LOUISIANA DEPARTMENT OF HEALTH

MCO Amendment 3
Attachment A3 – Changes to Attachment A, *Model Contract*

Item	Change From	Change To	Justification
1	4.5.1 In accordance with the **MCO Financial Reporting Guide** and 42 CFR §438.8, the Contractor shall provide an annual Medical Loss Ratio (MLR) report following the end of the MLR reporting year.	4.5.1 In accordance with the **MCO Financial Reporting Guide** and 42 CFR §438.8, the Contractor shall provide a~~n annual~~ Medical Loss Ratio (MLR) report ~~following the end of the~~ for each MLR reporting year, which shall align with the capitation rating period, except in circumstances in which the MLR reporting period must be revised to align to a CMS-approved capitation rating period.	This revision is to comply with the CMS requirement to align the MLR reporting period with the capitation rate year, in accordance with 42 C.F.R. §438.74.
2	4.7.4 Zolgensma Risk Pool Arrangement The amount of the risk pool, if applicable, will be determined by the projected Zolgensma costs incorporated into annual capitation rates as described in the rate certification. Maximum allowable cost per Claim will be based on FFS reimbursement (wholesale acquisition cost plus professional dispensing fee). LDH will redistribute funds among MCOs based on the actual Zolgensma costs, net of TPL. The Contractor shall follow FFS clinical criteria for Zolgensma. The Zolgensma risk pool will be settled following the conclusion of the annual contract period.	4.7.4 ~~Zolgensma~~ High-Cost Drug Risk Pool Arrangement The amount of the high-cost drug risk pool, if applicable, will be determined by the projected utilization and cost per service of these drugs during the rating year and will be ~~Zolgensma costs~~ incorporated into annual Cc~~a~~pitation Rr~~a~~tes as described in the rate certification. ~~Maximum allowable cost per Claim will be based on FFS reimbursement (wholesale acquisition cost plus professional dispensing fee).~~ LDH will redistribute funds among MCOs based on the methodology determined by the State's contracted actuary and described in the rate certification. ~~actual Zolgensma costs, net of TPL. The Contractor shall follow FFS clinical criteria for Zolgensma.~~ The ~~Zolgensma~~ high-cost drug risk pool will be settled following the conclusion of the annual contract period.	This revision adds four high-cost drugs to the risk pool as a risk mitigation strategy.