



ADDENDUM #1

CARE MANAGEMENT RFP # 12-DHHS-CM-01

On October 17, 2011 the New Hampshire Department of Health and Human Services published a request for proposals, seeking multiple MCO's to implement a Care Management Program for all Medicaid enrollees.

Change contract period as specified in Section 1.3 Contract Period;

Delete;

"The initial term of the contract will be 24 months.

The Department may offer contract extension(s) for three additional periods of one year each, for a total contract term of five years."

Replace with;

"The initial term of the contract will be 36 months.

The Department may offer one contract extension for a period of 24 months, for a total contract term of 5 years."

Section 3.2;

Delete matrix (three sections) on page 31 and 32

Replace with matrix on page 4 and 5 of this Addendum

Section 3.2;

Clarification; DHHS has outlined a timeline for the full development of Step 2 that takes into account stakeholder engagement, CMS approval and contract negotiations with the selected Step 1 MCOs. DHHS does not intend to issue a separate Request for Proposal for Step 2 or Step 3.

Section 3.5.5;

Member Hotline

Delete sentence "The Member Hotline is an automated system that should operate between the hours of 8:00 a.m. to 5:00 p.m. Monday through Friday, and at all hours on weekends and holidays."

Section 3.17;

Lock-In Programs

Delete:

- a. The MCO shall institute a Pharmacy Lock-In Program for members in accordance with the criteria established and approved by DHHS and the State of New Hampshire DUR Board.



New Hampshire Medicaid Care Management Program

Replace with:

- a. The MCO shall institute a Pharmacy Lock-In Program for members in accordance with the criteria, as described in Appendix D, established and approved by DHHS and the State of New Hampshire DUR Board.

Section 6.3;

Delete: "(not to exceed one hundred (100) pages)" in its entirety

Add to end of Section 6.13;

MCOs are expected to achieve provisional NCQA accreditation by January 2013 and achieve NCQA full certification by July 2014.

Delete

Q87 Besides lock-in programs, describe other fraud and abuse prevention programs that you would propose to operate across the FFS program and the MMI.

Replace with;

Q87 Besides lock-in programs, describe other fraud and abuse prevention programs that you would propose to operate.

Section 7.5;

Delete:

- RBC ratio was less than 2.0 for the most recent year filing

Replace with:

- RBC ratio less than specified in Section 7.3 of the RFP

Section 7.11.1;

Delete:

(see section Xxto be released separate from this RFP)

and delete:

(to be released separate from this RFPsee Appendix YY)

Replace both with:

(released separate from this RFP document)

Section 7.11.3;

Delete:

A supplemental maternity kick payment shall be made to all Coos hospital maternity cases. The amount of the kick enhancement shall be described in the databook and be passed in full to the Coos hospitals.

Section 7.11.3;

Add:

7.11.3a Newborn Kick Payment

For each live birth, DHHS will make a one-time newborn kick payment to the MCO with whom the mother is enrolled on the date of birth. This payment is a global fee to cover



New Hampshire Medicaid Care Management Program

all newborn expenses incurred in the first two months of life, including all hospital, professional, pharmacy, and other services. For example, the newborn kick payment will reimburse all services provided in July 2012 and August 2012 for a baby born any time in July 2012. Enrolled babies will be covered under the MCO capitated rates thereafter. The MCO shall submit information on maternity events to DHHS. The MCO shall follow written policies and procedures for receiving, processing and reconciling maternity payments.

The Data Book contains estimates of the kick payment based on prior experience. Bidders may accept these estimates or provide their own alternative as specified in the Cost Proposal Template.

Section 7.11.5;

Delete:

“annually”

Replace with:

“from the monthly contract payments”

Section 7.11.6;

Delete:

“services provided”

Replace with:

“members covered”

Add Appendix D – Pharmacy Lock-In Criteria

Add Appendix E – Enrollment by Town

Add Appendix F – County Map



New Hampshire Medicaid Care Management Program

3.1 Covered Populations and Services Matrix

Members	Step 1	Step 2	Step 3	Excluded/ FFS
OAA/ANB/APTD/MEAD/TANF/Poverty Level - Non-Duals ¹	X			
Foster Care - With Member Opt Out	X			
Foster Care - Mandatory Enrollment (w/CMS waiver)		x		
HC-CSD (Katie Becket) - With Member Opt Out	X			
CHIP (transition to Medicaid expansion)	X			
TPL (non-Medicare) except members with VA benefits	X			
Auto eligible and assigned newborns	X			
Medicare Duals - With Member Opt Out	X			
Medicare Duals - Mandatory Enrollment (w/CMS waiver)		X		
ACA Expansion Group			X	
Members with VA Benefits				X
Family Planning Only Benefit (in development)				X
Initial part month and retroactive/PE eligibility segments (excluding auto eligible newborns)				X
Spend-down				X
QMB/SLMB Only (no Medicaid)				X

Services	Step 1	Step 2	Step 3	Excluded/ FFS
Maturity & Newborn Kick Payments	X			
Inpatient Hospital	X			
Outpatient Hospital	X			
Inpatient Psychiatric Facility Services Under Age 22	X			
Physicians Services	X			
Advanced Practice Registered Nurse	X			
Rural Health Clinic & FQHC	X			
Prescribed Drugs	X			
Community Mental Health Center Services	X			
Psychology	X			
Ambulatory Surgical Center	X			
Laboratory (Pathology)	X			
X-Ray Services	X			
Family Planning Services	X			
Medical Services Clinic (mostly methadone clinic)	X			
Physical Therapy	X			
Occupational Therapy	X			
Speech Therapy	X			
Audiology Services	X			

¹ Per 42 USC §1396u-2(a)(2)(A) Non-dual members under age 19 receiving SSI, or with special healthcare needs, or who receive adoption assistance or are in out of home placements, have member opt out.



New Hampshire Medicaid Care Management Program

Podiatrist Services	X			
Home Health Services	X			
Private Duty Nursing	X			
Adult Medical Day Care	X			
Personal Care Services	X			
Hospice	X			
Optometric Services Eyeglasses	X			
Furnished Medical Supplies & Durable Medical Equipment	X			
Non-Emergency Medical Transportation (current admin. expense)	X			
Ambulance Service	X			
Wheelchair Van	X			
Fluoride Varnish by Primary Care Physicians (New Service) ²	X			
Services	Step 1	Step 2	Step 3	Excluded/ FFS
Acquired Brain Disorder Waiver Services		X		
Developmentally Disabled Waiver Services		X		
Choices for Independence Waiver Services		X		
In Home Supports Waiver Services		X		
Skilled Nursing Facility		X		
Skilled Nursing Facility Atypical Care		X		
Inpatient Hospital Swing Beds, SNF		X		
Intermediate Care Facility Nursing Home		X		
Intermediate Care Facility Atypical Care		X		
Inpatient Hospital Swing Beds, ICF		X		
Glenclyff Home		X		
Developmental Services Early Supports and Services		X		
New Substance Abuse Benefit Allowing MLDACs		X		
Home Based Therapy - DCYF		X		
Child Health Support Service - DCYF		X		
Intensive Home and Community Services - DCYF		X		
Placement Services - DCYF		X		
Private Non-Medical Institutional For Children - DCYF		X		
Crisis Intervention - DCYF		X		
Intermediate Care Facility MR				X
Medicaid to Schools Services				X
Dental Benefit Services				X

² MCOs must provide for payment to American Academy of Pediatrics trained & annually certified primary care providers and pediatricians who conduct an oral exam, provide age appropriate anticipatory guidance and risk assessment and apply fluoride varnish to the teeth, when clinically appropriate, of members aged 6-36 months during well child care no more than twice per year."



APPENDIX D

NH DEPARTMENT OF HEALTH AND HUMAN SERVICES OFFICE OF IMPROVEMENT & INTEGRITY PHARMACY LOCK-IN PROGRAM

Purpose

The purpose of the recipient pharmacy lock-in program is to identify and manage recipients with abusive patterns of obtaining prescription medications, by restricting or “locking” them into one primary pharmacy to obtain all prescription medications.

Background

The Office of Improvement & Integrity, Surveillance Utilization Review (SURS) unit manages a Pharmacy Lock-In Program (PLIP). The program was implemented in 2003 in accordance with federal and state law, and NH Administrative Rule He-W 570, Pharmaceutical Services, to monitor and identify the overuse and/or unnecessary or inappropriate use of prescription drugs by New Hampshire Medicaid Recipients.

SURS reviews drug/medical history profiles for Medicaid clients/recipients and investigates provider referrals of possible recipient over utilization. Based on the information reviewed, SURS will then decide whether or not to lock-in the recipient. If a recipient is locked-in, the recipient will be able to fill prescriptions at only one pharmacy. If there is an emergency, and the pharmacy they are assigned to is not open, the recipient may obtain a 3-day fill on the prescription from another pharmacy. There are approximately 71 active Pharmacy Lock-In cases.

Lock-In Process

Recipients are locked-in only after SURS performs a thorough review of the data and the evidence supports a conclusion of excessive, inappropriate prescription use. Each month a report is generated to identify Medicaid recipients who meet Lock-In criteria definitions using lock-in criteria as recommended by Pharmacy Therapy Advisory Committee (PTAC) and approved by DHHS. While the report may identify 200 or more recipients who meet the Lock-In criteria, each recipient is further reviewed for medical conditions that might justify the necessity for them utilizing more than one Pharmacy, more than one Physician or excessive outpatients visits. A recipient’s medical condition may justify higher usage of narcotic medications (i.e. a terminal cancer diagnosis).

SURS notifies recipients, in writing, of their enrollment into the Pharmacy Lock-In Program at least 30 days, prior to the effective date of their enrollment. The written notification provides recipients with:

- The date of their enrollment
- Instructions regarding selection of a specific pharmacy as their only source for obtaining all prescribed drugs; and
- Information regarding their right to appeal pharmacy lock-in and request a fair hearing if they disagree with the DHHS’ decision.

The recipient responds with selected pharmacy and SURS will notify the selected pharmacy and confirm their acceptance of the recipient into the lock-in program. If the recipient fails to select a pharmacy within the required time period SURS will select a pharmacy based on recipient location and past claims history of most utilized pharmacy and will notify the pharmacy and confirm their acceptance of the recipient into the lock-in program. The recipient is notified of the pharmacy selection. ‘

The recipient screen in First Health is updated to lock-in status, the lock-in pharmacy and effective dates.

The recipient may appeal the lock-in decision within 30 days from the initial notification. If the recipient appeals the lock-in within the 30 days, the lock-in process stops until the appeals hearing is completed.



New Hampshire Medicaid Care Management Program

If the decision is upheld – continue with the lock-in process. If the decision is reversed – remove the recipient from the lock-in process

Case Management

Six months following the end of the lock-in period, the recipient is re-reviewed to determine if they continue to meet criteria for remaining in the lock-in program. If the recipient does not meet criteria, a confirmation letter is sent advising them they are no longer under review. If the recipient continues to meet more than two criteria for the lock-in program, the initial period will be extended for an additional 24 months. The recipient will be notified of the extended lock-in period and the pharmacy will be notified of the continued lock-in status. The recipient may appeal the extended lock-in decision within 30 days from the date of notification.

Criteria

- 3 or more pharmacies used by a recipient within 90 days
- 3 or more physicians prescribing within 90 days
- 2 or more ER visits within 90 days; or Exceeds the ER and physician visit service limits as outlined in He-W 530.03
- 100 units per prescription per 7-day supply
- 3 or more meds prescribed of the same drug class within 90 days
- Same or similar drug obtained within 2 days from different pharmacies
- If a recipient is identified as meeting one criteria they will be monitored every 3 months
- If a recipient is identified as meeting 2 criteria, a warning letter is sent
- If a recipient meets 3 criteria, the lock-in process will be initiated
- Lock-in will occur once the time for appeal has expired
- 6 months following lock-in period a review is performed to determine if the recipient meets criteria for extended lock-in.
- If 2 criteria are met, a letter of warning is sent with a 3-month follow up.
- If 3 or more criteria are met, the recipient is locked-in for an additional 2 years

Warning Letters

If a recipient profile meets several of the criteria but not enough to be Locked-In then, the recipient is sent a warning letter that outlines the Lock-In criteria. This letter has been successful in changing the behavior of many recipients who subsequently decrease the amount of “doctor shopping” and over use of outpatient visits. Many also begin using fewer Pharmacies to fill their prescription. The Pharmacy Lock-In Rule and the specific criteria were approved/developed by the PTAC committee and only recipients who meet the specific criteria as noted in the rule can be Locked In. The Warning Letter was developed to “discourage” recipients from continuing/expanding their potential over utilization of likely harmful medications.

The federal regulating authority for the Pharmacy Lock In Program and Administrative Rules are as follows.

- 42 CFR 431.54 Allows states to restrict recipients to designated providers when the recipients have utilized services at a frequency or amount that is not medically necessary in accordance with utilization guidelines established by the state.
- 42 CFR 455.1 through 455.16-Requires the Medical agency to conduct investigations of abuse by recipients.
- 42 CFR 456.3-Requires the Medicaid agency to implement a statewide surveillance and utilization control program.
- Also, recipients suspected of “doctor shopping” could be restricted to one pharmacy for their Medicaid prescriptions.

He-W 570.07 Pharmacy Lock-In Program.

- a. DHHS shall conduct recipient utilization reviews in accordance with He-W 520.04 and in consideration of the recommendations of the DUR board pursuant to He-C 5010.07(j) to determine



New Hampshire Medicaid Care Management Program

- if prescribed drugs are being utilized at a frequency or amount that results in a demonstrated pattern of excessive or inappropriate utilization of services.
- b. If it is determined from the utilization review in He-W 570.07(a), that the recipient utilized excessive or inappropriate pharmaceutical services, the recipient shall be enrolled into the pharmacy lock-in program pursuant to 42 CFR 431.54(e), for a 12-month period.
 - c. Recipients shall be notified by DHHS, in writing of their enrollment into the pharmacy lock-in program, at least 30 days prior to the effective date of their enrollment.
 - d. The written notification to the recipient shall include:
 - (1) The date of their enrollment into the pharmacy lock-in program;
 - (2) Instructions for the recipient to choose a primary pharmacy, within 21 days of the date of the written notification, as their only source for obtaining all prescribed drugs;
 - (3) Notification that if the recipient fails to choose a primary pharmacy in accordance with (2) above, or the pharmacy is unwilling or unable to be the primary pharmacy, DHHS shall select a primary pharmacy for them based on their previous pharmacy use and geographical location; and
 - (4) The recipient's rights to appeal pharmacy lock-in and request a fair hearing, pursuant to 42 CFR 431.54 (e), and in accordance with He-C 204, if they disagree with DHHS' decision.
 - e. If the primary pharmacy is selected by the recipient pursuant to He-W 570.07(d)(2), DHHS shall notify the primary pharmacy in writing of its selection at least 7 working days prior to the effective date of the recipient's enrollment into the pharmacy lock-in program.
 - f. If the primary pharmacy is selected by DHHS pursuant to He-W 570.07(d)(3), DHHS shall notify the recipient and the primary pharmacy in writing of its selection at least 7 working days prior to the effective date of the recipient's enrollment into the pharmacy lock-in program.
 - g. Recipients enrolled in the pharmacy lock-in program shall have the following service restrictions:
 - (1) Recipients shall be identified through a claims transaction from the PBM to the pharmacy as having a service restriction that states "Medication Control. Recipient Restricted to Primary Pharmacy";
 - (2) Except as set forth in He-W 570.07(g)(3), only the recipient's primary pharmacy may receive payment from DHHS for drugs dispensed to a recipient with the restriction set forth in He-W 570.07(g)(1); and
 - (3) If a pharmacy other than the primary pharmacy determines that a recipient is unable to access his/her primary pharmacy, the non-primary pharmacy may contact the PBM for authorization to dispense a 72-hour emergency supply of a drug to a restricted recipient.
 - h. Recipients enrolled in the pharmacy lock-in program may change their primary pharmacy only upon:
 - (1) The request of the primary pharmacy;
 - (2) The recipient moving out of the primary pharmacy area; or
 - (3) The primary pharmacy disenrolling from the medicaid program.



New Hampshire Medicaid Care Management Program

- i. If DHHS implements a change pursuant to He-W 570.07(h), DHHS shall notify the new primary pharmacy and the recipient, in writing, of the effective date of the change.
- j. Eligible recipients who become ineligible for medicaid services during their pharmacy lock-in enrollment period, shall be reinstated into the pharmacy lock-in program for the balance of the enrollment period, lasting until the originally calculated ending date, should they again become eligible for medicaid services.
- k. Prior to the end of the 12 month enrollment period, DHHS shall conduct a review of the recipient's prior 6 months of utilization of pharmaceutical services pursuant to He-W 570.07(a) and in consideration of the recommendations of the DUR board pursuant to He-C 5010.07(j), to determine whether the recipient has continued to utilize excessive or inappropriate pharmaceutical services.
- l. If the utilization review in (k) above shows a demonstrated pattern of total improvement in the recipient's pattern of pharmacy utilization, the recipient shall be released from the lock-in.
- m. If the utilization review in (k) above shows a demonstrated pattern of some improvement in the recipient's pattern of pharmacy utilization, the recipient shall continue to be enrolled in the lock-in program for an additional 12 months.
- n. If the utilization review in (k) above shows a demonstrated pattern of no improvement in the recipient's pattern of pharmacy utilization, the recipient shall continue to be enrolled in the lock-in program for an additional 24 months.

Source. (See Revision Note at chapter heading He-W 500); ss by #5742, eff 12-1-93, EXPIRED: 12-1-99

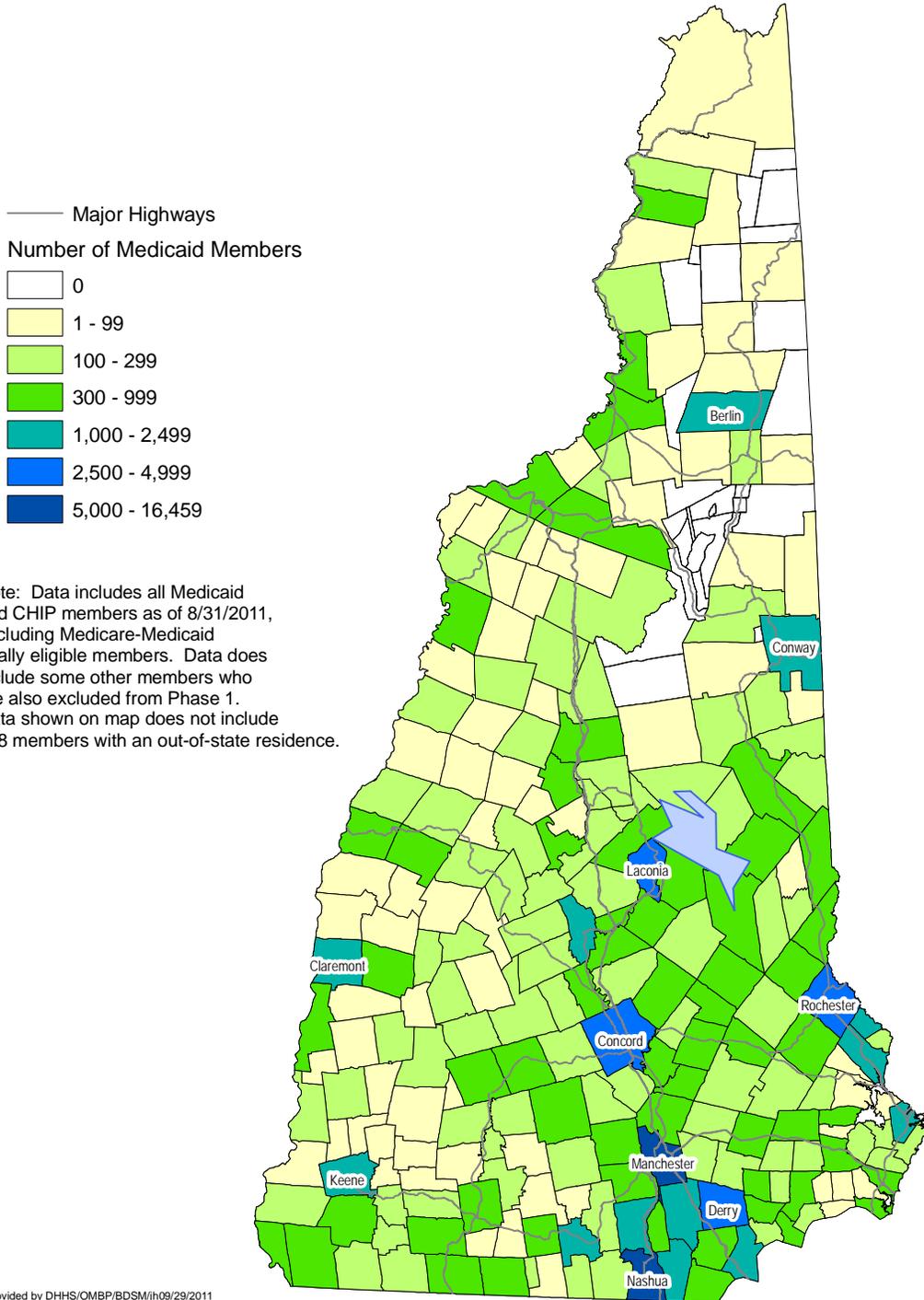
New. #7392, eff 10-28-00; ss by #7680, eff 4-20-02; ss by #7712, INTERIM, eff 6-22-02, EXPIRED: 12-19-02

New. #7805, eff 12-21-02; ss by #8636, eff 5-26-06; ss by #9586, eff 11-4-09



APPENDIX E

Enrollment by Town





New Hampshire Medicaid Care Management Program

NH Medicaid Non-Dual Members, August 31, 2011

City/Town	Medicaid Members
MANCHESTER	16459
NASHUA	8592
CONCORD	4462
ROCHESTER	4161
LACONIA	2547
DERRY	2506
DOVER	2368
CLAREMONT	2190
KEENE	1778
SOMERSWORTH	1663
BERLIN	1540
CONWAY	1437
FRANKLIN	1433
SALEM	1361
HUDSON	1356
PORTSMOUTH	1275
MILFORD	1120
MERRIMACK	1046
LONDONDERRY	1030
BELMONT	981
NEWPORT	949
FARMINGTON	938
SEABROOK	938
RAYMOND	864
LITTLETON	855
LEBANON	853
EXETER	829
HOOKSETT	777
WINCHESTER	770
OSSIPEE	756
SWANZEY	734
HILLSBOROUGH	704
HAMPTON	678
GOFFSTOWN	644
WEARE	638
JAFFREY	627
MEREDITH	618
NEWMARKET	614



New Hampshire Medicaid Care Management Program

City/Town	Medicaid Members
ALLENSTOWN	611
CHARLESTOWN	602
WAKEFIELD	598
BARRINGTON	596
PEMBROKE	591
PITTSFIELD	576
NEW IPSWICH	569
LANCASTER	555
PLYMOUTH	540
TILTON	535
BEDFORD	512
PETERBOROUGH	512
NORTHFIELD	505
EPPING	503
BRISTOL	501
MILTON	495
RINDGE	494
HINSDALE	487
HAVERHILL	484
WOLFEBORO	483
BARNSTEAD	480
GILFORD	465
CAMPTON	433
ALTON	410
PELHAM	408
EPSOM	398
PLAISTOW	378
LOUDON	375
COLEBROOK	361
WINDHAM	351
KINGSTON	350
BOSCAWEN	343
NORTHUMBERLAND	342
NORTHWOOD	336
LITCHFIELD	332
SANDOWN	321
HAMPSTEAD	317
HENNIKER	310
WILTON	305
ENFIELD	302



New Hampshire Medicaid Care Management Program

City/Town	Medicaid Members
BETHLEHEM	301
WHITEFIELD	299
ANTRIM	297
CANAAN	283
MOULTONBOROUGH	279
ASHLAND	278
AMHERST	277
GILMANTON	272
TROY	270
TAMWORTH	266
LISBON	263
BOW	243
GORHAM	242
DANVILLE	241
WALPOLE	240
HOPKINTON	237
NEW BOSTON	235
NOTTINGHAM	235
AUBURN	234
DEERFIELD	234
WARNER	234
FITZWILLIAM	233
GREENVILLE	228
STRAFFORD	225
FREMONT	223
STRATHAM	220
NEWTON	219
ROLLINSFORD	217
MIDDLETON	215
NEW HAMPTON	209
RUMNEY	208
SANBORNTON	207
NEW DURHAM	202
Out of State	201
NORTH HAMPTON	201
STRATFORD	200
BARTLETT	193
LINCOLN	187
LEE	186
CHESTER	185



New Hampshire Medicaid Care Management Program

City/Town	Medicaid Members
CANDIA	181
SUNAPEE	178
ATKINSON	175
BENNINGTON	175
HOLLIS	171
ALEXANDRIA	169
MARLBOROUGH	169
BROOKLINE	168
MADISON	165
TUFTONBORO	165
EFFINGHAM	164
ALSTEAD	160
ANDOVER	160
BRENTWOOD	151
WOODSTOCK	150
DANBURY	142
GREENFIELD	141
CHESTERFIELD	140
RICHMOND	140
NEWBURY	134
ORFORD	134
LEMPSTER	132
RYE	131
THORNTON	131
HILL	129
CHICHESTER	128
STEWARTSTOWN	128
BATH	125
DEERING	124
BRADFORD	123
GREENLAND	123
HOLDERNESS	123
WEBSTER	123
DUNBARTON	121
NEW LONDON	121
WARREN	119
CANTERBURY	115
DUBLIN	115
FREEDOM	115
CENTER HARBOR	113



New Hampshire Medicaid Care Management Program

City/Town	Medicaid Members
GRAFTON	112
SALISBURY	111
WASHINGTON	106
HANOVER	101
MILAN	97
DALTON	96
EAST KINGSTON	94
HANCOCK	93
JEFFERSON	93
LYNDEBOROUGH	93
WENTWORTH	90
HAMPTON FALLS	88
DURHAM	87
WESTMORELAND	87
PLAINFIELD	84
GOSHEN	83
GRANTHAM	82
HEBRON	82
TEMPLE	82
NELSON	81
SANDWICH	80
MADBURY	77
MONT VERNON	74
FRANCESTOWN	73
MARLOW	73
CORNISH	71
SPRINGFIELD	71
GILSUM	67
PITTSBURG	66
SUTTON	65
KENSINGTON	62
STODDARD	61
CARROLL	60
FRANCONIA	59
MONROE	57
SULLIVAN	55
ACWORTH	53
PIERMONT	53
STARK	51
WILMOT	51



New Hampshire Medicaid Care Management Program

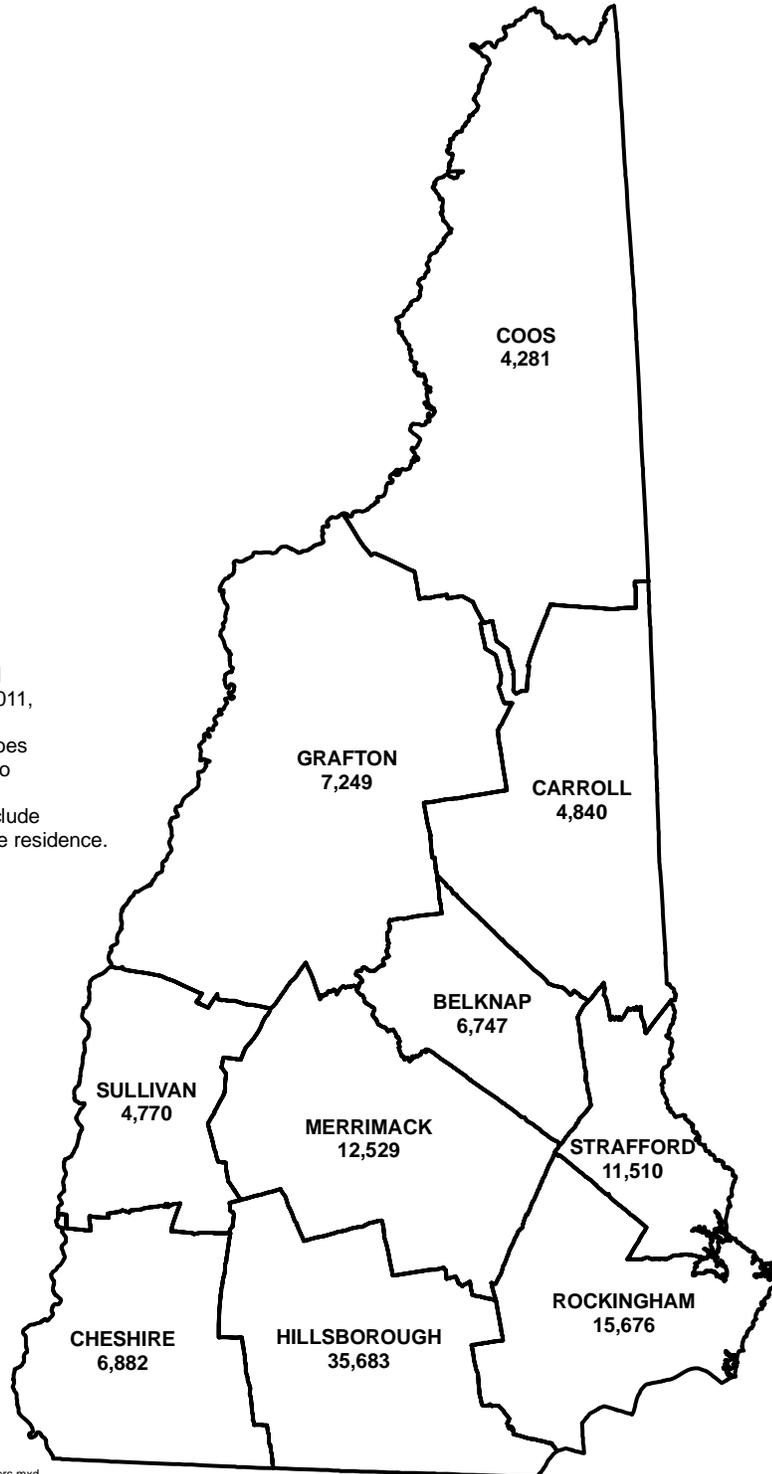
City/Town	Medicaid Members
ALBANY	49
LANGDON	48
LYMAN	48
CROYDON	47
NEWFIELDS	47
LANDAFF	45
BROOKFIELD	43
SURRY	41
UNITY	41
HARRISVILLE	40
WINDSOR	36
LYME	33
MASON	33
JACKSON	30
CLARKSVILLE	29
DORCHESTER	27
BENTON	25
CHATHAM	24
ROXBURY	24
BRIDGEWATER	23
ERROL	23
NEWINGTON	22
GROTON	21
SUGAR HILL	21
COLUMBIA	20
SOUTH HAMPTON	20
SHARON	17
SHELBURNE	17
DUMMER	16
EATON	16
EASTON	8
NEW CASTLE	8
ELLSWORTH	4
ORANGE	4
RANDOLPH	4
DIXVILLE	1
HALES LOCATION	1
WATERVILLE VALLEY	1



APPENDIX F

Enrollment by County

Note: Data includes all Medicaid and CHIP members as of 8/31/2011, excluding Medicare-Medicaid dually eligible members. Data does include some other members who are also excluded from Phase 1. Data shown on map does not include 158 members with an out-of-state residence.



Map provided by DHHS/OMB/BDSM/jh09/29/2011
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