds collected from pharmaceutical manufacturers from rebates under the federal Medicaid Drug Rebate Program based on drug utilization by

the Contractor's Enrollees.

16.11.7.8 HCA retains all funds collected from pharmaceutical manufacturers from rebates negotiated by the HCA under its supplemental rebate program for utilization of drugs by the Contractor's Enrollees that are listed on the AH-PDL.

16.11.7.9 The Contractor retains all funds from rebates or discounts negotiated by the contractor with pharmaceutical manufacturers for drugs not included in the AH-PDL, and must report those to HCA as an offset to the costs of providing healthcare.

16.11.8 Reports

16.11.8.1 Prior Authorization

16.11.8.1.1 The Contractor shall submit a report of all prescription drug authorizations forty-five (45) calendar days after the end of the calendar quarter in a format determined by HCA. Detail must be provided by drug label name, number of requests, number denied, and number approved. The first quarter Prescription Drug Authorization report is due May 15th.

16.11.8.2 Drug Utilization Review (DUR)

16.11.8.2.1 The Contractor shall submit an annual Drug Utilization Review report on the operation of its Medicaid Drug Utilization Review (DUR) program in a format determined by HCA. The report will include a description of the nature and scope of the prospective and retrospective drug use review programs, a summary of the interventions used, an assessment of the impact of these educational interventions on quality of care, and an estimate of the cost savings generated as a result of the DUR program.

16.11.8.3 Rebates and Pharmacy Reimbursement

16.11.8.3.1 The Contractor shall provide a quarterly Network Pharmacy Reimbursement Reconciliation report detailing the actual ingredient cost and dispensing fee paid to network pharmacies by the Contractor or by the Contractor's PBM for all paid claims as well as total amount paid to the PBM for the same claims that the Contractor reported to HCA through submission of encounter data, no later than forty-five (45) calendar days following the end of the calendar quarter. The first quarter Network Pharmacy Reimbursement Reconciliation report is due May 15th.

16.11.8.3.2 The Contractor shall provide a quarterly Drug Rebate report no later than forty-five (45) calendar days following the end of the calendar quarter estimating the amounts of rebates or discounts negotiated with drug manufacturers that will be invoiced to manufacturers for drug utilization by managed care Enrollees in the preceding calendar quarter. The reports shall be in a format determined by HCA and will include, at a minimum, detail by

NDC of units invoiced, rebate amounts per unit, and total rebate projected or collected. The first quarter Drug Rebate report is due May 15th.

16.11.8.3.3 The Contractor shall provide an annual Drug Rebate report, no later than June 30th, of any actual savings collected from manufacturers for rebates or discounts negotiated by the Contractor with drug manufacturers for utilization in the previous calendar year. The reports shall be in a format determined by HCA and will include, at a minimum, detail by NDC of units invoiced, rebate amounts per unit, and total rebate projected or collected.

16.11.8.4 Historical Reports

16.11.8.4.1 The Contractor shall provide a report by April 30th of all rebates or discounts received from drug manufacturers for drug utilization by Enrollees for each calendar quarter April 1, 2016 through December 31, 2017. The report shall be in a format determined by HCA and will include, at a minimum, manufacturer, drug name, rebate amounts invoiced and collected per drug, and total rebate projected or collected. The Historical Drug Rebate report shall be submitted as one document but broken down by calendar quarters that span 2016 and 2017. For example: April through June, 2016, etc.

16.11.8.5 Confidentiality of Proprietary Rebate Information

16.11.8.5.1 The Contractor shall identify any confidential or proprietary information contained within reports. Failure to label such materials or failure to respond timely after notice of request for public disclosure has been given shall be deemed a waiver by the Contractor of any claim that information contained in the submitted reports is confidential, proprietary or trade secrets.

16.12 **Exclusions**

The following services and supplies are excluded from coverage under this Contract.

16.12.1 Unless otherwise required by this Contract, Ancillary Services resulting solely from, or ordered in the course of non-contracted services are also non-contracted services.

16.12.2 The Contractor shall not provide or pay for services that violate the Assisted Suicide Funding Restriction Act of 1997 (SSA § 1903(i)(16)).

16.12.3 The Contractor is not responsible for coverage of any services when an Enrollee is outside the United States of America and its territories and possessions.

16.12.4 Early, elective inductions (before thirty-nine (39) weeks) that meet medically necessary indicators set by the Joint Commission.

16.12.5 The following Covered Services are provided by the state and are not contracted services. The Contractor is responsible for coordinating and referring Enrollees to these services through all means possible, e.g., Adverse Benefit Determination notifications, call center communication or Contractor publications.

16.12.5.1 Inpatient Hospital charges at Certified Public Expenditure (CPE) hospitals for Categorically Needy – Blind and Disabled identified by the Health Care Authority;

16.12.5.2 School-based Health Care Services for Children in Special Education with an Individualized Education Plan or Individualized Family Service Plan who have a disability, developmental delay or are diagnosed with a physical or mental condition;

16.12.5.3 Eyeglass frames, lenses, and fabrication services (twenty (20) years of age and younger) covered under the HCA's selective contract for these services for children under age twenty-one (21), and associated fitting and dispensing services. The Contractor is encouraged to inform eye practitioners of the availability of Airway Heights Correctional Center to access glasses for adult Enrollees age twenty-one (21) and over if not offered by the Contractor as a value added benefit;

16.12.5.4 Voluntary Termination of Pregnancy;

16.12.5.5 Court-ordered transportation services, including ambulance services;

16.12.5.6 Transportation Services other than ambulance, including but not limited to: taxi, cabulance, voluntary transportation, public transportation and common carriers;

16.12.5.7 Ambulance services, including air and ground ambulance transportation services;

16.12.5.8 Services provided by dentists and oral surgeons for dental diagnoses; anesthesia for dental care; prescriptions written by a dentist or oral surgeon for a dental diagnosis.

16.12.5.9 Orthodontics;

16.12.5.10 HCA First Steps Program - Maternity Support Services (MSS), consistent with the Marketing and Information, Subcontracts, and Care Coordination provisions of this Contract;

16.12.5.11 Sterilizations for Enrollees under age twenty-one (21), or those that do not meet other federal requirements (42 C.F.R. § 441 Subpart F);

16.12.5.12 Health care services provided by a neurodevelopmental center recognized by the Department of Health;

16.12.5.13 Services provided by a health department when an Enrollee self-refers for care if the health department is not contracted with the Contractor;

16.12.5.14 HIV Case Management;

16.12.5.15 Prenatal Genetic Counseling;

16.12.5.16 Hemophiliac Products – Blood factors VII, VIII and IX, anti-inhibitor, and all FDA approved products labeled with an indication for use in treatment of hemophilia and von Willebrand disease when distributed for administration in the Enrollee's home or other outpatient setting;

16.12.5.17 Immune modulators and anti-viral medications to treat Hepatitis C. This exclusion does not apply to any other contracted service related to the diagnosis or treatment of Hepatitis C;

16.12.5.18 The exclusion of the following drugs does not apply to any other services related to the treatment or diagnosis of conditions for which the drug may be prescribed. No services will be considered ancillary to this exclusion under section 16.12.1, including the treatment of complications from or adverse reactions to treatment with the drugs.

16.12.5.18.1 eteplirsen, as marketed under the brand name Exondys 51™

16.12.5.18.2 edaravone, as marketed under the brand name Radicava™

16.12.5.18.3 nusinersen, as marketed under the brand name Spinraza™

16.12.5.18.4 axicabtagene ciloleucel, as marketed under the brand name Yescarta™

16.12.5.18.5 tisagenlecleucel-t, as marketed under the brand name Kymriah™

16.12.5.18.6 cerliponase alfa, as marketed under the brand name Brineura™

16.12.5.19 Sexual reassignment surgery as described in WAC 182-531-1675(6)(d) and (e) as well as hospitalizations, physician, and Ancillary Services required to treat postoperative complications of these procedures; and

16.12.5.20 Chemical-Using Pregnant (CUP) Women program as described in WAC 182-533-0730 when provided by an HCA-approved CUP provider.

16.12.6 The following services are covered by other state agencies and are not Contracted Services. The Contractor is responsible for coordinating and referring Enrollees to these services through all means possible, e.g., Adverse Benefit Determinations, call center communication or Contractor publications.

16.12.6.1 Long-term private duty nursing for Enrollees 18 and over. These services are covered by DSHS, Aging and Long-Term Support Administration;

16.12.6.2 Community-based services (e.g., COPES, CFC and Personal Care Services) covered through the Aging and Long-Term Support Administration (ALTSA);

16.12.6.3 Nursing facility stays that do not meet rehabilitative or skilled criteria are covered through the Aging and Long-Term Support Administration (ALTSA);

16.12.6.4 Health care services covered through the DSHS, Developmental Disabilities Administration (DDA) for institutionalized clients;

16.12.6.5 Infant formula for oral feeding provided by the Women, Infants and Children (WIC) program in the Department of Health; and

16.12.6.6 Any service provided to an Enrollee while incarcerated with the Washington State Department of Corrections (DOC).

16.13 **Patient Review and Coordination (PRC)**

16.13.1 The Contractor shall have a PRC program that meets the requirements of WAC 182-501-0135. PRC is authorized by 42 U.S.C. § 1396n(a)(2) and 42 C.F.R. § 431.54.

16.13.2 If either the Contractor or the Health Care Authority places an Enrollee into the PRC program, both parties will honor that placement.

16.13.3 The Contractor's placement of an Enrollee into the PRC program shall be considered an Adverse Benefit Determination, which shall be subject to Appeal under the provisions of the Grievance and Appeal System section of this Contract. If the Enrollee Appeals the PRC placement, the Contractor will notify the Health Care Authority of the Appeal and the outcome.

16.13.4 When an Enrollee is placed in the Contractor's PRC program, the Contractor shall send the Enrollee a written notice of the Enrollee's PRC placement, or any change of status, in accordance with the requirements of WAC 182-501-0135.

16.13.5 The Contractor shall send the Health Care Authority a written notice of the Enrollee's PRC placement, or any change of status, in accordance with the required format provided in the Patient Review and Coordination Program Guide published by the Health Care Authority.

16.13.6 The Contractor shall ensure PRC Enrollees and providers have direct access to the Contractor's PRC-trained program staff to make needed changes to assigned providers during regular business hours. The Contractor may also subcontract to provide this service.

16.13.7 For an Enrollee admitted to a residential treatment center, the Contractor shall allow a representative of the center to make changes to assigned providers, including pharmacies, on the Enrollee's behalf without the Enrollee's written or oral consent.

16.13.8 In accord with WAC 182-501-0135, the Health Care Authority will limit the ability of an Enrollee placed in the PRC program to change their enrolled Contractor for twelve (12) months after the Enrollee is in the PRC program by the Health Care Authority or the Contractor unless the PRC Enrollee moves to a residence outside the Contractor's service areas or if the Enrollee is admitted to a subacute mental health Facility. The Contractor shall allow for a temporary change in PCP or pharmacy for the Enrollee. The

Contractor shall accept notification from the Facility of the change in Enrollee status and the need for a newly assigned PCP and pharmacy. The temporary change in providers is effective until the date of discharge from the Facility.

16.13.9 If the Health Care Authority limits the ability of an Enrollee to change their enrolled Contractor family members may still change enrollment as provided in this Contract.

17 Third Party Liability

17.1 Definitions. For the purposes of this Section:

17.1.1 "Coordination of Benefits Agreement" or "COBA" means the national model contract which standardized the way the eligibility and Medicare Claims payment information within a claims crossover context is exchanged to allow plans that provide health or prescription coverage for a person with Medicare to determine their respective payment responsibilities when an individual is covered by more than one plan.

17.1.2 "Cost Avoidance" means a method used by HCA to avoid payment when other primary insurance resources are available to the Enrollee. When claims are submitted on behalf of Enrollees who have other primary insurance on file, payment will be denied and claims returned to the providers, who are then required to bill and collect payment from any liable third parties. (42 C.F.R. § 433.139(b)).

17.1.3 "Cost Recovery" (also known as "pay and chase") means that the payer pays providers for submitted claims and then attempts to recover payments from liable third parties. Payers pay and chase claims for two primary reasons: post- payment identification of primary third party resources and Social Security Act exceptions to cost avoidance that require States to pay and chase claims instead of using cost avoidance. This is required when (1) the service is prenatal care, (2) the service is preventive pediatric care, or (3) coverage is through a parent whose obligation to pay support is enforced by the states' child enforcement agency. (Social Security Act §§ 1902(a)(25)(E) and (F), 42 U.S.C. § 1396a(a)(25)(E) and (F). See also 42 C.F.R. § 433.139(b)(3)).

17.1.4 "Post Payment Recovery" means seeking reimbursement from third parties whenever claims have been paid for which there is Third Party Liability (TPL). "Cost Recovery", "Post Payment Recovery" may be referred to as "pay and chase".

17.1.5 "Third Party Liability" means the legal obligation of third parties (e.g., certain individuals, entities, insurers, or programs) to pay part or all of the expenditures for medical assistance furnished under a State Plan.

17.2 General Provisions

17.2.1 HCA authorizes the Contractor to obtain TPL reimbursement by any lawful means in accord with 42 C.F.R. § 433.139, and to coordinate benefits for Enrollees. The Contractor shall take all reasonable measures to ascertain the legal liability of third parties to pay for care and services available under the Medicaid state plan.

17.2.2 The Contractor shall assume full assignment rights as applicable and shall be responsible for making every reasonable effort to determine the liability of third parties to pay for services provided to Enrollees under this Contract. The Contractor also shall be responsible for identifying existing TPL resources, undertaking cost avoidance, and recovering any liability from the third party. The Contractor shall develop and implement policies and procedures to meet its obligations regarding TPL including but not limited to:

17.2.2.1 Implementation of Coordination of Benefits Agreement (COBA) with CMS and the Federal Benefits Coordination and Recovery Center (BCRC) by July 1, 2018 to allow for automated crossover claims processing for dual-eligible clients.

17.2.3 For Enrollees who have primary health insurance, the Contractor shall coordinate benefits in accordance with the 42 U.S.C. § 1396a(a)(25) and other applicable law. RCW

41.05A.005. Coordination of Benefits includes paying any applicable cost-sharing on behalf of an Enrollee, up to the Medicaid allowed amount.

17.2.4 Nothing in this Section negates any of the Contractor's responsibilities under this Contract, including, but not limited to, the requirement described in the Prohibition on Enrollee Charges for Contracted Services provisions of the Enrollee Rights and Protections Section of this Contract. The Contractor shall:

17.2.4.1 Identify third party resources consistent with the Contractor's policies and procedures;

17.2.4.2 Not refuse or reduce services provided under this Contract solely due to the existence of similar benefits provided under any other health care contracts;

17.2.4.3 Attempt to recover any third-party resources available to Enrollees (42 C.F.R. § 433 Subpart D) and shall make all records pertaining to coordination of benefits collections for Enrollees available for audit and review under Section 12.10 of this Contract;

17.2.4.4 Pay claims for prenatal care and preventive pediatric care and then seek reimbursement from third parties (42 C.F.R. § 433.139(b)(3));

17.2.4.5 Pay claims for contracted services when probable third party liability has not been established or the third party benefits are not available to pay a claim at the time it is filed (42 C.F.R. § 433.139(c));

17.2.4.6 Coordinate with out-of-network providers with respect to payment to ensure the cost to Enrollees is no greater than it would be if the services were furnished within the network;

17.2.4.7 Communicate the requirements of this Section to subcontractors that provide services under the terms of this Contract, and assure compliance with them;

17.2.4.8 Deny claims the primary payer denied because the provider or the Enrollee did not follow the payer's payment or adjudication rules; (e.g., claims submission without required prior authorization or untimely claims filing); and

17.2.4.9 Make its own independent decisions about approving claims for payment that have been denied by the primary payer if either (a) the primary payer does not cover the service and the Contractor does, or (b) the service was denied as not medically necessary and the provider followed the dispute resolution and/or appeal process of the primary carrier and the denial was upheld.

17.2.5 If the Contractor's allowed amount for a service exceeds the primary insurer's paid amount, the Contractor shall pay the subcontractor or provider only the amount, if any, by which the subcontractor's or provider's allowable claim exceeds the amount paid by the primary insurer.

17.2.6 The Contractor shall have policies and procedures in place to investigate potential TPL resources related to trauma or accident and pursue recoveries.

17.3 **Provider Agreements**

17.3.1 All provider agreements executed by the Contractor and all provider agreements

executed by subcontracting entities or organizations shall define the provider's responsibilities regarding TPL, including the provider's obligation to identify TPL coverage and, except as otherwise provided in this Contract, to seek such third party payment before submitting claims to the Contractor.

17.4 **Cost Avoidance**

17.4.1 The Contractor shall ensure coverage by all potential third-party payers is exhausted before the Contractor makes a payment for covered services, by directing subcontracted providers to submit a claim and receive final determination from the identified Third Party payer before billing the Contractor for services.

17.4.2 The Contractor shall use a Cost Avoidance procedure for all claims or services subject to third-party payment to the extent permitted by state and federal law. If the Contractor has established the probable existence of TPL at the time the provider submits a claim, the Contractor shall deny the claim and provide information about the Third Party payer to the billing provider.

17.5 **Post-Payment Recoveries**

17.5.1 The Contractor shall recover funds post payment in cases where the Contractor was not aware of third-party coverage at the time services were rendered or paid for, or the Contractor was not able to use a Cost Avoidance procedure. The Contractor shall identify and pursue all potential TPL payments. Potentially liable third party coverage sources include, but are not limited to:

17.5.1.1 Third party liability insurance (for example, group health plans including medical, pharmacy);

17.5.1.2 Self-insured plans;

17.5.1.3 Managed care organizations;

17.5.1.4 Pharmacy benefit managers;

17.5.1.5 Union and other fraternal organizations; and

17.5.1.6 Certain other state or federal programs.

17.5.2 Cost Benefit. (1) The Contractor's Post Payment Recovery processes shall not require the Contractor to spend more on an individual claim basis than the threshold limits established by the State Plan. (2) The Contractor shall use Cost Avoidance procedures to avoid payment on any claim where TPL is on file, other than those in subsection 17.10 below.

17.5.3 Retention of Recoveries. The Contractor is entitled to retain any amounts recovered through its efforts. Distributions of recoveries will be made to the Contractor, in an amount equal to the Contractor's expenditures for the individual on whose behalf the collection was based, and to the beneficiary, any remaining amount.

17.5.4 Unsuccessful Effort. If the Contractor is unsuccessful in its efforts to obtain necessary cooperation from an Enrollee to identify potential third-party resources after a period of sixty (60) calendar days of such efforts, pursuant to 42 C.F.R. §§ 433.145 and 433.147, the Contractor must inform HCA in a format to be determined by HCA that its efforts have been unsuccessful.

17.6 **Data**

17.6.1 HCA shall include information about known TPL resources on the daily 834 enrollment files. Any new TPL resources learned of by HCA through its contractor(s) are added to the next available enrollment file.

17.6.2 The Contractor shall:

17.6.2.1 Proactively identify those Enrollees with other primary health insurance including their enrollment and disenrollment dates, and provide this information to HCA on the Enrollees with Other Health Insurance (OHI) report;

17.6.2.2 Cooperate with HCA in any manner necessary to ensure collection of this information;

17.6.2.3 Include all third party payments by Enrollee in its regular encounter data submissions; and

17.6.2.4 Provide TPL data to any contracted provider having a claim denied by the Contractor based on the third party coverage.

17.7 **Reports**

17.7.1 The Contractor shall submit a quarterly *Recovery and Cost Avoidance Report* that includes any recoveries for third party resources as well as claims that the Contractor denies due to TPL coverage. The report shall include recoveries or denied claim payments for any covered service. The Contractor shall calculate cost savings in categories described by HCA. The Contractor shall treat funds recovered from third parties as offsets to claims payments and reflect those offsets in encounter data submitted to HCA. The report is due by the sixtieth (60th) calendar day following the end of the quarter.

17.7.2 The Contractor shall submit to HCA on the 15th of the month a report (Enrollees with Other Health Care Insurance) of Enrollees with any other health care insurance coverage with any carrier, including the Contractor.

17.7.3 The Contractor shall submit to HCA on the 20th of the month a report (Subrogation Rights of Third Party Liability (TPL) – Investigations) of any Enrollees who the Contractor newly becomes aware of a cause of action to recover health care costs for which the Contractor has paid under this Contract.

17.7.4 HCA will continue to terminate enrollment for clients who become eligible for Medicare.

17.8 **Compliance**

17.8.1 HCA may determine whether the Contractor is in compliance with the requirements in this Section by inspecting source documents for:

17.8.1.1 Appropriateness of recovery attempt;

17.8.1.2 Timeliness of billing;

17.8.1.3 Accounting for third party payments;

17.8.1.4 Settlement of claims; and

17.8.1.5 Other monitoring deemed necessary by HCA.

17.8.2 The Contractor shall demonstrate, upon request, to HCA that reasonable efforts have been made to seek, collect and/or report third party recoveries. HCA shall have the sole responsibility for determining whether reasonable efforts have been demonstrated. In making its determination, HCA shall (a) take into account reasonable industry standards and practices and (b) have the right to inspect the Contractor's books and records in accordance with Section 12.10.

17.9 **Subrogation of Rights and Third Party Liability**

17.9.1 For the purposes of this subsection:

17.9.1.1 "Injured person" means an Enrollee who sustains bodily injury.

17.9.1.2 "Contractor's -health care expense" means the expense incurred by the Contractor for the care or treatment of the injury sustained, computed in accord with the Contractor's fee-for-service schedule.

17.9.2 If an Enrollee requires health care services from the Contractor as a result of an alleged act or omission by a third-party giving rise to a claim of legal liability against the third-party, the Contractor shall have the right to obtain recovery of its cost of providing benefits to the injured person from the third-party.

17.9.3 HCA specifically assigns to the Contractor HCA's rights to such third party payments for health care provided to an Enrollee on behalf of HCA, which the Enrollee assigned to HCA as provided in WAC 182-503-0540.

17.9.4 HCA also assigns to the Contractor its statutory lien under RCW 41.05A.070. The Contractor shall be subrogated to HCA's rights and remedies under RCW 74.09.180(2) and 41.05A.050 through 41.05A.080 with respect to covered services provided to Enrollees on behalf of HCA under Chapter 74.09 RCW.

17.9.5 The Contractor may obtain a signed agreement from the Enrollee in which the Enrollee agrees to fully cooperate in effecting collection from persons causing the injury. The agreement may provide that if an injured party settles a claim without protecting the Contractor's interest, the injured party shall be liable to the Contractor for the full cost of medical services provided by the Contractor.

17.9.6 The Contractor shall notify HCA of the name, address, and other identifying information of any Enrollee and the Enrollee's attorney:

17.9.6.1 Who settles a claim without protecting the Contractor's interest in contravention of RCW 41.05A.060; or

17.9.6.2 When a claim has been identified as having potential TPL.

17.10 **Good Cause Exemption from Billing Third Party Insurance**

17.10.1 The Contractor must have a policy to allow Enrollees the right to be exempt from billing third party insurance due to good cause. This includes a procedure that allows for the good cause process to apply on an individual claim basis. "Good cause" means that the use of the third-party coverage would violate an Enrollee's confidentiality because the third party:

17.10.1.1 Routinely sends verification of services to the third-party subscriber and that

subscriber is someone other than the Enrollee;

17.10.1.2 Requires the Enrollee to use a primary care provider who is likely to report the Enrollee's request for family planning services to the subscriber;

17.10.1.3 The Enrollee has a reasonable belief that cooperating with the Contractor in identifying TPL coverage would result in serious physical or emotional harm to the Enrollee, a child in his or her care, or a child related to him or her; or

17.10.1.4 The Enrollee is incapacitated without the ability to cooperate with the Contractor.

18 BUSINESS CONTINUITY AND DISASTER RECOVERY

18.1 Primary and Back-up Systems

18.1.1 The Contractor shall have in place a primary and back-up system for electronic submission of data requested by HCA. This must include the use of the Inter-Governmental Network (IGN); state of Washington, Washington Technology Solutions (WaTech) approved secured Virtual Private Network (VPN) or other WaTech approved dial-up.

18.1.1.1 In the event these methods of transmission are unavailable and immediate data transmission is necessary, an alternate method of submission will be considered based on HCA Enterprise Technology Service's (ETS) review and approval.

18.2 Business Continuity and Disaster Recovery Plan

18.2.1 The Contractor shall develop and maintain a business continuity and disaster recovery plan that ensures timely reestablishment of the Enrollee information system following total loss of the primary system or a substantial loss of functionality.

18.2.1.1 The Contractor shall submit an annual statement by January 1 of each Contract year, certifying that there is an up-to-date business continuity disaster plan in place for both the Contractor and Subcontractors. The certification must indicate that the system, data backup and recovery procedures have been tested, and that copies of the Contractor and Subcontractor plans are available for HCA to review and audit. The disaster plan must include the following:

18.2.1.1.1 A mission or scope statement.

18.2.1.1.2 Identification of the information services disaster recovery staff.

18.2.1.1.3 Provisions for back up of key personnel, identified emergency procedures and visibly listed emergency telephone numbers.

18.2.1.1.4 Procedures for allowing effective communication, applications inventory and business recovery priority and hardware and software vendor list.

18.2.1.1.5 Confirmation of updated system and operations documentation and process for frequent back up of systems and data.

18.2.1.1.6 Description and location of off -site storage of system and data back-ups and ability to recover data and systems from back up files.

18.2.1.1.7 Designated recovery options which may include use of a hot or cold site.

18.2.1.1.8 Documentation that disaster recovery tests or drills have been performed.