

Premium Assistance for Kids

This Attachment to the Medicaid Managed Care Service Agreement (“Attachment”) is made and entered into as of July 1, 2012 (“Effective Date”) by and between the State of New Mexico, Human Services Department and _____ hereinafter referred to as “CONTRACTOR”.

WHEREAS, CONTRACTOR was selected by HSD/MAD to participate in the Salud! and State Coverage Insurance (SCI) Programs (“Programs”) and the parties entered into a Managed Care Services Agreement No. PSC: _____ (“Agreement”) for the performance of such services; and

WHEREAS, in connection with the Programs, HSD/MAD has determined that it is in the best interests of the program and the citizens of the state of New Mexico to offer a program for enrollment of children to be known as the Premium Assistance for Kids (“PAK”) Program (Premium Assistance for Children pursuant to NMAC 8.171); and

WHEREAS, HSD/MAD and CONTRACTOR have agreed that the PAK will be offered utilizing an Individual Care Plan (\$500 deductible; 80%/20%) offered by CONTRACTOR or its affiliate; and

WHEREAS, CONTRACTOR and HSD/MAD have agreed pursuant to this Agreement to include the offering of the Product (as defined below) in this Agreement and to clarify the parties’ rights and obligations under the Agreement and in connection with the PAK.

NOW THEREFORE, the parties do hereby agree to the following:

1. Scope of Work

- 1.1 PAK Program. CONTRACTOR and HSD/MAD agree that the PAK program will be operated using all of CONTRACTOR’S standard operating procedures, including, but not limited to all underwriting and enrollment criteria, processes and requirements. CONTRACTOR and HSD/MAD agree that CONTRACTOR’S obligation hereunder will be satisfied by offering the Individual Care Plan referred to by CONTRACTOR as the _____ iPlan (\$500 deductible; 80%/20%) (“Product”), underwritten by _____, to PAK-eligible children. HSD/MAD acknowledges that it has been provided a copy of and has approved the form of the Product, including all applicable exclusions and limitations. A copy of the Product materials is attached hereto.
- 1.2 Eligibility. HSD/MAD agrees to inform the MCO of all eligible children through the weekly Potential Enrollees file. CONTRACTOR agrees to prepare a monthly reverse roster file which includes all individuals who have paid their portion of the monthly premium for enrollment, and to submit the reverse roster file in the required format in keeping with each monthly deadline to the Medicaid fiscal

Exhibit 3

- agent for purposes of calculation and payment of the HSD/MAD portion of the monthly premium.
- 1.3 **Payment.** CONTRACTOR shall be paid as follows: a set percentage of the monthly PAK premium as established by the HSD Secretary in response to available funding. In the event of such change, HSD/MAD will notify Contractor in writing 90 days in advance. No contract revision will be required in such instance. In the event of nonpayment of either portion, CONTRACTOR will apply its standard procedures with respect to nonpayment of premium. CONTRACTOR agrees that it will not be entitled to any additional administrative reimbursement.
 - 1.4 **Materials.** CONTRACTOR shall utilize existing Product materials including, but not limited to, ID cards, Handbook, Provider Directory, educational materials, Policies and Procedures and operational processes for the Individual Care Plan.
 - 1.5 **Disenrollment.** CONTRACTOR agrees to report individuals disenrolled for failure to pay their portion of the monthly premium to HSD/MAD on the roster.
 - 1.6 **Cooperation.** CONTRACTOR agrees to cooperate and participate in other processes and functions determined to be essential to the orderly administration of the PAK as mutually agreed upon in writing by both parties.
 - 1.7 **Applicability.** Except as expressly provided in this Attachment, no other article, term or provision of the Agreement shall apply to the PAK program.