

C.1. Subcontracts

- a. Describe the Vendor’s approach to subcontracting services for this Contract, and how the Vendor will ensure ongoing collaboration with Subcontractors for a streamlined and coordinated approach to serving Enrollees and Providers.
- b. Describe how the Vendor will ensure responsiveness of its Subcontractors to all requests from DMS for reporting, data and information specific to operation of the Medicaid managed care program. How will Subcontractors be held accountable for a delay in or lack of response?
- c. Provide a listing, including roles and locations, of known Subcontractors that will support the Contract resulting from this RFP.
- d. Describe the relevant experience of each Subcontractor. Indicate whether the Vendor has subcontracted with the entity for prior contracts of similar size and scope.

Passport Highlights: Subcontracts

How We’re Different	Why it Matters	Proof
Passport constantly identifies strategies to streamline subcontractor management	<ul style="list-style-type: none"> Streamlined functions reduces risk for DMS; fewer “moving parts” and less complication; closer alignment with DMS goals 	<ul style="list-style-type: none"> PBM relationship with CVS/Caremark transformed for added transparency
Passport has longstanding relationships with its subcontractors	<ul style="list-style-type: none"> Passport has clearly established data linkages, created operational efficiencies, and possesses a clear understanding of subcontractor performance and capabilities; this lowers risk to DMS of a full-scale subcontractor implementation 	<ul style="list-style-type: none"> Average length of Passport’s subcontractor relationships is six years
Proactive meetings with Passport and subcontractor Compliance Departments to discuss any ongoing issues, changes to regulatory or performance requirements, HIPAA safeguards and sharing of best practices	<ul style="list-style-type: none"> Alignment allows Passport to proactively address DMS goals, identify challenges, and issue remediation 	<ul style="list-style-type: none"> Monthly standing meetings between Passport compliance and subcontractor compliance teams

Introduction

Passport is fully responsible for subcontractor performance and has carefully selected subcontractors that have proven records of providing high quality services. Passport integrates subcontractors into its delivery model to maximize better access, care, outcomes and financial results. Passport's current subcontract relationships have met all DMS requirements, including but not limited to DMS approval of underlying subcontracts.

Our subcontractors are carefully vetted and due diligence is performed in alignment with our provider- and community-driven governance structure. As part of due diligence, a procurement team works with the appropriate Passport business owner to identify the scope of the need to be subcontracted. Possible vendors are identified and assessed with a specific focus on the vendors' outcomes, quality measures and experience, including facilities assessments to ensure IT security and Protected Health Information (PHI) security are properly addressed. We also review the cost proposal to ensure that we are leveraging the best value for the health plan, the Commonwealth and our members. Furthermore, we contact references and fully consider any past regulatory, compliance or legal issues that a potential subcontractor may have encountered. Once contracted, our subcontractors are managed through ongoing performance measurement and oversight.

As a National Committee for Quality Assurance (NCQA) accredited health plan, oversight is provided through our Delegation Oversight Committee (DOC), which reports to Passport's Compliance Committee and ultimately to the Passport Board of Directors. The DOC oversees the auditing and performance monitoring for each subcontractor, including performance requirements for all delegated functions; required reporting and interfaces; review of financial operations and payments for services; and a review of contract compliance, logged complaints and functional performance measurements. Frequent monitoring and communication ensure that we keep our subcontractors on track and aligned with DMS program goals. In addition, accountable Passport business owners are aligned to each subcontractor to assist with consistent management and oversight.

We continue to evolve our relationships with our subcontractors. For example, Passport recently entered into an agreement with CVS/Caremark that enhances CVS/Caremark's accountability and incentives to perform while improving Passport's oversight of its service delivery. The contractual agreement changed to a pass-through pricing model for claims processing, which allows for easier, transparent monitoring of claims payment to pharmacies and insight into rebating metrics. Ultimately, we work with our subcontractors to ensure the best possible stewardship of the Commonwealth's funds and maximization of resources for the benefit of our members. We ensure DMS approval of all proposed subcontractors, and we hold ourselves and our subcontractors accountable for every dollar spent and every action taken.

C.1.a. Describe the Vendor’s approach to subcontracting services for this Contract, and how the Vendor will ensure ongoing collaboration with Subcontractors for a streamlined and coordinated approach to serving Enrollees and Providers.

Passport’s Approach to Subcontracting Services

Passport uses a carefully selected and tightly managed set of subcontractors in its delivery of service to members and providers and fulfillment of contractual requirements. Subcontractors are integrated into our operational model when they support better access, care, quality outcomes and financial results. These relationships bring specialized expertise and support efficient service delivery. Additionally, Passport only selects subcontractors that demonstrate an alignment with its mission of improving the health and quality of life for members. Passport is fully accountable for the end-to-end delivery of its obligations to DMS, members, providers and the community. This accountability informs our carefully vetted selection and due diligence of subcontractors.

We select subcontractors only after due diligence is performed by our procurement team working with internal leaders overseeing clinical or operational functions. We perform a required NCQA pre-delegation audit prior to contracting with a prospective subcontractor. We also perform security assessments on select external subcontractors with access to PHI as well as those required for contractual or regulatory purposes. We use a combination of questionnaires and on-site assessment to confirm that our vendors maintain an environment that protects the privacy and security of our member data. These due diligence activities confirm that our subcontractors are fully compliant with Section 6.1 of RFP Attachment C, the Draft Medicaid Managed Care Contract and Appendices.

We monitor subcontractors through our provider- and community-driven governance structure, using multilayered oversight to ensure satisfactory subcontractor performance.

Subcontractor Oversight Responsibilities

To meet DMS commitments, a straight line of accountability exists within the Passport organizational structure, beginning with the DOC, which is comprised of the director of compliance, the delegation oversight manager, the chief operating officer and appropriate operational or clinical leaders. The DOC reports through our compliance organization and is central in overseeing subcontractors to which utilization and/or quality management, credentialing, member services, provider services, claims operations and other administrative functions have been delegated. The DOC reviews all contractual metrics for each subcontractor, including service-level agreements (SLAs), performance reports and Quality Improvement (QI)/Utilization Management (UM) reports (if applicable). It also reviews the NCQA’s annual delegation audit to ensure compliance with all federal, state, Department and contract requirements as well as any pre-delegation assessments prior to the effective date of new delegation contracts.

Our Quality Medical Management Committee (QMMC) oversees all DOC activities as they pertain to subcontractors and our NCQA accreditation. The QMMC is comprised of our chief medical officer, quality

director, NCQA coordinator and various Passport clinical leaders. The QMMC provides oversight and input for quality improvement and accreditation activities throughout the health plan, provider network and subcontractor relationships. With its focus on quality, the QMMC ensures these delegated entities work as one, so neither members nor providers experience abrasion as a result of engaging with delegates. We want every interaction to be seamless, whether Passport directly provides the service or it is provided by a subcontractor. Our Board of Directors gives the QMMC clear authority and accountability for subcontractors relevant to NCQA accreditation.

At Passport’s highest operational levels, the executive leadership team (ELT) oversees appropriate, compliant performance of responsibilities to members, providers and DMS. Our structure supports a comprehensive approach to meeting Passport’s quality goals. Our commitment flows from our Board of Directors through the CEO, and spreads throughout the organization. Therefore, ELT members have designated oversight roles, of both functions and specific subcontractors, as presented in **Exhibit C.1-1**.

Exhibit C.1-1: Subcontractor Oversight and Internal Operations

Executive	Roles & Responsibilities	Responsible For:
Chief Operating Officer, Shawn Elman	Oversight of nonclinical contractual requirements: <ul style="list-style-type: none"> • Handles SLAs • Ensures delegates meet nonclinical needs of member, provider and DMS • Builds relationships for operational effectiveness • Sets operational priorities • Assesses delegates • Creates strong culture of compliance 	<ul style="list-style-type: none"> • Avesis Third Party Administrators, Inc. • Carenet Healthcare Services • CVS/Caremark Pharmacy • Evolent
Chief Medical Officer, Dr. Stephen Houghland	Oversight of clinical contractual requirements: <ul style="list-style-type: none"> • Ensures delegates meet the clinical needs of member, provider and DMS • Builds relationships for clinical effectiveness • Handles clinical collaboration • Sets clinical expectations • Escalates concern Oversees quality program and ensures subcontractor adherence <ul style="list-style-type: none"> • Assesses delegates • Creates a strong culture of compliance 	<ul style="list-style-type: none"> • Beacon Health Options • Evolent
Chief Compliance Officer, David Henley	Oversight of delegated services model: <ul style="list-style-type: none"> • Delegates services manager • Reports plan, schedule and outcomes • Makes corrective action plans • Escalates concerns • Reports through Compliance Committee and Board • Communicates with DMS 	<ul style="list-style-type: none"> • Conduent • Evolent

Executive	Roles & Responsibilities	Responsible For:
Chief Financial Officer, Scott Worthington	Ensures delegates adhere to expectations, including applicable laws, regulations and guidelines; compliance program requirements <ul style="list-style-type: none"> Assesses delegates PHI Privacy and Security Creates a strong culture of compliance 	
	Oversight of all delegated services fiscal requirements: <ul style="list-style-type: none"> Reviews solvency and oversight, including financial metrics Handles risk and bond requirements Assesses delegates Creates a strong culture of compliance 	<ul style="list-style-type: none"> Evolent

Ensuring Subcontractor Collaboration for Streamlined and Coordinated Services

Passport’s subcontractors currently include organizations such as CVS/Caremark (pharmacy benefits manager), Avesis (dental and vision), Beacon (behavioral health), Conduent (subrogation) and Evolent (administrative and clinical). Passport’s relationship with its majority owner, Evolent, is also one where Evolent acts as a subcontractor. This relationship between Passport and Evolent is strategic in nature, with the subcontractor services and operations that Evolent provides being central to fulfilling Passport’s vision of an integrated clinical and administrative platform for better health outcomes and managed costs. Passport’s oversight of Evolent aligns with its oversight of any of its other subcontractors. Passport retains full responsibility for oversight and monitoring of all activities delegated to Evolent and ultimately for compliance with DMS and Centers for Medicare & Medicaid Services (CMS) regulations and requirements, just as it does for all of its subcontractors. Passport monitors Evolent’s performance under its subcontract (as well as its impact on Passport’s financial performance, level of services provided and quality of care rendered) through reasonable periodic on-site and remote audits, requests for information and reporting mechanisms in a manner consistent with applicable law. Passport documents Evolent’s compliance with Passport, Commonwealth and federal standards.

The average length of subcontractor/Passport relationship is six (6) years. Existing data linkages, operational efficiencies and known capabilities lower the risk to Department for Medicaid Services of full-scale subcontractor implementations.

Each subcontractor’s operations and performance serve as a critical link in the provider and member experience. To ensure performance meets all expectations and requirements, we use a multilayered management and controls structure that includes formal measurements, contract measurements reflecting DMS expectations and regular forums to review performance.

Operational processes provide a streamlined, coordinated approach to serving members and providers, presenting services and interactions as provided by Passport even when supporting subcontractors exist.

Examples include:

- Passport’s member and provider services teams act as the primary and central intake and support unit, directly addressing member and provider needs. Passport’s member service offers a seamless experience for members related to subcontractor services, as Passport’s team is able to directly address member needs related to benefits, claims, eligibility and finding providers, for example. Members and providers are always directed to the Passport call center for assistance.
- Passport’s member call center intakes all member calls regarding services, providers or benefits (including dental, vision, etc.). Member services representatives are trained for first-call resolution as a goal. A special support team can address escalated issues and will facilitate coordination and resolution with subcontractors, yet the member always interacts with a Passport representative.
- Passport’s provider network management representatives have counterparts at each subcontractor to serve as a resource. Passport representatives can facilitate resolution among subcontractors, and Passport staff always respond directly to provider inquiries.
- Protocols are in place across all subcontractors in the event a member eligibility discrepancy arises, so that issues around access to services or medications are avoided, such as leveraging Kentucky HealthNet to verify eligibility status or manually adding a member.
- If members or providers call a subcontractor, warm transfer protocols are used to connect them back to Passport for assistance.
- Provider appeals for claims are managed by the Passport Appeals team, which manages all subcontractor components and provides a centralized response.
- Subcontractors attend provider forums that align with their specialty such as the Kentucky Hospital Association meeting, behavioral health events such as Annual Pediatric and Behavioral and Mental Health Symposium, DMS forums and Passport’s annual workshops to directly hear issues and feedback from providers, closing the feedback loop and identifying opportunities to further strengthen service.

Oversight Management Structure

For each subcontractor, Passport created an oversight structure composed of individuals responsible for subcontractor performance. Each subcontractor oversight committee, focused on the business functions of the relationship, includes:

- Passport executive sponsor
- Passport business owner
- Operational leadership
- Compliance liaison
- Subcontractor manager providing direct monitoring of the vendor’s performance and adherence to contractual requirements
- Other Passport functions might participate in oversight, such as information security staff

For example, the Avesis subcontractor oversight committee is comprised of Passport’s chief medical officer, chief operating officer, claims manager, compliance director and associate director of vendor operations. Together, these staff members oversee the performance of their assigned subcontractor through contract metrics and SLAs.

Contract Measurement

Passport holds subcontractors accountable to metrics and SLAs in line with DMS contractual expectations, as well as a desire to support a smooth provider and member experience, with accountability to quickly drive resolution for any temporary disruption. For example, we expect one hundred percent (100%) responsiveness from our subcontractors when DMS inquiries or requests arise.

In addition to SLAs and DMS contractual requirements, Passport implements other reporting measures for certain operational indicators, such as:

- Authorization decision timeliness
- Authorization decision notice timeliness
- Authorization volume
- Service authorization outcomes
- Call center metrics
- Credentialing activity
- Appointment availability and access
- Financial
- Care management
- Network status
- Appropriate staffing to meet SLAs
- Utilization

As an example of SLA-specific measurements and reporting mirrored across all subcontractors and aligned to financial penalties, our pharmacy benefits manager CVS/Caremark is measured on established SLAs across several key performance metrics, including claims processing accuracy and availability, member services, encounter accuracy and timeliness. We also require CVS/Caremark to attest that all Senate Bill 5 reporting requirements are submitted completely and within required timeframes. Some examples of CVS/Caremark SLA commitments appear in **Exhibit C.1-2**.

Exhibit C.1-2: Examples of CVS/Caremark Service-Level Agreement Commitments

CVS/Caremark Service Level	CVS/Caremark Service-Level Metric
Average speed of answer	Thirty (30) seconds
First-call resolution	Ninety percent (90%)

CVS/Caremark Service Level	CVS/Caremark Service-Level Metric
Percent of calls abandoned (specialty services)	Three percent (3%) of incoming calls
Dispensing accuracy (home delivery and specialty services)	99.99% accurate
Pharmacy claim adjudication	Claims adjudication accuracy rate of ninety-nine percent (99%) for both retail and mail service pharmacies
Turnaround time for routine (clean) prescription (home delivery only)	Within two (2) business days on average
Turnaround time for prescription subject to intervention (home delivery only)	Within five (5) business days on average
Specialty promise to deliver	Ninety-eight percent (98%) of prescription dispensed from specialty pharmacy will be received by the member or physician on the scheduled delivery date
Timeliness standard reports	One hundred percent (100%) guarantee to provide data needed to run client’s standard management report available within fifteen (15) calendar days after the end of the month
Specialty pricing reporting	One hundred percent (100%) guarantee to provide quarterly reporting indicating new specialty drugs and proposed discounts and pricing changes to contracted drugs
Management report timeliness	One hundred percent (100%) guarantee that all management reports shall be delivered to sponsor within required timeframes
Encounter file submission	One hundred percent (100%) guarantee that CVS/Caremark reports and submits encounter records in the format specified by the Department, that all records submitted are accurate and timely, that the encounter data will be run every Friday and that the subcontractor will correct and resubmit any corrections within sixty (60) calendar days after the response file is received by the subcontractor

A representative sample of other SLAs in place with subcontractors appears in **Exhibit C.1-3**.

Exhibit C.1-3: Representative Samples of Other SLAs

Service Level	Metric
Authorization for urgent services	<ul style="list-style-type: none"> Ninety-eight percent (98%) of urgent/expedited requests will be completed within one (1) business day of receipt
Authorization for nonurgent services	<ul style="list-style-type: none"> Ninety-eight percent (98%) of nonurgent/standard requests will be completed within two (2) business days of receipt, with up to fourteen (14) business days to collect additional clinical information needed to make decisions if necessary
Eligibility data posting	<ul style="list-style-type: none"> Initiate the load of the daily and monthly eligibility files within eight (8) hours upon receipt from Passport
Member eligibility issues	<ul style="list-style-type: none"> Notify Passport of member eligibility file discrepancies within one (1) business day of discovery
Third-party liability (TPL) updates (urgent)	<ul style="list-style-type: none"> Update a member’s TPL record within one (1) business day of an urgent request
TPL updates (nonurgent)	<ul style="list-style-type: none"> Update a member’s TPL record within three (3) business days of a nonurgent request
Claims adjudication	<ul style="list-style-type: none"> One hundred percent (100%) of all claims will be adjudicated within ninety (90) days of receipt
Encounter file submission	<ul style="list-style-type: none"> Submit all encounters processed within thirty (30) days of the date of full adjudication defined as the paid date
Encounter file pass rate	<ul style="list-style-type: none"> Ninety-five percent (95%) pass rate on first pass submission
Provider data maintenance and data entry and maintenance	<ul style="list-style-type: none"> Ninety-eight percent (98%) of terms will be completed within three (3) business days of requests Ninety-nine percent (99%) of new adds completed in seven (7) business days of request Ninety-eight percent (98%) new changes completed in ten (10) business of request One hundred percent (100%) urgent request completed in two (2) business days

All Passport subcontractor agreements require compliance with all DMS requirements, including but not limited to the filing of any templates. Passport will implement and administer DMS-required changes. Subcontractors are required to provide data and reporting to Passport’s compliance and operational teams, which Passport regularly reviews for completeness, accuracy and compliance with DMS requirements.

As documented in Passport’s policy UHC-GEN-33, Delegated Entity Oversight, Passport holds weekly and monthly operating meetings with subcontractors to ensure open communication and timely resolution of any known issues or concerns. During these regular meetings with each subcontractor, Passport ensures that all relevant DMS reporting requirements are received and acknowledged by the subcontractor. For transparency and overall compliance, the subcontractor presents current metrics and briefs Passport on any open issues. This is to ensure a healthy and productive discussion of any issues, overall performance on contract deliverables and report accuracy/timeliness.

Regular Forums for Performance Reporting and Management

Passport uses several methods to monitor performance and collaborate with subcontractors. Our subcontractor analysts have a primary responsibility to serve as a conduit to each of our subcontractors. We regularly and proactively communicate with our subcontractors in the following forums:

- Weekly, monthly and/or quarterly meetings with dedicated subcontractor business owners and operational leads to review service-level objectives and overall performance satisfaction (meeting frequency can vary based on subcontractor and type of service)
- Weekly operational meetings to track important projects, issues with service impact and any outstanding performance improvement plans (subcontractors are required to self-report any potential issues, and we also discuss and establish execution plans for any DMS program changes and required coordination)
- Quarterly compliance collaboration calls hosted by Passport’s compliance team and subcontractors’ compliance teams to discuss adherence to contracts and to share best practices
- Monthly DOC meetings to review metrics and issues and to make recommendations for corrective actions
- Monthly performance reviews with Evolent’s compliance team and owners of the subcontractor relationships and programs
- Monthly operations review for overall Passport performance SLAs to determine where subcontractor performance is supporting or impacting overall SLA achievement and member/provider experience

SLA monitoring is a critical task performed throughout the subcontractor oversight processes and committees as noted above. This information is also reported regularly to Passport’s ELT and to the DOC. The information flows upward through the DOC to the Compliance Committee and the Board of Directors. Should SLA performance issues occur, Passport takes action. For example, if a subcontractor issue impacts a member’s quality of care, Passport immediately levies a corrective action plan (CAP), and Passport’s compliance team actively monitors the CAP’s remediation.

Collaboration and Coordination with Subcontractors

Passport’s extensive experience with subcontractors provides valuable lessons. We have learned from them and have designed an infrastructure that helps to reduce redundancy, clear paths of accountability and integration, and improve collaboration and coordination. The forums noted above are key to concerted collaboration with subcontractors, which is especially important when working to apply significant programmatic changes. For example, we have worked very closely with subcontractors on changes,

including copay applications, substance use disorder programs and eligibility data. The planning and execution of such changes take into account:

- Member care and provider services
- Collective review of DMS requirements
- Determinations of system readiness or gaps
- End-to-end adjustments and impacts to engage all impacted operational areas
- Coordination on timing and critical milestones from both the program readiness and internal build perspectives
- Defined data expectations and needs
- Established roles and responsibilities for joint efforts
- A project plan with assigned project leaders
- Tracking through execution
- Initiating testing as readiness is approached and after go-live to ensure stabilization

Spotlight: Collaboration and Coordination with CVS/Caremark for Pharmacy Services

As a primary example of a refined approach to subcontractor collaboration coordination and deepened partnership, Passport recently amended its contract with CVS/Caremark, our PBM. Passport and CVS/Caremark recently created a transparent PBM, removing confusion around the economics of pharmacy service. Beginning January 1, 2020, Passport and CVS/Caremark entered into a pass-through pricing agreement. This agreement requires CVS/Caremark to provide the necessary reporting to demonstrate contract compliance with pricing transparency requirements. This reporting will also ensure appropriate reimbursement of claims to Kentucky pharmacy providers. Compliance with pass-through pricing requirements are monitored via claims-level detail reporting from our PBM. These reports include the transaction details required to compare the actual amount paid to pharmacies vs. the amount CVS/Caremark charges Passport for the transaction. Passport's contract with CVS/Caremark requires CVS/Caremark to comply with all DMS pharmacy network requirements, including the prohibition of direct or indirect remuneration, membership fees and retrospective remuneration models.

Passport continues to work collaboratively with DMS and CVS/Caremark on pharmacy-related initiatives such as our Pharmacy Lock-In Program, which is designed for members to receive medically necessary medical and pharmacy benefits at the appropriate time, place and frequency. These and other initiatives are managed and explored in periodic sessions. This effort provides a model for future subcontractor management opportunities.

C.1.b. Describe how the Vendor will ensure responsiveness of its Subcontractors to all requests from DMS for reporting, data and information specific to operation of the Medicaid managed care program. How will Subcontractors be held accountable for a delay in or lack of response?

Ensuring Subcontractor Responsiveness to DMS

All Passport subcontractor agreements require subcontractors to comply with all DMS requirements and commit to implementing and administering DMS-required changes. Subcontractors are required to provide data and reporting to Passport, where it is reviewed for completeness, accuracy and compliance. Subcontractors must also provide timely responses to any ad hoc inquiries. As noted, we hold our subcontractors to the same high standard (one hundred percent [100%] responsiveness) that DMS expects of Passport when responding to DMS inquiries.

Passport's subcontractor contracts include penalties for nonperformance, including lack of timely response to DMS inquiries. Subcontractors are responsible for penalties that may be assessed by the Department that fall under their sole, direct responsibility, furthering alignment with Passport and DMS goals.

In the event of delays, Passport escalates, including bringing the issue for ELT review, and, depending on the level of severity, will require the subcontractor to submit to a performance improvement plan, address a Letter of Concern (LOC), comply with a CAP, or in the most severe of cases, could lead to subcontractor termination.

Oversight and Improving Performance Through Corrective Action Plans

Passport's subcontractor agreements contain escalating action steps for noncompliance with contractual obligations and can include placing a subcontractor under a LOC, requiring a CAP with specific remediation requirements, imposing financial penalties, or termination. By establishing expectations at the time of contracting, Passport incentivizes subcontractors' fulfillment of obligations to fully comply with DMS requirements.

LOCs or CAPs are used to communicate best practices, significant deficiencies or material weaknesses. Issues are identified through any oversight group, including Passport's DOC, the subcontract operations manager, executive sponsors, business owners or other leadership. Metric and SLA reporting are reviewed for trends on a monthly, quarterly and annual basis to measure subcontractor performance. If this performance is found deficient, we immediately issue a LOC or CAP. Passport's delegation oversight representative works with the subcontractor to ensure adoption of best practices and to remediate all identified deficiencies.

CAPs are tracked monthly, or as otherwise pertinent, by Passport's compliance team. CAP status is reported up through the Compliance Committee and ultimately to the Passport Board. An example of how we track CAP reporting appears in **Exhibit C.1-4** and would be accompanied by an extensive narrative on each specific issue causing the need for corrective action and CAP to resolve it.

Exhibit C.1-4: Sample Monthly Inventory of CAPs

Monthly Inventory of Corrective Action Plans

Business Area	Beginning Balance	New Issues	Completed Issues	Ending Balance
CVS Operations	1	-	-	1
Dental Claims Processing	3	-	-	3
Investment Management	1	-	1	-
Marketing	1	-	-	1
Pharmacy Claims & Rebates	4	-	-	4
Vision Claims Processing & Payment	3	-	-	3
Total	13	0	1	12

- C.1.c. Provide a listing, including roles and locations, of known Subcontractors that will support the Contract resulting from this RFP; and
- C.1.d. Describe the relevant experience of each Subcontractor. Indicate whether the Vendor has subcontracted with the entity for prior contracts of similar size and scope.

Subcontractors Supporting This Contract and Their Experience

Passport’s proposed subcontractors for this contract and their subcontracting experience of similar size and scope with Passport is listed in **Exhibit C.1-5**. As noted, the average length of our relationships with these subcontractors is six (6) years.

This exhibit addresses the section requirements of both questions C.1c and C.1d listed above.

Exhibit C.1-5: Passport Health Plan Subcontractors

<p>Proposed Subcontractor</p>	<p>Avesis Third Party Administrators, Inc. <i>Location:</i> 10324 S. Dolfield Rd Owings Mills, MD 21117</p>
<p>Service Category</p>	<p>Dental Vision</p>
<p>Status of Contract</p>	<p>Current contract with Passport supporting KY Medicaid for dental and vision services</p>
<p>Original Passport Contract Date</p>	<p>2012</p>
<p>Subcontractor Experience and Service Description</p>	<p>Passport partners with Avesis for its dental and vision services and network. Avesis performs network contracting and maintenance, utilization management, claims processing and payment, as well as participating in program integrity activity. Avesis provides essential vision, dental, and hearing care programs for millions of members. Avesis has 35 years of proven expertise in designing and administering innovative vision, dental, and hearing care programs; in-depth knowledge of the ever-changing landscape of government sponsored programs; and regulatory insight into the unique challenges facing the Medicaid, CHIP, and Medicare Advantage populations. Avesis was recently acquired by Guardian Insurance. Guardian has been in the insurance industry for 150 years, providing financial and structural stability to the Avesis organization. Avesis presents Passport’s membership with integrated solutions such as:</p> <ul style="list-style-type: none"> • HbA1C diabetic testing of dental patients in the office, expanding access to preventive services for members at risk of or diagnosed with diabetes. • IV Sedation provides anesthesiologist teams to dental offices so more advanced surgeries and procedures can be performed without going to a hospital, allowing members to receive their care in a familiar setting with reduced wait times and lower costs. • Opioid Prevention reduces the opioid prescribing routines of providers by monitoring prescribing patterns, providing education and communication to ensure providers stay within recommended prescribing guidelines, and offering-peer-to-peer instruction on appropriate prescribing • Diabetic screening of members in optometry and ophthalmology practices

Proposed Subcontractor	Infomedia Group, Inc. d/b/a Carenet Healthcare Services <i>Location:</i> 11845 Interstate 10W San Antonio, TX 78230
Service Category	24-hour Nurse Line
Status of Contract	Current Passport Subcontractor supporting KY Medicaid
Original Passport Contract Date	2012
Subcontractor Experience and Service Description	<p>Carenet provides our 24-hour nurse line to allow members direct access to medical professionals. This service gives members a multilingual educational library. Over 100 of the nation’s premier health plans, healthcare organizations and Fortune 500 companies use Carenet Health as an extension of their organizations, connecting with consumers and members on their behalf. Carenet supports over 50 million healthcare consumers across the country. Powered by technology, best-in-class partners and high-quality talent, their virtual care solutions provide members with 24/7 access to exactly the level of care they need, when they need it. Carenet provides immediate symptom assessment, referral services, and patient education services, helping them avoid the ER, urgent or even primary care visits when possible. Nurse lines serve an essential function for a Medicaid MCO, providing access and extended patient-centric service to members, both within and outside of normal Passport member service operating hours.</p>

<p>Proposed Subcontractor</p>	<p>Beacon Health Strategies, LLC <i>Location:</i> 200 State Street Boston, MA 02109</p>
<p>Service Category</p>	<p>Behavioral Health</p>
<p>Status of Contract</p>	<p>Current Passport Subcontractor supporting KY Medicaid</p>
<p>Original Passport Contract Date</p>	<p>2012</p>
<p>Subcontractor Experience and Service Description</p>	<p>For more than 30 years, Beacon has been a leader in behavioral health management, serving 40 million people across 50 states. With over 70 U.S. locations, Beacon has:</p> <ul style="list-style-type: none"> • 4,700 employees nationally, serving more than 40 million people • 180 employer clients, including 43 Fortune 500 companies • Partnerships with 65 health plans serving commercial, FEP, Medicaid, Medicare, and Exchange populations • Programs serving Medicaid recipients and other public sector populations in 25 states and the District of Columbia • Services for 5.4 million military personnel and families • Leader serving dual-eligible beneficiaries in six states • Accreditation by both URAC and NCQA <p>Under a recent revised agreement, we fundamentally transformed our relationship, increasing Beacon’s level of accountability and creating incentives to out-perform in the areas of access and care standards. Under our new capitated arrangement:</p> <ul style="list-style-type: none"> • Passport and Beacon will build and deliver an integrated whole person care model • Passport will maintain control of the provider network • Passport will have authority over utilization management changes • Passport will hold Beacon accountable for successful delivery of administrative services through a rigorous oversight structure that includes more stringent SLAs with higher penalties tied to termination • Passport will increase the accountability of our integrated whole person model by reporting progress on the structure with more stringent SLAs to the BHAC, which reports up through Passport’s governance structure to our Board of Directors <p>Passport will increase the accountability of Beacon’s operational performance by reporting on the more stringent SLAs to the Delegation Oversight Committee which also has a pathway ending with the Board of Directors</p>

Proposed Subcontractor	Conduent Payment Integrity <i>Location:</i> 510 West Parkland Dr. Sandy, UT 84070
Service Category	Subrogation
Status of Contract	Current Passport Subcontractor supporting KY Medicaid
Original Passport Contract Date	2013
Subcontractor Experience and Service Description	<p>Conduent provides general subrogation, Mass Tort claim identification services and recovery, carrier billing & reclamation. Over the last three years, Conduent has recovered over half a billion dollars on behalf of its subrogation clients. Conduent’s differentiated offerings touch millions of lives every day, including two-thirds of all insured members in the U.S. Whether it’s digital payments, claims processing, benefit administration, customer care or distributed learning – Conduent serves a majority of the Fortune 100 companies and more than 500 government entities.</p> <p>Conduent Clients include:</p> <ul style="list-style-type: none"> • Blue Cross / Blue Shield Plans • HMOs • TPAs • Traditional Insurance Carriers • Governments • Taft-Hartley Benefit Funds • Self-Insured Corporations <p>Conduent is the world’s largest provider of diversified business process services for businesses and governments, specializing in healthcare and regulatory compliance. Passport contracted with Conduent as a delegate to handle Passport’s subrogation needs. Part of being a good steward of Medicaid funds includes having a comprehensive subrogation program in place to support Medicaid’s role as the payer of last resort.</p>

<p>Proposed Subcontractor</p>	<p>CVS/Caremark Pharmacy <i>Location:</i> 8300 Norman Center Dr., Suite 800 Bloomington, MN 55437</p>
<p>Service Category</p>	<p>PBM</p>
<p>Status of Contract</p>	<p>Current Passport Subcontractor supporting KY Medicaid</p>
<p>Original Passport Contract Date</p>	<p>2016</p>
<p>Subcontractor Experience and Service Description</p>	<p>CVS/Caremark is our Pharmacy Benefit Manager. As the largest PBM in the U.S., CVS/Caremark serves 21 million members in 30 managed Medicaid markets and is one of the largest national PBMs for Medicaid members. It operates four mail order pharmacies and offer broad capabilities that include formulary management and clinical services. On behalf of Passport, CVS/Caremark contracts and manages our network of more than 1,200 pharmacies in Kentucky, and is responsible for credentialing and management, processing pharmacy claims at the point-of-sale, providing administrative and encounter reporting and managing rebate agreements, and produces and distributes our pharmacy Explanation of Benefits (EOBs). The primary goal of Passport’s Pharmacy Program is to ensure our members have access to timely, necessary and appropriate pharmaceutical services. The Passport Pharmacy Program focuses on the safety of our members while managing an effective and efficient pharmacy benefit design based upon evidence-based medications, regulatory requirements and contract provisions.</p> <p>Passport and CVS/Caremark recently took steps to improve the member, provider and DMS experience. We amended our contract to create a transparent PBM, removing some of the confusion around the economics of pharmacy services. Passport continues to work collaboratively with DMS and CVS/Caremark on pharmacy-related initiatives such as our Pharmacy Lock-In Program, designed for members to receive medically necessary medical and pharmacy benefits at the appropriate time.</p>

Proposed Subcontractor	Evolent Health LLC <i>Location:</i> 800 N. Glebe Rd., Suite 500 Arlington, VA 22203
Service Category	Management and operational services, including specialty UM
Status of Contract	Current Passport Subcontractor supporting KY Medicaid
Original Passport Contract Date	2015
Subcontractor Experience and Service Description	<p>Evolent partners with Passport to provide quality improvement, case management, disease management, continuity and coordination, utilization management, credentialing & re-credentialing, complaints & appeals, member connections, finance, health integration, human resources, information technology, provider network management, claim processing, adjudication and payment and member services. Evolent partners with leading health care organizations to achieve superior clinical and financial results in value-based care and under full-risk arrangements. With a provider heritage and over 20 years of health plan administration experience, Evolent partners with over 35 health care organizations to actively manage care serving over 3.4 million lives across Medicare, Medicaid, commercial and self-funded adult and pediatric populations.</p> <p>Evolent’s services also include oncology and cardiology Specialty Care Management. A proprietary platform brings together clinical capabilities, pharmacy management and physician engagement to assist better manage the large and complex specialties of cancer and cardiac care for members 18 years and older, resulting in better outcomes and more cost-effective care. Quality management guidance for the full scope of diagnostic and clinical interventions, preauthorization management, and Preferred Pathway recommendations are central areas of expertise.</p>

Conclusion

Passport carefully selects subcontractors that help us to maximize better access, care, outcomes and financial results. Our subcontractors are carefully vetted, and due diligence is performed in alignment with Commonwealth requirements, NCQA accreditation standards and our provider- and community-driven governance structure. Our long-standing relationships with our subcontractors are evidence of the high quality services they perform for our providers, members and the Commonwealth, and provide substantially

less risk than a full-scale subcontractor recruitment effort. Passport’s rigorous oversight and monitoring activities help to avoid service issues and enable swift remediation should performance issues arise.

Passport has been honored to serve the Kentucky Medicaid and foster care populations for 22 years and will continue to comply with all provisions of the Medicaid Managed Care Contract and Appendices (including Kentucky SKY) as we continue to serve them in the future.