

**AMENDMENT NUMBER FIVE  
TO THE CONTRACT BETWEEN  
THE DIVISION OF MEDICAID  
IN THE OFFICE OF THE GOVERNOR  
AND  
A CARE COORDINATION ORGANIZATION (CCO)**

**(UnitedHealthcare of Mississippi, Inc. – Children’s Health Insurance Program)**

**THIS AMENDMENT NUMBER FIVE** modifies, revises, and amends the Contract entered into by and between the **Division of Medicaid in the Office of the Governor**, an administrative agency of the **State of Mississippi** (hereinafter “DOM” or “Division”), and **UnitedHealthcare of Mississippi, Inc.** (hereinafter “CCO” or “Contractor”).

**WHEREAS**, DOM is charged with the administration of the Mississippi State Plan for Medical Assistance in accordance with the requirements of the Social Security Act of 1935, as amended, and Miss. Code Ann. § 43-13-101, *et seq.*, (1972, as amended);

**WHEREAS**, CCO is an entity eligible to enter into a comprehensive risk contract in accordance with Section 1903(m) of the Social Security Act and 42 CFR § 457.1201 and is engaged in the business of providing prepaid comprehensive health care services as defined in 42 CFR § 457.10. The CCO is licensed appropriately as defined by the Department of Insurance of the State of Mississippi pursuant to Miss. Code Ann. § 83-41-305 (1972, as amended);

**WHEREAS**, DOM contracted with the CCO to obtain services for the benefit of a separate child health program in accordance with Section 2102(a)(1) and 42 C.F.R § 457.70 and the CCO has provided to DOM continuing proof of the CCO’s financial responsibility, including adequate protection against the risk of insolvency, and its capability to provide quality services efficiently, effectively, and economically during the term of the Contract, upon which DOM relies in entering into this Amendment Number Five; and,

**WHEREAS**, pursuant to Section 1.B of the Contract, no modification or change to any provision of the Contract shall be made unless it is mutually agreed upon in writing by both parties; and

**WHEREAS**, the parties have previously modified the Contract in Amendments #1, #2, #3 and #4;

**NOW, THEREFORE**, in consideration of the foregoing recitals and of the mutual promises contained herein, DOM and CCO agree the Contract is amended as follows:

- I. Section 5, COVERED SERVICES AND BENEFITS, is amended to read as follows:

### **A. Covered Services**

The Contractor shall provide all Medically Necessary covered services allowed under CHIP in accordance with the State Health Plan. Coverage includes the Mississippi Division of Medicaid State Plan, also known as the Benchmark Plan, plus additional coverage and the Contractor shall provide Covered services set forth in Exhibit B, Covered Services, of this Contract (for reference only). The Contractor shall ensure that all covered services are as accessible to Members (in terms of timeliness, amount, duration, and scope); that no incentive is provided, monetary or otherwise, to Providers for withholding from a Member's Medically Necessary Services. The Contractor guarantees it will not avoid costs for covered services by referring Members to publicly supported resources, in accordance with 42 C.F.R. § 457.950. The Contractor shall make available accessible facilities, service locations, and personnel sufficient to provide covered services consistent with the requirements specified in this Contract.

The Contractor will not impose any pre-existing medical condition exclusion for covered services contained in this Contract, in accordance with 42 C.F.R. § 457.480 and Section 2102(b)(1)(B)(ii) of the Act.

The Division will annually review the cost and utilization of high-cost medications for consideration of exclusion from coverage as a covered benefit and inclusion in the capitation rate. Any medications excluded based on this review will be reimbursed outside of the monthly capitation payment.

II. Section 12.A., CAPITATION PAYMENTS, is amended to read as follows:

#### **11. Acceptance of Capitation Rate**

Once the Division notifies the Contractor that the capitation rates and risk adjustment developed by the Division and its actuary are final and not subject to further negotiation, the Contractor must accept capitation rates and risk adjustment methodology within the fifteen (15) business days of such rates being present to the Contractor by the Division. Acceptance of such capitation rates and risk adjustment methodology shall be indicated by execution of an amendment to this Contract incorporating such rates or methodology. Any capitation rates and risk adjustment methodology subsequently disapproved by CMS shall be deemed null and void immediately upon notification by CMS to the Division of the disapproval. The Division shall notify the Contractor of CMS approval or disapproval of any capitation rates or risk adjustment methodology within two (2) business days of receipt of such approval or disapproval. The Division will adjust previously paid funds to reflect the capitation rates and risk adjustment methodology ultimately approved by CMS.

- III. Section 12.A.3, CAPITATION PAYMENTS, is amended to read as follows:

**3. Rate Adjustments**

The Contractor and the Division acknowledge that the capitation rates are subject to approval by the Federal government. Adjustments to the rates may be required to reflect legislatively or congressionally mandated changes in CHIP services, program changes, in the scope of mandatory services, or when capitation rate calculations are determined to have been in error. In such events, funds previously paid may be adjusted as well. The Contractor agrees to refund any overpayment to the Division, and the Division agrees to pay any underpayment to the Contractor, within thirty (30) calendar days following written notice by the Division. In addition, the Division will review rates annually and adjust rates as deemed necessary subject to approval from the Federal government.

For the purposes of capitation rate setting and other financial reporting purposes, Contractor compensation shall be capped in accordance with Section 702 of the Bipartisan Budget Act of 2013 (BBA: Pub. L. 113-67, December 26, 2013). The BBA established a cap on the reimbursement of compensation costs for Contractor employees, which is adjusted annually to reflect the change in the Employment Cost Index for all workers as calculated by the Bureau of Labor Statistics (BLS). The BBA cap is codified statute (10 U.S.C. 2324(e)(1)(P) and (41 U.S.C. 4304(a)(16)).

- IV. Section 12.A., CAPITATION PAYMENTS, is amended to read as follows:

**9. Capitation Rates**

The established Coordinated Care Organization capitation rate per member per month (PMPM) for Children's Health Insurance Program (CHIP) for the period from July 1, 2021 through June 30, 2022 is \$266.77. (See Attachments A and B).

- V. Section 12.A., CAPITATION PAYMENTS, is amended to read as follows:

**10. Risk Corridor**

The Division will implement a symmetrical risk corridor for the timeframe of July 1, 2021 through June 30, 2022 ("SFY 2022") to address the uncertainty of medical costs given the COVID-19 pandemic.

The Contractor capitation rates reflect a target medical loss ratio (MLR), which measures the projected medical service costs as a percentage of the total capitation

rates paid to the Contractor. The risk corridor would limit Contractor gains and losses if the actual MLR is different than the target MLR.

The following table summarizes the share of gains and losses relative to the target MLR for each party.

| <b>Mississippi Division of Medicaid<br/>Risk Corridor Parameters</b> |  |  |
|--|--|--|
| <b>MLR Claims<br/>Corridor</b>                                       | <b>Contractor Share of<br/>Gain/Loss in Corridor</b> | <b>Division Share of Gain/Loss<br/>in Corridor</b> |
| Less than Target MLR<br>-2.0%  | 0%   | 100%   |
| Target MLR -2.0% to<br>Target MLR +2.0%                              | 100%   | 0%   |
| Greater than Target<br>MLR +2.0%                                     | 0%   | 100%   |

For purposes of the SFY 2022 risk corridor, a different definition of MLR will be used than the Federal MLR definition. The last column of Exhibit 3 from the April 29, 2021 "Report09 - State Fiscal Year 2022 CHIP Preliminary Rate Calculation and Certification" illustrates the calculation of the target MLR for the Contractor.

The risk corridor will be implemented using the following provisions:

- The numerator of the Contractor's actual MLR will include all services incurred during the period of SFY 2022 with payments made to providers as defined in Exhibit D of this Contract, including fee-for-service payments, subcapitation payments, and settlement payments.
- The 85% minimum MLR provision in Section 12.E of the Contract will apply after the risk corridor settlement calculation.

The initial risk corridor calculation and settlement will occur using the SFY 2022 values included in the annual MLR report submitted from the Contractor to the Division with six months of runout. A final calculation of payments or recoupments as a result of the risk corridor will occur once the MLR audit has been completed, typically 12 to 18 months after the close of the state fiscal year.

- VI. All other provisions of the Contract are unchanged and it is further the intent of the parties that any inconsistent provisions not addressed by the above amendments are modified and interpreted to conform with this Amendment Number Five.

IN WITNESS WHEREOF, the parties have executed this Amendment Number Five by their duly authorized representatives.

Division of Medicaid:

By: 

Drew L. Snyder  
Executive Director

Date: June 28, 2021

UnitedHealthcare of Mississippi, Inc.

By: 

Scott Waulters  
Senior Vice President & Chief Executive Officer, MS

Date: 6/24/2021

STATE OF MISSISSIPPI  
COUNTY OF Hinds

THIS DAY personally came and appeared before me, the undersigned authority, in and for the aforesaid jurisdiction, the within named, **Drew L. Snyder**, in his official capacity as the duly appointed **Executive Director of the Division of Medicaid in the Office of the Governor**, an administrative agency of the **State of Mississippi**, who acknowledged to me, being first duly authorized by said agency that he signed and delivered the above and foregoing written **Amendment Number Five** for and on behalf of said agency and as its official act and deed on the day and year therein mentioned.

GIVEN under my hand and official seal of office on this the 28<sup>th</sup> day of June, 2021.

NOTARY PUBLIC



Shelby J. Berryman

My Commission Expires:

Sept 23, 2024

STATE OF New Jersey  
COUNTY OF Middlesex

THIS DAY personally came and appeared before me, the undersigned authority, in and for the aforesaid jurisdiction, the within named, **Scott Waulters**, in his respective capacity as the **Senior Vice President and Chief Executive Officer of UnitedHealthcare of Mississippi, Inc.**, a corporation authorized to do business in Mississippi, who acknowledged to me, being first duly authorized by said corporation that she signed and delivered the above and foregoing written **Amendment Number Five** for and on behalf of said corporation and as its official act and deed on the day and year therein mentioned.

GIVEN under my hand and official seal of office on this the 24<sup>th</sup> day of June, 2021.

NOTARY PUBLIC

Christine Bannon-Izzo

My Commission Expires:

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**CHRISTINE BANNON-IZZO**  
**NOTARY PUBLIC OF NEW JERSEY**  
**My Commission Expires 07/28/2023**