This Contract, effective September 24, 2014, re-executed on November 1, 2016, January 1, 2018, January 1, 2022, and January 1, 2023; amended by addendum effective January 1, 2019, September 1, 2020, and January 1, 2022 is hereby amended by addendum effective January 1, 2024, is between the United States Department of Health and Human Services, acting by and through the Centers for Medicare & Medicaid Services (CMS), the State of Michigan, acting by and through The Michigan Department of Health and Human Services (MDHHS), and the Michigan Department of Technology, Management and Budget, and _____ the Integrated Care Organization (ICO.) The ICO 's principal place of business is _____.

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

WHEREAS, Section 1115A of the Social Security Act provides CMS the authority to test innovative payment and service delivery models to reduce program expenditures while preserving or enhancing the quality of care furnished to individuals under such titles, including allowing states to test and evaluate fully integrating care for dual eligible individuals in the State;

WHEREAS, MDHHS is an agency responsible for operating a program of medical assistance under 42 U.S.C. § 1396 et seq., and the Social Welfare Act, MCL 400.1 et seq., designed to pay for medical, behavioral health, and Long Term Supports and Services (LTSS) for eligible beneficiaries (Enrollee, or Enrollees);

WHEREAS, the ICO is in the business of providing medical services, and CMS and MDHHS desire to purchase such services from the ICO;

WHEREAS, the ICO agrees to furnish these services in accordance with the terms and conditions of this Contract and in compliance with all federal and State laws and regulations;

WHEREAS, in accordance with **Section 5.8** of the Contract, MDHHS and the ICO desire to amend the Contract

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

1. This Addendum deletes **Section 1.127** and replaces it with the following **Section 1.127**:

   1.127. **Michigan 1115 Behavioral Health Demonstration –** The approved 1115 waiver through which Medicaid covered behavioral health services are provided for persons with serious and persistent mental illness and intellectual/developmental disabilities.

2. This Addendum adds a new **Subsection 2.3.5.7.1.1:**

   2.3.5.7.1.1. MDHHS or its authorized agent will discontinue submission of Passive Enrollment transactions nine (9) months prior to the end of the Demonstration.

3. This Addendum deletes **Subsection 2.3.5.7.4** and replaces it with the following **Subsection 2.3.5.7.4:**

   2.3.5.7.4. Upon instruction by MDHHS, its authorized agent may not provide new Enrollments within three (3) months (or less) of the end date of the Demonstration, unless the Demonstration is renewed or extended.

4. This Addendum deletes **Subsection 2.4.1.11** and replaces it with the following **Subsection 2.4.1.11**:

   2.4.1.11. Nursing Facility Payment Rules – For traditional Medicaid nursing home days of care, the ICO may negotiate with Nursing Facilities to pay rates that vary from the Medicaid FFS rate as established by the MDHHS. Prior to January 1, 2025, for individuals residing in a Nursing Facility where there is not an agreed upon rate at the time of their effective Enrollment date, the ICO is required to pay, at a minimum, the Medicaid FFS rate and level of service through the continuity of care period or until a negotiated rate is agreed upon. Beginning January 1, 2025, the requirement for the ICO to pay, at a minimum, the Medicaid FFS rate and level of service through the continuity of care period or until a negotiated rate is agreed upon for individuals residing in a Nursing Facility, where there is not an agreed upon rate at the time of their effective Enrollment date, does not apply. The Quality Assurance Supplement (QAS) will be paid through a directed payment as approved by CMS through the 42 C.F.R. § 438.6(c) preprint process. The ICO shall reimburse Nursing Facility providers the Medicaid coinsurance rate for days 21 through 100 of a skilled care or rehabilitation day in accordance with published Medicaid policy. Nursing Facility reimbursement is further discussed in Section 4.

5. This Addendum deletes **Subsection 2.4.1.14** and replaces it with the following **Subsection 2.4.1.14:**

2.4.1.14. Direct Care Worker Rate Provisions

2.4.1.14.1. As further specified by MDHHS, the ICO shall increase its contracted rates relative to the wage being received by, or the starting wage offered to, a qualifying direct care worker on March 31, 2020. If the ICO's First Tier, Downstream, and Related Entity was not in business in March 2020, the direct care worker must be paid at least minimum wage plus the wage increase amount. The rate increase will be paid through a directed payment as approved by CMS through the Section 438.6(c) preprint process. A direct care worker may choose to not receive the wage increase. This choice must be indicated in writing or electronically. The ICO shall track, retain and submit documentation upon request to MDHHS, that supports the hourly wages paid to each direct care worker hired directly by the ICO. The ICO shall require their applicable First Tier, Downstream, and Related Entities to track, retain and submit documentation upon request, either by MDHHS, or their contracted managed care entities, that supports the total amount and percentage of Medicaid reimbursements they receive that are used to pay direct care worker wages, and the hourly wages paid for each direct care worker they employ. This increase applies to the following services covered under the traditional Medicaid benefit as follows:

2.4.1.14.1.1. For Expanded Community Living Supports (related HCPCS code H2015) providers a $3.20 per hour increase in Direct Care Worker wages and $0.40 per hour for agencies effective for dates of service on or after January 1, 2024.

2.4.1.14.1.2. For Personal Care (related HCPCS code T1019) providers a $3.20 per hour increase in Direct Care Worker wages and $0.40 per hour for agencies effective for dates of service on or after January 1, 2024.

2.4.1.14.1.3. For Respite (related HCPCS code S5150) providers a $3.20 per hour increase in Direct Care Worker wages and $0.40 per hour for agencies effective for dates of service on or after January 1, 2024.

2.4.1.14.1.4. For Adult Day Program (related HCPCS codes S5100, S5101, S5102) providers, a $3.20 per hour increase in Direct Care Worker wages and $0.40 per hour for agencies effective for dates of service on or after January 1, 2024.

2.4.1.14.1.5. For ECLS and Respite providers of services in licensed Adult Foster Care and Home for the Aged settings (related HCPCS codes H2015, S5150), a $3.20 per hour increase in Direct Care Worker wages only when the licensed setting does not receive the personal care supplement from ICO or the state.

6. This Addendum deletes **Subsection 2.5.4.5.1.** and replaces it with the following **Subsection 2.5.4.5.1**:

2.5.4.5.1. No sooner than January 1, 2024, the ICO must implement an evidence-based, comprehensive DEI assessment and training program for the ICO. The program must assess all ICO personnel, policies, and practices. ICO must conduct at least one implicit bias training workshop as part of their DEI program, attended by all ICO personnel by the end of CY24. The program must include additional facets of diversity, equity, and inclusion in addition to implicit bias.

7. This Addendum deletes **Subsection 2.10.1.1** and replaces it with the following **Subsection 2.10.1.1:**

2.10.1.1 Internal Grievance Filing: An Enrollee, or an authorized representative, with written consent by the Enrollee, may file an internal Enrollee Grievance at any time with the ICO or its providers by calling or writing to the ICO or provider. If the internal Enrollee Grievance is filed with a provider, the ICO must require the provider to forward it to the ICO.

8. This Addendum deletes **Subsection 2.10.1.4** and replaces it with the following **Subsection 2.10.1.4:**

2.10.1.4. Authorized representatives may file Grievances on behalf of Enrollees, with written consent by the Enrollee, to the extent allowed under applicable federal or State law.

9. This Addendum deletes **Subsection 2.10.2.1.3.1** and replaces it with the following **Subsection 2.10.2.1.3.1:**

    2.10.2.1.3.1. Timely acknowledgement of receipt of each Enrollee Grievance, in writing, with the exception of Expedited Grievances, which may be acknowledged orally;

10. This Addendum deletes **Subsection 2.11.3.3** and replaces it with the following **Subsection 2.11.3.3** and adds new **Subsections 2.11.3.3.1 and 2.11.3.3.2**:

    2.11.3.3 The Enrollee, or, with consent of the enrollee and consistent with state law a provider, or authorized representative, may file an oral or written Appeal with the entity within sixty (60) calendar days following the receipt of the Adverse Benefit Determination Notice that generates such Appeal.

        2.11.3.3.1 The date of receipt is presumed to be 5 calendar days after the date of the written Adverse Benefit Determination Notice, unless there is evidence to the contrary.

        2.11.3.3.2 For purposes of meeting the 60-calendar day filing deadline, the request is considered as filed on the date it is received by the entity specified in the Adverse Benefit Determination Notice.

11. This Addendum adds a new **Section 2.16.2.1.10**:

    2.16.2.1.10 ICO shall share data and Enrollee information as necessary to ensure a smooth transition from the demonstration with the necessary parties (CMS, MDHHS, and/or any receiving health plan(s)) as determined by MDHHS and CMS. Such data and Enrollee information may include, but is not limited to prior authorization data, care plans, health risk assessments, and provider network information.

12. This Addendum deletes **Appendix J, J1** and replaces it with the following **J1**:

    J1. Section 1860D-1 of the Social Security Act, as implemented in 42 C.F.R. § 423.38(c)(4)(i), and extend Sections 1851(a), (c), (e), and (g) of the Social Security Act, as implemented in 42 C.F.R. Part 422, Subpart B only insofar as such provisions are inconsistent with allowing dually eligible beneficiaries to change enrollment on a monthly basis in a Medicare-Medicaid Plan.

13. This Addendum deletes **Appendix J, J6** and replaces it with the following **J6**:

J6. Section 1851(c) of the Social Security Act and the implementing regulations at 42 C.F.R. § 422.60(g) insofar as such provisions are inconsistent with transitioning ICO beneficiaries into a D-SNP (as applicable) at the end of the Demonstration.

14. This Addendum deletes **Subsection 2.6.3.8.3** and replaces it with the following **Subsection 2.6.3.8.3**

2.6.3.8.3 The PIHP will conduct in person Level II Assessments for Enrollees identified as receiving services from the Habilitation Supports Waiver and/or the Michigan 1115 Behavioral Health Demonstration.

15. This Addendum deletes **Subsection 2.6.10.1.2.1** and replaces it with the following **Subsection 2.6.10.1.2.1**:

2.6.10.1.2.1. For Enrollees receiving services from the Habilitation Supports Waiver (HSW) and/or the Michigan 1115 Behavioral Health Demonstration through the PIHP, the following continuity of care requirements apply to ICO services.

16. This Addendum deletes **Exhibit 1** and replaces it with the following **Exhibit 1**:

Exhibit 1 ICO Transition Requirements for HSW and Michigan 1115 Behavioral Health Demonstration Enrollees

Provider Type	ICO Transition Requirement for HSW and Michigan 1115 Behavioral Health Demonstration Enrollees
Physician/Other Practitioners	Maintain current provider at the time of Enrollment for one hundred and eighty (180) calendar days. (ICO must honor existing plans of care and prior authorizations (PAs) until the authorization ends or one hundred and eighty (180) calendar days from Enrollment, whichever is sooner)
DME	Must honor PAs when item has not been delivered and must review ongoing PAs for medical necessity
Scheduled Surgeries	Must honor specified provider and PAs for surgeries scheduled within one hundred eighty (180) calendar days of Enrollment
Chemotherapy/ Radiation	Treatment initiated prior to Enrollment must be authorized through the course of treatment with the specified provider

Provider Type	ICO Transition Requirement for HSW and Michigan 1115 Behavioral Health Demonstration Enrollees
Organ, Bone Marrow, Hematopoietic Stem Cell Transplant	Must honor specified provider, PAs and plans of care
Dialysis Treatment	Maintain current level of service and same provider at the time of Enrollment for one hundred eighty (180) calendar days
Vision and Dental	Must honor PAs when an item has not been delivered
Home Health	Maintain current level of service and same provider at the time of Enrollment for one hundred eighty (180) calendar days
State Plan Personal Care	Maintain current provider and level of services at the time of Enrollment for one hundred eighty (180) calendar days. The IICSP must be reviewed and updated and providers secured within one hundred eighty (180) calendar days of Enrollment.

In Witness Whereof, CMS, the State of Michigan, and the ICO have caused this Agreement to be executed by their respective authorized officers:

_____	_____
TYPE NAME AND TITLE HERE <Entity>	Date

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In Witness Whereof, CMS, the State of Michigan, and the ICO have caused this Agreement to be executed by their respective authorized officers:

_____ _____

Pam Platte, Sourcing Director Date

Michigan Department of Technology, Management and Budget

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In Witness Whereof, CMS, the State of Michigan, and the ICO have caused this Agreement to be executed by their respective authorized officers:

_____ _____

Meghan Hodge-Groen Date

Medicaid Director

Medical Services Administration

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In Witness Whereof, CMS, the State of Michigan, and the ICO have caused this Agreement to be executed by their respective authorized officers:

_____ _____

Lindsay P. Barnette Date

Director

Models, Demonstrations, and Analysis Group

Centers for Medicare & Medicaid Services

United States Department of Health and Human Services

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In Witness Whereof, CMS, the State of Michigan, and the ICO have caused this Agreement to be executed by their respective authorized officers:

_____ _____

Kathryn Coleman Date

Director

Medicare Drug & Health Plan Contract Administration Group

Centers for Medicare & Medicaid Services

United States Department of Health and Human Services