

First Amendment to the Contract

This amendment modifies, to the extent specified below, the terms and conditions of the Contract for Iowa Medicaid Enterprise Member Services (the "Contract") between the State of Iowa, acting by and through the Department of Human Services ("DHS") and Iowa Foundation for Medical Care (the "Contractor") effective as of July 1, 2004. This Amendment is effective as of April 1, 2005 and will remain coterminous with the Contract.

Section 1. Amendment to Contract Attachment 5 of the Contract is amended as follows:

8.9.4 Contractor Responsibilities

11. No less frequently than every eight (8) quarters, review the member's utilization to determine if the problem(s) have been corrected. If utilization is still high, extend the restriction for two (2) additional years. If the problem(s) have been corrected release the member from restriction. Prepare and send notification letters to the primary care provider(s) and the member as approved by DHS.

12. After a member has been released from the lock-in program restriction, review the member's utilization after two (2) quarters to determine whether to reapply the Lock-In, and notify DHS of the results of the review. Prepare and send letters to the primary care provider(s) and the member as approved by DHS.

Section 2. Ratification

Except as expressly amended and supplemented herein, the Contract shall remain in full force and effect, and the parties hereby ratify and confirm the terms and conditions thereof.

Section 3. Authorization

Each party to this Amendment represents and warrants to the other that:

- 3.1 It has the right, power, and authority to enter into and perform its obligations under this Amendment.
- 3.2 It has taken all requisite actions (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Amendment, and this Amendment constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

Section 4.

This amendment is subject to and contingent upon CMS approval.

Section 5. Execution

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Amendment and have caused their duly authorized representatives to execute this Amendment.

State of Iowa, acting by and through the Iowa Department of Human Services

By: _____ Date: _____

Kevin W. Concannon
Director

Iowa Foundation for Medical Care

By: _____ Date: _____

Don Lovasz
Chief Executive Officer