

**AMENDMENT NUMBER 4 TO HEALTH PLAN SERVICES CONTRACT
COORDINATED CARE ORGANIZATION
CONTRACT # 143118 BETWEEN
THE STATE OF OREGON
OREGON HEALTH AUTHORITY**

AND

**ALLCARE CCO, INC.
740 SE 7TH STREET
GRANTS PASS, OR 97526**

1. This is amendment number 4 (“Transformation Amendment”) to Health Plan Services Contract, Coordinated Care Organization, Contract # 143118 (the “Contract”), between the State of Oregon, acting by and through its Oregon Health Authority (“OHA”), and AllCare CCO, Inc. (“Contractor”). This Amendment is effective October 1, 2015, regardless of the date of signature, subject to approval by the US Department of Health and Human Services, Centers for Medicare and Medicaid Services.

2. The Contract is hereby amended as follows:

a. Exhibit K, Opening Paragraph, is hereby deleted in its entirety and replaced with the following:

Contractor shall prepare a “Transformation Plan” that is a specific plan (plans, timeline, benchmarks, milestones, and deliverables) demonstrating how and when Contractor will achieve Health System Transformation, aligned with the quality and incentive specifications established in Exhibit B Part 9. Contractor shall prepare, subject to approval by OHA, DOJ, and CMS, “Areas of Transformation” that are based in substance on the Transformation Plan and in the form of the Transformation Deliverables and Benchmarks described below. Contractor’s Areas of Transformation are in Attachment 1, which is attached to this Exhibit K and hereby incorporated into this Contract with this reference. Contractor’s obligations under the Transformation Amendment are obligations under this Contract. The purpose of this Exhibit K is to set forth the procedure Contractor shall follow to maintain the Transformation Plan and Transformation Amendment required by this Contract.

b. Exhibit K, Section 1, is hereby deleted in its entirety and replaced with the following:

1. Transformation Plan

a. Contractor shall maintain a Transformation Plan in effect throughout the term of this Contract. Contractor’s Transformation Plan must include, at minimum, the following eight areas of transformation (the “Transformation Areas”):

- (1) Developing and implementing a health care delivery model that integrates mental health and physical health care and addictions and dental health, when Dental Services are included. This plan must specifically address the needs of individuals with severe and persistent mental illness.

- (2) Continuing implementation and development of Patient-Centered Primary Care Home (PCPCH).
- (3) Implementing consistent Alternative Payment Methodologies that align payment with health outcomes.
- (4) Preparing a strategy for developing Contractor's Community Health Assessment and adopting an annual Community Health Improvement Plan consistent with ORS 414.627.
- (5) Developing a plan for encouraging Electronic Health Records; health information exchange; and meaningful use.
- (6) Assuring communications, outreach, Member engagement, and services are tailored to cultural, health literacy, and linguistic needs.
- (7) Assuring that the culturally diverse needs of Members are met (cultural competence training, provider composition reflects Member diversity, Certified Traditional Health Workers and Traditional Health Workers composition reflects Member diversity).
- (8) Developing a quality improvement plan focused on eliminating racial, ethnic and linguistic disparities in access, quality of care, experience of care, and outcomes.

Contractor's Transformation Plan may include any other elements that are part of Contractor's strategy for Health System Transformation.

If Contractor does not have an OHA-approved Transformation Plan by the Deliverable Date identified in Section 4, Contractor shall continue to negotiate with OHA regarding the Transformation Plan. Contractor's failure to have an OHA-approved Transformation Plan by the Deliverable Date identified in Section 4 is a material breach of this Contract under Exhibit D, Section 10.a(3) of this Contract.

c. Exhibit K, Section 4, is hereby deleted in its entirety and replaced with the following:

4. Periodic Update of Transformation Plan

Contractor shall periodically update its Transformation Plan and Areas of Transformation to continue strategic planning and implementation of specific plans (plans, timeline, benchmarks, milestones, and deliverables) demonstrating how and when Contractor will achieve Health System Transformation, aligned with the quality and incentive specifications established in Exhibit B Part 9. Contractor shall provide the following deliverables, and OHA will respond to these deliverables, in accordance with the schedule described below:

<u>Deliverable</u>	<u>Deliverable Date</u>
(1) <u>Draft Plan.</u> Contractor furnishes OHA with a draft of an updated Transformation Plan.	March 16, 2015

- (2) OHA Comments. OHA furnishes Contractor with written comments on its draft updated Transformation Plan. May 15, 2015
- (3) Final Draft. Contractor submits final draft language of its updated Transformation Plan for approval by OHA. June 10, 2015
- (4) OHA Acceptance. OHA furnishes Contractor with written approval of its draft updated Transformation Plan. July 1, 2015

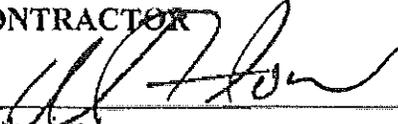
d. Exhibit K, Attachment 1, is hereby deleted in its entirety and replaced with the revised Exhibit K, Attachment 1, a copy of which is attached to this Amendment and hereby incorporated into the Contract with this reference.

- 3. OHA's performance hereunder is conditioned upon Contractor's compliance with provisions of ORS 279B.220, 279B.225, 279B.230, 279B.235, and 279B.270, which are hereby incorporated by reference. Contractor shall, to the maximum extent economically feasible in the performance of this Contract, use recycled paper (as defined in ORS 279A.010(1)(gg)), recycled PETE products (as defined in 279A.010(1)(hh)), and other recycled products (as "recycled product" is defined in 279A.010(1)(ii)).
- 4. Except as expressly amended above, all other terms and conditions of the initial Contract and any previous amendments are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the initial Contract are true and correct as of the effective date of this amendment and with the same effect as though made at the time of this amendment.

5. **Signatures**

IN WITNESS, THE PARTIES LISTED BELOW HAVE CAUSED THIS AMENDMENT TO BE EXECUTED BY THEIR DULY AUTHORIZED OFFICERS.

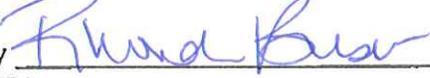
CONTRACTOR

By  9-10-15
 Authorized _____

Printed Name: DOUGLAS L. FLOW Date _____

Title CEO _____

OHA - Division of Medical Assistance Programs

By 
OHA

9/22/15
Date

Approved as to Legal Sufficiency:

By _____
Deanna Laidler, Sr. Assistant Attorney General

7/20/15
Date

Reviewed by OHA/DMAP Contract Administration

By 
David H. Fischer, Contract Administrator

9/21/15
Date

Exhibit K - Attachment 1 – Areas of Transformation

A. Benchmarks for 2013 – 2015 Transformation Plan Amendment

- (1) **Area of Transformation:** Developing and implementing a health care delivery model that integrates mental health and physical health care and addictions and dental health, when Dental Services are included. This plan must specifically address the needs of individuals with severe and persistent mental illness.

Benchmark 1	
How Benchmark will be measured (Baseline to July 31, 2017)	Through claims, Contractor will determine the percentage of members who have a diagnosis of SPMI and diabetes and have had an HgbA1c and an LDL lab test.
Milestone(s) to be achieved as of July 31, 2016	10% improvement over baseline
Benchmark to be achieved as of July 31, 2017	20% improvement over baseline

Benchmark 1	
How Benchmark will be measured (Baseline to July 31, 2017)	Through claims, Contractor will determine the number of encounters by physical health providers done in an outpatient mental health setting.
Milestone(s) to be achieved as of July 31, 2016	10% improvement over baseline
Benchmark to be achieved as of July 31, 2017	15% improvement over baseline

- (2) **Area of Transformation:** Continuing implementation and development of Patient-Centered Primary Care Home (PCPCH).

Benchmark 2	
How Benchmark will be measured (Baseline to July 31, 2017)	Through the state website, Contractor will determine the percentage of members assigned to recognized PCPCH providers.
Milestone(s) to be achieved as of July 31, 2016	80% recognized
Benchmark to be achieved as of July 31, 2017	100% recognized or receive wrap around services via AllCare Care Coordination

- (3) **Area of Transformation:** Implementing consistent Alternative Payment Methodologies that align payment with health outcomes.

Benchmark 3	
How Benchmark will be measured (Baseline to July 31, 2017)	Based on actual APM results, Contractor will determine the percentage of available funds distributed to eligible providers.
Milestone(s) to be achieved as of July 31, 2016	Increase Josephine County PCP achievement by 10% over baseline and expand to all three counties.
Benchmark to be achieved as of July 31, 2017	Increase Josephine County PCP achievement by 15% over baseline and all other eligible providers to 5% over 2015 results.

- (4) **Area of Transformation:** Preparing a strategy for developing Contractor’s Community Health Assessment and adopting an annual Community Health Improvement Plan consistent with ORS 414.627.

Benchmark 4	
How Benchmark will be measured (Baseline to July 31, 2017)	Contractor will create a dashboard report that designates each strategy and sub-strategy as complete, in process or not complete. Report will be shared with the board quarterly.
Milestone(s) to be achieved as of July 31, 2016	50% of strategies achieved by July 2016
Benchmark to be achieved as of July 31, 2017	100% of strategies achieved by July 2017

- (5) **Area of Transformation:** Developing a plan for encouraging Electronic Health Records; health information exchange; and meaningful use.

Benchmark 5	
How Benchmark will be measured (Baseline to July 31, 2017)	Contractor will measure the number of contracted providers who have the capacity to submit data electronically. Out of that number, Contractor will determine who shared information through Jefferson Health Information Exchange.
Milestone(s) to be achieved as of July 31, 2016	35% of eligible providers use Jefferson Health Information Exchange
Benchmark to be achieved as of July 31, 2017	50% of eligible providers use Jefferson Health Information Exchange

- (6) **Area of Transformation:** Assuring communications, outreach, Member engagement, and services are tailored to cultural, health literacy, and linguistic needs.

Benchmark 6	
How Benchmark will be measured (Baseline to July 31, 2017)	Contractor will track the percentage of Contractor's staff who participate in Cultural Diversity training.
Milestone(s) to be achieved as of July 31, 2016	100% of Contractor's staff trained annually
Benchmark to be achieved as of July 31, 2017	100% of Contractor's new hires receiving diversity training within 3 months of hire

- (7) **Area of Transformation:** Assuring that the culturally diverse needs of Members are met (cultural competence training, provider composition reflects Member diversity, Certified Traditional Health Workers and Traditional Health Workers composition reflects Member diversity).

Benchmark 7	
How Benchmark will be measured (Baseline to July 31, 2017)	Contractor's will track the percentage of Contractor's staff and contracted providers and their staff who meet the definition for a "diverse workforce"
Milestone(s) to be achieved as of	Development and implementation of workforce diversity policies

July 31, 2016	and procedures at Contractor
Benchmark to be achieved as of July 31, 2017	Demonstrated improvement in workforce diversity

- (8) **Area of Transformation:** Developing a quality improvement plan focused on eliminating racial, ethnic and linguistic disparities in access, quality of care, experience of care, and outcomes.

Benchmark 8	
How Benchmark will be measured (Baseline to July 31, 2017)	Through claims, Contractor's will track the number and percentage of members within a contracted DCO who receive dental services.
Milestone(s) to be achieved as of July 31, 2016	Identification increase 5% over 2014 baseline for dental exams, preventive and/or restorative care by DCO stratified by age and ethnicity
Benchmark to be achieved as of July 31, 2017	Increase 10% over 2014 baseline for dental exams, preventive and/or restorative care by DCO stratified by age and ethnicity