

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

(Magnolia Health Plan, Inc.)**

THIS AMENDMENT NUMBER TWO 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 **Magnolia Health Plan, 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 Title XIX 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 § 438.6(b) and is engaged in the business of providing prepaid comprehensive health care services as defined in 42 CFR § 438.2. 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 certain Medicaid beneficiaries 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 Two;

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 is signed by a duly authorized representative of the CCO and DOM as an amendment

to the Contract; however, such amendment shall not be effective unless and until the Centers for Medicare & Medicaid Services (“CMS”) approves of the change; and,

WHEREAS, the parties have previously modified the Contract in Amendment #1.

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 1.B, DEFINITIONS AND CONSTRUCTION, is amended to read as follows:

References to numbered Sections refer to the designated Sections contained in this Contract. Titles of Sections used herein are for reference only and shall not be deemed a part of this Contract. The headings used throughout the Contract are for convenience only and shall not be resorted to for interpretation of the Contract.

In the event of a conflict between this Contract and the various documents incorporated into this Contract by reference, the terms of this Contract shall govern.

This Contract between the Division and the Contractor consists of this 1) Amendment #2; 2) Amendment #1; 3) the original Agreement; 4) the MississippiCAN Program RFP and any amendments thereto; 5) the Contractor’s Proposal submitted in response to the RFP by reference and as an integral part of this Contract; 6) written questions and answers. In the event of a conflict in language among the six (6) documents referenced above, the provisions and requirements set forth and/or referenced in the Contract and its amendments shall govern. Any ambiguities, conflicts or questions of interpretation of this Contract shall be resolved by first, reference to this Amendment #2 and, if still unresolved, by referenced to Amendment #1 and, if still unresolved, by reference to the original Agreement. After the Contract and any amendments thereto, the order of priority shall be as follows: the RFP Bidder Questions and Answers, the Contractor’s Proposal and its attachments, and the RFP. In the event that an issue is addressed in one (1) document that is not addressed in another document, no conflict in language shall be deemed to occur. All the documents shall be read and construed as far as possible to be one harmonious whole; however, in the event of a conflict or dispute, the above list is the list of priority.

However, the Division reserves the right to clarify any contractual relationship in writing, and such written clarification shall govern in case of conflict or ambiguity with the applicable requirements stated in the RFP or the Contractor’s Proposal. In all other matters not affected by the written clarification, if any, the RFP and its amendments shall govern.

The Contract represents the entire agreement between the Contractor and the Division and it supersedes all prior negotiations, representations, or agreements, either written or oral between the parties hereto relating to the subject matter hereof.

The Division reserves the right to review the existing contract as needed to address contract and/or program vulnerabilities and discrepancies. No modification or change of any provision in the Contract shall be made, or construed to have been made, unless such modification or change is mutually agreed upon in writing by the Contractor and the Division. The agreed upon modification or change will be incorporated as a written Contract amendment and processed through the Division for approval prior to the effective date of such modification or change. In some instances, the Contract amendment must be approved by the Centers for Medicare & Medicaid Services (CMS) before the change becomes effective.

The only representatives authorized to modify this Contract on behalf of the Division and the Contractor are shown below:

Contractor: Plan President and Chief Executive Officer

Division of Medicaid: Executive Director

II. Section 13.A.9, CAPITATION RATES, is amended to read as follows:

Exhibit A, Capitation Rates, of this Contract includes the capitation rates per member per month (PMPM) varying by region and Rate Cell. Each Contractor will be paid based on the distribution of Members they have in each Rate Cell. In addition, Contractor Capitation Payments will vary based on their Members' county of residence. The SSI/Disabled and MA Adult rate cells will be risk adjusted and Rate Cells have a Risk Adjustment factor, calculated on a prospective basis using CDPS+RX, applied to each rates re-calculated based on each Contractor's actual risk scores.

The table below establishes the Coordinated Care Organization capitation rates per member per month (PMPM) for MississippiCAN (*see Attachments A and B*). These rates are effective for the following MississippiCAN rate cells: SSI/Disabled; Foster Care; Breast and Cervical Cancer; SSI/Disabled Newborn; MA Adults; Pregnant Women; Newborns; and the Delivery Kick Payment. Additionally, capitation rates are included for MA Children and Quasi-CHIP Children, and now the Severe Emotional Disturbance (SED) rate cell is included as of October 1, 2018. Capitation rates for the period of October 1, 2018, through June 30, 2019, include Inpatient Hospital Services. Capitation rates October 1, 2018 through June 30, 2019, include risk scores that are not applied to the Mississippi Hospital Access Program (MHAP) payments.

Magnolia Health

Effective October 1, 2018 – June 30, 2019

| Capitation Rates (excluding Risk Scores) | | | | | | | | | |
|--|----------|----------|-----------------|----------|----------|-----------------|----------|----------|-----------------|
| Region | North | | | Central | | | South | | |
| Rate Cell | Rate | Risk Adj | **Total Rate | Rate | Risk Adj | **Total Rate | Rate | Risk Adj | **Total Rate |
| Original Population | | | | | | | | | |
| SSI-Disabled | 1,106.86 | | 1,106.86 | 1,197.50 | | 1,197.50 | 1,285.90 | | 1,285.90 |
| Foster Care | 725.38 | | 725.38 | 758.41 | | 758.41 | 800.40 | | 800.40 |
| Breast/Cervical | 3,474.94 | | 3,474.94 | 3,773.17 | | 3,773.17 | 4,064.04 | | 4,064.04 |
| SSI-Disabled-Newborn | 7,272.57 | | 7,272.57 | 7,637.11 | | 7,637.11 | 8,100.38 | | 8,100.38 |
| | | | | | | | | | |
| Expansion Population | | | | | | | | | |
| MA Adult | 567.42 | | 567.42 | 614.89 | | 614.89 | 600.28 | | 600.28 |
| Pregnant Women | 599.72 | | 599.72 | 650.29 | | 650.29 | 634.73 | | 634.73 |
| Newborns 0-2 Months | 2,146.92 | | 2,146.92 | 2,251.93 | | 2,251.93 | 2,385.38 | | 2,385.38 |
| Newborns 3-12 Months | 378.54 | | 378.54 | 394.01 | | 394.01 | 413.68 | | 413.68 |
| | | | | | | | | | |
| MA Children | 279.84 | | 279.84 | 290.32 | | 290.32 | 303.63 | | 303.63 |
| Quasi-CHIP | 276.92 | | 276.92 | 287.25 | | 287.25 | 300.37 | | 300.37 |
| | | | | | | | | | |
| SED | 3,913.14 | | 3,913.14 | 4,107.58 | | 4,107.58 | 4,354.68 | | 4,354.68 |
| | | | | | | | | | |
| Delivery Kick Payment | 6,061.23 | | 6,061.23 | 6,643.06 | | 6,643.06 | 6,464.03 | | 6,464.03 |
| | | | | | | | | | |

*Capitation rate per July 25, 2018 Actuarial report Exhibit 6. **Total Rate includes base rate plus TPP add-on. Flat TPP add-on of \$72.92, including associated premium tax, across all non-delivery rate cells


- III. The effective date of this Amendment #2 shall be October 1, 2018.
- IV. 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 #2.

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

FOR DOM:

**Division of Medicaid
Office of the Governor
State of Mississippi**

By:  _____
**Drew L. Snyder
Executive Director**

Date: 9/24/2018

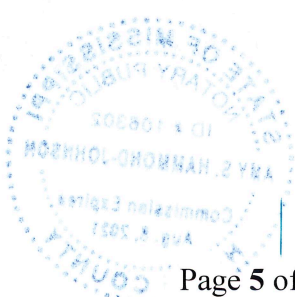
FOR CONTRACTOR:

Magnolia Health Plan, Inc.

By:  _____
**Aaron Sisk
President & Chief Executive Officer**

Date: 9/13/2018

MISSISSIPPI DIVISION OF
MEDICAID



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 Two** for and on behalf of said agency and as its official act and deed on the day and year therein mentioned.

September ^{24th} ~~24th~~ GIVEN under my hand and official seal of office on this the 24th day of September, 2018.

Saranne R. Smith
NOTARY PUBLIC

My Commission Expires:

4/7/19.



STATE OF MS
COUNTY OF Hinds

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

Sept. ^{13th} ~~13th~~ GIVEN under my hand and official seal of office on this the 13th day of Sept., 2018.

NOTARY PUBLIC

Amy S. Hammond-Johnson
NOTARY PUBLIC

My Commission Expires:

Aug 8, 2021

