

Addendum 11 – Additional Revisions to RFP

Document	Section	Change From:	Change to:
RFP	IV.H.4.b	The member or provider may file an appeal within 90 calendar days from the date on the MCO's Notice of Action.	The member or provider may file an MCO-level appeal within a timeframe that is not less than 20 calendar days and not more than 90 calendar calendar days from the date on the MCO's Notice of Action.
RFP	IV.H.7.c	The member or the member's representative (if any) may request a state fair hearing within 90 calendar days from the date of the MCO Notice of Action.	The member or the member's representative (if any) may request a state fair hearing within a timeframe that is not less than 20 calendar days and not more than 90 calendar days from the date of the MCO's notice of resolution.
Addendum 6	Q. 112	See Attachment 21: "Non-Medical Load Assumptions" which identifies the Non-Medical Load components used at each end of the rate range by COA and region.	See Attachment 21: "Non-Medical Load Assumptions" which identifies the Non-Medical Load components used at each end of the rate range by COA and region.  Currently, the 0.25% State Performance Penalty is loaded in to the rate as an at-risk incentive. When final rates are developed in early 2016, the 0.25% will be treated as a withhold and handled identically to the 1.5% Quality Performance Program. It will no longer be a component of non-medical loading.
Addendum 7	Q. 227	The MLTC Quality Performance hold-back is not factored into the risk corridor or the Minimum MLR. The MLTC Quality Performance hold-back is factored in to the Administrative Cap. It is required to be factored in to the administrative cap so that if an MCO earns the entire hold-back they will remain beneath the administrative caps required by statute. The State Performance Penalty is included in the minimum MLR, risk corridor, and the Administrative Cap.	The MLTC Quality Performance hold-back and the State Performance Penalty (SPP) are not factored into the risk corridor or the Minimum MLR. The MLTC Quality Performance hold-back and SPP are factored in to the Administrative Cap. It is required to be factored in to the administrative cap so that if an MCO earns the entire hold-back they will remain beneath the administrative caps required by statute.
Addendum 7	Q. 230	In terms of the actuarial certification, only the MLTC Quality Performance hold-back is considered a withhold.	Yes, both the MLTC Quality Performance hold-back and State Performance Penalties will be considered withholds in the actuarial certification.

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Addendum 7	Q. 249	See Attachment 21: “Non-Medical Load Assumptions”. NML is based on the experience of current Managed Care Entities.	See Attachment 21: “Non-Medical Load Assumptions”. NML is based on the experience of current Managed Care Entities.  Currently, the 0.25% State Performance Penalty is loaded in to the rate as an at-risk incentive. When final rates are developed in early 2016, the 0.25% will be treated as a withhold and handled identically to the 1.5% Quality Performance Program. It will no longer be a component of non-medical loading.
Addendum 7	Q. 254	The rates shown in the “Medical PMPM” columns of Attachment 11 are gross MLTC hold-back (1.5%) and net State Performance Penalties (0.25%). The rates shown in the “Developed Rate” and “Total Rate” columns of Attachment 11 are gross MLTC hold-back (1.5%) and gross State Performance Penalties (0.25%). The State Performance Penalties is considered a component of non-medical load and is added in along with other administrative funding.	The rates shown in the “Medical PMPM” columns of Attachment 11 are gross MLTC hold-back (1.5%) and net State Performance Penalties (0.25%). The rates shown in the “Developed Rate” and “Total Rate” columns of Attachment 11 are gross MLTC hold-back (1.5%) and gross State Performance Penalties (0.25%). The State Performance Penalties was originally considered a component of non-medical load and was added in along with other administrative funding. When final rates are developed in early 2016, the 0.25% will be treated as a withhold and handled identically to the 1.5% Quality Performance Program. It will no longer be a component of non-medical loading.
Addendum 7	Q. 341	See response to Question #33.	Yes, both the MLTC Quality Performance Program and the State Performance Penalty are excluded from the revenue calculation of the risk corridor. Please see Attachment 40 for an example of the exclusion.

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Addendum 9	Q. 67	This information will be posted to the procurement website no later than December 24, 2015.	<p>The risk corridor calculation formula in Section IV.P.9.c is amended as follows:  “Risk corridor profit/loss = qualifying revenue  -MLR rebate  -Net qualified medical expenses calculated for the risk corridor  -Total allowed administration calculated for the administrative cap”  This indicates that activities to improve health care quality may be considered a medical expense for the MLR calculation but will be considered an administrative expense for the risk corridor calculation. Activities to improve healthcare quality should be reported under the total allowed administration calculated for the administrative cap, under the risk corridor calculation.</p> <p>Please see Attachment 40.</p>
Addendum 9	Q. 68	This information will be posted to the procurement website no later than December 24, 2015.	<ol style="list-style-type: none"> <li>1. The UNMC portion of the revenue and expenses will be included in the MLR and Risk Corridor calculations.</li> <li>2. The earned revenue used in the MLR and Risk Corridor calculations should exclude the QPP hold-back. As such, both the earned and unearned portions of the 1.5% hold-back are excluded from the calculations.</li> <li>3. The earned and unearned portion of the 0.25% Performance Penalty are excluded from the risk corridor and MLR calculations.</li> </ol> <p>Please see Attachment 40.</p>
Addendum 9	Q. 69	This information will be posted to the procurement website no later than December 24, 2015.	Please see Attachment 40.
Addendum 9	Q. 70	This information will be posted to the procurement website no later than December 24, 2015.	Please see Attachment 40.

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Addendum 9	Q. 72	<p>All items on this list will be considered in the rate certification in the Spring of 2016. In addition to the items on this list, the Maternity case rate will be revisited to capture pharmacy and behavioral health costs. Additionally, the State's actuaries anticipate using additional runout from FFS data and current Managed Care entities. No changes to the base period are anticipated.</p>	<p>All items on this list are aspects of rate setting that will be revisited in the Spring. In addition to the items on this list, the Maternity case rate will be revisited to capture pharmacy and behavioral health costs. Additionally, Optumas anticipates using additional runout from FFS data and current Managed Care entities. As part of receiving the updated data extracts the rate setting process will be revisited, but at this time it is not anticipated that a new base period will be used. Currently, the 0.25% State Performance Penalty is loaded in to the rate as an at-risk incentive. When final rates are developed in early 2016, the 0.25% will be treated as a withhold and handled identically to the 1.5% Quality Performance Program. It will no longer be a component of non-medical loading.</p>
Addendum 9	Q. 74	<p>This information will be posted to the procurement site no later than December 24, 2015.</p>	<p>1) and 2):  Hepatitis C expenditures occur in two aid categories in Rating Region 1 and two categories in Rating Region 2. In Rating Region 1, the AABD 21+ M&amp;F cohort has a Hepatitis C PMPM of \$18.55 and a non-Hepatitis C PMPM of \$356.37. The Family 21+ M&amp;F cohort has a Hepatitis C PMPM of \$1.22 and a non-Hepatitis C PMPM of \$76.12. In Rating Region 2 the AABD 21+ M&amp;F cohort has a Hepatitis C PMPM of \$25.14 and a non-Hepatitis C PMPM of \$439.50, and the Non-Dual Waiver cohort has a Hepatitis C PMPM of \$17.66 and a non-Hepatitis C PMPM of \$360.20.</p> <p>3) This information is not available.</p>