

**Fifth Amendment to the Contract**

This Fifth Amendment to the Contract for Iowa Medicaid Enterprise Services (the "Contract") between the State of Iowa, Department of Human Services (the "Department" or "DHS") and Policy Studies Inc. (the "Contractor") effective as of July 1, 2004, is made pursuant to Section 19.6 of the Contract. This Fifth Amendment is effective as of January 1, 2008 and will remain coterminous with the Contract. The Amendment modifies, to the extent specified below, the terms and conditions of the Contract:

**1. Section 6.1 of the contract is hereby amended to read as follows:**

**Section 6.1.3 Payment for Consumer Directed Attendant Care (CDAC) Provider Background Checks and Payment for Expanded Enrollment Functions**

Payment shall be made for work performed pursuant to the Fifth Amendment in addition to the fixed rates set forth in 6.1 and prior amendments. The additional fixed rate payable pursuant to this Section 6.1.3 shall be invoiced monthly according to the payment schedule set forth in Attachment 11.

**For the scope of work as outlined in the Fifth Amendment the fixed rate is \$87,354 for the six months from January 2008 to June 30, 2008, or \$14,559 per month. This represents \$29,118 for Attachment 11 and \$58,236 for Attachment 12. Rates would remain consistent in the option years. This additional payment is contingent upon Contractor filling the positions referenced in Attachments 11 & 12 and keeping them filled during the period of time covered by the Fifth Amendment.**

**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.

**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.

**4. 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: \_\_\_\_\_  
Kevin W. Concannon, Director

Date: \_\_\_\_\_

**Policy Studies, Inc.**

By: \_\_\_\_\_  
Mark Levy, Executive Vice President

Date: \_\_\_\_\_

**Attachment 11****Individual Consumer Directed Attendant Care (CDAC) Provider Background Checks and Manual License Update Verification**

**Individual CDAC Provider Background Checks:** As part of the provider enrollment process, PSI will make referrals for a criminal background check on all individual CDAC providers, prior to completion of their enrollment.

**Assumptions:**

- This requirement only applies to individual CDAC providers.
- Individual CDAC enrollment remains (approximately) at the current rate of 161 new providers per month.
- Background checks will be done only at the time of initial enrollment. There will be no periodic/ongoing checks of providers who have successfully enrolled. This includes those providers who already enrolled, but are requesting approval for additional services.
- Provider Services will require a new authorization form from all individual CDAC provider candidates subject to the background check beginning January 1, 2008.
- Provider Services will not make referrals for a background check for existing providers. Only providers with an initial enrollment date after the specified contract start date will be referred.
- Provider Services will have a regular process (once a week) where a list of individual CDAC candidates are compiled on a spreadsheet and sent to [the appropriate state agency] to be researched.
- The state agency will provide to Provider Services a clear and timely response for each individual listed as either approved or not approved.
- Approved background checks will result in an individual CDAC provider being successfully enrolled and able to provide services.
- Provider Services will refer unapproved background checks [to DHS]. The provider will not be enrolled until Provider Services receives authorization from DHS.

**Manual Licensure Maintenance Verification:** As part of ongoing enrollment in the Medicaid program, Provider Services will manually verify and update provider license information. This will be done only in cases where an automatic check is not possible. The manual process will involve either checking a licensing authority via a website, if possible, or by requiring a hardcopy renewal document from a provider and ensuring that verification is inserted into the provider file in OnBase.

**Assumptions:**

- The IME Core unit will have an automated (license database check and MMIS update) process in place for all licenses attributable to an Iowa authority.
- The IME Core unit will attempt this same process for surrounding states that are willing to share licensure data with the IME.
- Provider Services would not exceed more than 10,000 files that need to be verified through the manual process on a yearly basis.
- Providers who do not supply current licensure information will have their provider numbers systematically terminated on MMIS.

Timeframe	FTE	Fixed Cost per month
January 1, 2008 – June 30, 2008	1 Permanent Staff	\$4,853
Option Year One	1 Permanent Staff	\$4,853
Option Year Two	1 Permanent Staff	\$4,853

Scope of Work: As part of the provider enrollment process, Provider Services will complete a referral for a criminal background check on all individual CDAC providers, prior to completion of their enrollment.

Provider Services will also conduct ongoing license verification for all licensed professional Medicaid providers.

**Key Activity:** Completion of background checks on individual CDAC providers

#### Contractor Responsibilities

- Obtain a signed release with each individual CDAC enrollment
- Complete referrals for background checks on individual CDAC providers
- Enroll individual CDAC providers if background check is approved
- Report on individual CDAC providers who do not have an approved background check
- Report monthly on individual CDAC background checks completed

#### Performance Measures

- 95% of individual CDAC applicants will be referred for criminal background check by the end of the week following the week in which they received a “complete” status\*.  
\*Note: the performance requirement for “complete” status is already in place (refer to section 6.3.2.2.7, standard 2 on page 379 of the original contract).
- 95% of all referrals returned to Provider Services will be processed within 5 business days (meaning either the application is given final approval if the referral is clear or notification is sent to specified DHS staff for direction if the referral is not clear).

**Key Activity:** Ongoing license verification

#### Contractor Responsibilities

- Verify online current license status
- If online verification is unavailable, call provider to send in license information and send paper verification request to the provider
- Update system with license numbers and end dates for continued enrollment

#### Performance Measures

- **Online:** If automatic verification not possible, but on-line verification is available: 95% of all licenses will be verified against an appropriate licensing authority (and the MMIS license end date will be updated) within 30 days after an MMIS license expiration date\*.

- **Manual:** If neither automatic nor on-line verification is available: 95% of all licenses will be solicited by both a letter and a phone call within 30 days after an MMIS license expiration date\*+.

\*Note: Updated licensure info is not always available for verification prior to expiration.

+Note: If and when license info is returned, it is subject to the existing change queue standards (refer to section 6.3.2.2.7, standard 5 on page 379 of the original contract).

**Attachment 12****Expanded and Comprehensive Enrollment Functions**

The current contract requires PSI to request additional funding prior to completing the work. At the time of implementation of these tasks, our estimation of the level of effort seemed manageable. However, as the totality of the tasks required to conduct these functions became apparent, PSI determined that additional resources were needed in the enrollment services area in order to continue to meet performance measures. We have already added two additional staff beginning March 1 and May 1, 2007. The two areas of expanded enrollment functions are:

- Expanded provider types
- I-MERS review

Six examples of comprehensive enrollment functions beyond our expectations are:

- Expanded timeframes for processing all applications due to some data elements being maintained in a separate database ([www.imeservices.org](http://www.imeservices.org))
- Based on data included in the RFP, the previous contractor received 678 new provider applications per month. Over the course of the most recent year available (Q4 '06 through Q3 '07), PSI has processed an average 895 new provider applications per month, or a 32% increase. This also follows a general trend of increasing applications processed at IME since implementation. In addition, over that same period, PSI has handled an average of 3273 phone inquiries in which the provider selected or was transferred to the enrollment unit. This is well above the 730 provider enrollment call average listed in the RFP, and also follows a general increasing trend.
- Additional applications processed. In SFY 08, (from July 2007 through November 2007), Provider Services has already received 5,390 new provider applications, or 1078 per month.
- Credentialing waiver service providers
- Updating HCPCT codes into ISIS (not just MMIS)
- Processing Long-term Care (LTC) applications, including defining and maintaining written processes

Timeframe	FTE	Fixed Cost per month
January 1, 2008 – June 30, 2008	2 Permanent Staff	\$9706
Option Year One	2 Permanent Staff	\$9706
Option Year Two	2 Permanent Staff	\$9706

Scope of Work: As part of the enrollment process, enrollment staff are responsible for entering data in two separate databases, processing a rise in the number of provider applications, credentialing waiver providers, updating HCPCT codes into ISIS, conducting I-MERS review, processing several new provider categories that have been added to the Medicaid program, and processing long-term care applications.

**Key Activity:** Expanded timeframes for processing all applications due to some data elements being maintained in a separate database ([www.imeservices.org](http://www.imeservices.org))

Contractor Responsibilities

- Track new enrollments to ensure data are transferred to other database ([www.imeservices.org](http://www.imeservices.org), hereinafter known as the “web tool”)
- Enter NPI and taxonomy codes to the web tool after the data transfer (usually overnight)

Performance Measures

- 95% of new enrollment NPI and taxonomy codes are added to the web tool within 2 business days after a provider file has been added to MMIS.

**Key Activity:** Additional applications processed

Contractor Responsibilities

- Process increased volume of requests for groups
- Process increased volume of provider applications (for example, the Mayo Clinic).

Performance Measures

- All existing performance standards apply (refer to section 6.3.2.2.7 of the original contract).

**Key Activity:** Credentialing Waiver Providers and adding HCPCT codes into ISIS

Contractor Responsibilities:

- Verify requirements are met to provide services under requested waiver program
- Forward and track application to HCBS Specialist if unable to determine whether requirements are met
- Enter approved application into MMIS and the database located at [www.imeservices.org](http://www.imeservices.org)
- Enter corresponding codes into ISIS for each program approved

Performance Measures

- All existing performance standards apply (refer to section 6.3.2.2.7 of the original contract).
- 95% of all HCBS services approved are added to ISIS within 2 business days after approval.

**Key Activity:** Expanded provider types

Contractor Responsibilities:

Enroll the following new provider types:

- Children’s Mental Health Waiver
- Remedial Services
- HCBS Habilitation Services
- Exception to Policy (Type 60, 61)
- PACE

Performance Measures

- All existing performance standards apply to the expanded provider categories (refer to section 6.3.2.2.7 of the original contract).

**Key Activity:** IMERS review

Contractor Responsibilities

- Review IMERS requests and key word required information into OnBase
- Verify all required information is received from provider
- When information is missing, contact provider to resend required information
- Verify the provider is active and one of the provider types approved to access IMERS information
- Send approved information to Data Warehouse for processing

Performance Measures

- 95% of all IMERS requests will be processed within 5 business days of receipt; for requests lacking all required information, a call is placed to the provider and the outcome is noted on the request.\*  
\*Note: requests that contain all necessary information are automatically forwarded to data warehouse through OnBase when completed.

**Key Activity:** Processing LTC Applications, defining and maintaining written processes

Contractor Responsibilities

- Complete Certification and Transmittals (C/T) received from Department of Inspections and Appeals (DIA)
- Process the seven different types of C/T's received from DIA, each with its own processing instructions:
  - Initial
  - Recertification
  - Termination
  - CHOW
  - Validation
  - Complaint
  - On-Site Visit
  - Other
- Update MMIS (certification spans, bed data)
- Update Facility Data Base (name of administrator to supplement MMIS)
- Send Completed C/T's back to DIA
- Send memo notifications to Provider Cost Audit
- Send memo notifications to ISIS staff
- Send notification to providers where appropriate
- Send, track, and verify provider contracts as appropriate

Performance Measures

- 95% of all actionable\* LTC documents will be processed within 5 business days of receipt.  
\*Note: some LTC request require documents from more than one source (DIA + CMS) in order to be “complete” and therefore actionable.