

## Appendix F: Material Subcontractor Response Template

<b>Proposer (MCO) name:</b>
UnitedHealthcare of Louisiana, Inc.
<b>Material subcontractor name:</b>
United Behavioral Health operating under the brand name of Optum Behavioral Health
<b>Description of the Proposer's role and material subcontractor's role:</b>
<p><b>Proposer's Role:</b> To provide high quality health care services statewide to Medicaid enrollees in the Louisiana Medicaid managed care program, while using the most cost-effective manner and in accordance with LDH's terms and conditions.</p> <p><b>Material Subcontractor's Role:</b> To provide behavioral health utilization management and case management; 24 hours a day, seven days a week integrated call center support for enrollees and providers to address routine, urgent and emergent call needs; behavioral health network management and development; behavioral health provider relations; behavioral health claims administration and quality management.</p>
<b>Explanation of why the Proposer plans to subcontract this service and/or function:</b>
<p>To support UnitedHealthcare of Louisiana in its mission of providing and coordinating high quality behavioral health care services statewide for Medicaid enrollees in the Louisiana Medicaid managed care program, using the most cost-effective manner and in accordance with LDH's terms and conditions.</p> <p>Optum Behavioral Health brings specialized expertise to support the behavioral health needs of Louisiana's Medicaid enrollees. Optum's emphasis on recovery and resiliency, innovations in service delivery and robust clinical programs help position the company as a strong partner to many different program types. UnitedHealth and Optum have a proven record of accomplishment with integrated Medicaid programs in 25 states, where they serve enrollees with similar needs to those enrolled in Louisiana Medicaid.</p> <p><b>For example, to best serve Louisiana enrollees and to meet LDH's goals, Optum Behavioral Health (Optum) will:</b></p> <p><b>Advance evidence-based practices, high-value care and service excellence</b>, via ongoing training, support and access to resources, such as the Behavioral Health Toolkit for primary care providers to advance evidence based practices and prescribing in non-behavioral health settings. For example, Optum will introduce Parent Child Integrative Therapy (PCIT) trainings to providers and lead efforts to expand the penetration of PCIT in Louisiana. Similarly, Optum's value-based contracting programs for medication-assisted treatment (MAT) will advance the use of evidence-based practices in the treatment of opioid use disorder (OUD). <b>(1.3.2.1)</b></p> <p><b>Support innovation and a culture of continuous quality improvement in Louisiana</b>, by focusing on improving follow-up after hospitalization. Examples include educating inpatient facilities on Express Access providers and providers on the importance of Follow Up After Hospitalization (e.g., ensure call and/or face to face visits are made for enrollees transitioning from acute psychiatric care to the community to assist with follow-up appointment adherence). <b>(1.3.2.2)</b></p> <p><b>Ensure enrollees ready access to care</b>, by offering a comprehensive network, which includes diverse service delivery (e.g., face-to-face visits, tele-mental health, etc.) and using paraprofessionals (e.g., peer support specialists and community health workers, etc.). Optum's innovations, such as virtual</p>

visits (i.e., on demand, in-home tele-mental health) and Express Access (urgent behavioral care) networks increase enrollee access to services and extends the availability of specialized providers.

**(1.3.2.3)**

**Improve enrollee health**, through local care management and delivery, and Optum's *Embedded Peer Program* at Northlake Hospital, where a peer meets with enrollees prior to discharge to help enrollees transition. Optum's *Onsite Inpatient Discharge Program* places behavioral health advocates (BHAs) onsite at three Louisiana facilities to perform discharge planning, removing barriers to discharge. Although recently introduced, both programs show potential to support enrollees' recovery and deter readmissions. These programs are supported by local Optum BH staff who reside in-state. Key positions—such as Optum's behavioral health medical director, clinical director, field based clinicians, peer, network director and provider relations staff—live and work in Louisiana. Their local presence has helped Optum to form strong partnerships with community resources and systems of care.

**(1.3.2.4)**

**Use a population health approach to maximize enrollee health, supported by health information technology, to advance health equity and address priority social determinants of health, which include housing, food insecurity, physical safety and transportation**, via the use of interdisciplinary care teams through their whole person care approach. This approach promotes enrollee self-management and recovery through natural supports and resources (e.g., wellness recovery action plans, whole health tracker and an educational enrollee portal). Optum staff is an integral part of integrated rounds (i.e., behavioral-medical); to do this, UnitedHealthcare and Optum share technology and advanced analytics to identify and address the needs of enrollees. **(1.3.2.6)**

**Minimize wasteful spending, abuse and fraud**, using claims algorithms and data analytics to evaluate and monitor outpatient utilization activity by comparing expected and historical norms. Optum's "Outpatient Practice Management Analytics Program" was recognized by the State of Louisiana as a best practice—recouping \$25,000,000 in savings in 2018. **(1.3.2.9)**

**A description of the material subcontractor's organizational experience:**

**United Behavioral Health operating under the brand name of Optum Behavioral Health**

Optum Behavioral Health (Optum) is one of the largest managed behavioral health organizations in the nation. Their behavioral health network—with 178,000 providers and over 3,900 facilities—offers specialty networks for autism, Express Access, medication-assisted treatment, tele-mental health and eating disorders—among other conditions, and it serves approximately 35,200,000 individuals. Currently, in Louisiana, Optum offers behavioral health programs and services for various population types (e.g., commercial, Medicare and Medicaid), where they serve more than 750,000 enrollees. For public sector experience, Optum has extensive experience serving all populations within the Medicare and Medicaid markets, including children, adults and seniors, and those with special needs and in long-term care. They manage approximately 7,000,000 Medicaid enrollees, which include behavioral health enrollees served through subcontracts via Optum's affiliate company, UnitedHealthcare Community Plan (UnitedHealthcare) for integrated physical and behavioral health programs in 25 states — including Louisiana, and via direct contracts with counties and in five states. Since 2015, Optum has provided behavioral health support and services for Healthy Louisiana recipients; currently, they serve more than 440,000 Louisiana enrollees, meeting the needs of the Medicaid population.

**The processes the Proposer will implement to monitor and evaluate the performance of the material subcontractor to ensure that all contract requirements are met and to determine the return on investment:**

We monitor and manage the performance of subcontractors through the mechanisms described below. These mechanisms facilitate our oversight of the subcontractors and allow us to evaluate performance, especially with respect to state contractual requirements. Unless otherwise noted, we use these approaches for our affiliate entities within UnitedHealth Group and nonaffiliate subcontractors:

- ***Operating Arrangements:*** The operating document incorporates a description of the required functions and service levels, the process by which we assess performance, the recourse we have if service standards or expectations are not met (including revocation of delegation or imposing other sanctions if the subcontractor's performance is inadequate), and the authority of Scott Waulters and the executive team to drive change. Relationships are constructed, formalized and managed with the consent of LDH, the subcontractor and UnitedHealthcare. LDH has the right to review and approve or disapprove all subcontracts for the services provided under this contract.
- ***Vendor Collaboration Meeting:*** As appropriate, we invite representatives from our subcontractors to our regular operations meetings, promoting understanding of how each functional area is dependent upon the success of the others. During these meetings, we provide direction for our subcontractors and verify their quality and effectiveness is sufficient to meet objectives. Local functional area business owners also report on subcontractor performance and measurements. Operations meetings include:
  - Feedback and oversight
  - Review of policies and procedures
  - Training and education
  - Monitoring of key performance indicators
  - Effective lines of communication
  - Responding to issues/escalating when necessary
- ***Joint Operating Committee (JOC):*** Our Joint Operating Committee monitors subcontractor performance on a monthly basis. An expedited meeting may be called to address critical issues in a timely manner as determined by our leadership and our subcontractor(s). The scope of the JOC includes developing compliance strategies and initiatives to support the subcontractor's performance such as:
  - Overall review of business performance
  - Assessment of key compliance/regulatory issues and risks
  - Audit planning and reporting
  - Escalation of issues, especially from local health plans
  - Review of fraud, waste and abuse prevention efforts
  - Confirmation of monthly checks of federal and state exclusion lists
  - Response to identified issues

Membership of the JOC includes Louisiana plan leadership, national representatives and key business leads from UnitedHealthcare's Community & State (Medicaid) organization, and operational partners.

- ***Dedicated Staff:*** We designate accountable relationship owners from the Louisiana health plan in the appropriate functional area to work with specific subcontractors. The local relationship owner works with regional and national relationship owners to perform this oversight. Subcontractors may require additional attention when their responsibilities are of a critical nature or where performance warrants additional oversight. We understand that such steps are necessary for high quality, given the size of our health plan and the large number of members and providers that depend on us. These staff members monitor and drive improvement in our subcontracted services.
- ***Statistics and Reports:*** Subcontractors are required to report key performance indicators on a monthly or basis. These reports allow UnitedHealthcare staff to monitor and evaluate subcontractors, as well as indicate action steps for improvements. Review of these statistics occurs in monthly and quarterly committee reviews.
- ***Collaboration Calls:*** During monthly or as appropriate collaboration calls, our CEO, COO and CMO (as needed), members of the local team meet with executives from our affiliate organizations, allowing for constant exchange of best practices, problem-solving and innovations that are working in other markets. Executives from our claims operations, member and provider services centers, provider contracting, pharmacy and other functional areas attend this meeting as needed. In addition, this dialogue allows our executive staff to provide direct feedback to our partners on their service quality and reinforce the prioritization of our Medicaid programs to promote contract compliance. UnitedHealthcare uses these overall monitoring approaches and mechanisms to identify and prioritize areas for improvement, set quantifiable goals and metrics, and communicate clear expectations. By creating a systematic approach to evaluate and improve our operations with our subcontractors, we have a process that promotes ongoing identification and remediation of operational challenges and implementation of best practices and innovations.
- ***Annual Review:*** We will conduct an annual review of the subcontractor's performance. This review will include, at a minimum, any performance concerns identified by LDH. We will provide LDH with a copy of the review and any corrective action plans developed as a result.

Instructions: The Proposer should attach the executed or draft contract and indicate compliance with each of the following checklist items by completing the “Location” column.

	Checklist Item	Location (Include Name of Document, Page Number, and Section Number/Letter)
1	Contain language that the subcontractor shall adhere to all requirements set forth for MCO subcontractors in the contract between LDH and the MCO and the MCO Manual, and either physically incorporate these documents as appendices to the subcontract or include language in the subcontract that the MCO shall furnish these documents to the subcontractor upon request.	Regulatory Appendix Pg. 10 Section 4.7
2	Include a signature page that contains an MCO and subcontractor name with titles that are typed or legibly written, subcontractor company name, and dated signature of all appropriate parties (applicable for executed contracts).	<b>Within Executed Contract</b> Base Agreement Pg. 14 Fifth Amendment Pg. 4
3	Specify the effective dates of the subcontract agreement.  <b><i>NOTE: it is the Fifth Amendment to the base agreement that added Medicaid to the base agreement. Previous amendments were not applicable to Medicaid.</i></b>	<b>Within Executed Contract</b> Fifth Amendment Pg. 1 Preamble Base Contract Pg. 8 Section 7
4	Specify that the subcontract and its appendices contain all the terms and conditions agreed upon by the both parties.	Regulatory Appendix Pg. 20 Section 6.3
5	Require that no modification or change of any provision of the subcontract shall be made unless such modification is incorporated and attached as a written amendment to the subcontract and signed by the parties.	Regulatory Appendix Pg. 20 Section 6.3
6	Specify procedures and criteria for any alterations, variations, modifications, waivers, extensions of the subcontract termination date, or early termination of the subcontract and that such change shall only be valid when reduced to writing, duly signed and attached to the original of the subcontract.	Regulatory Appendix Pg. 20 Section 6.3
7	Specify that the MCO and subcontractor recognize that in the event of termination of the contract between the MCO and LDH for any of the reasons described in the contract, the MCO shall immediately make available to LDH or its designated representative, in a usable form, any and all records, whether medical or financial, related to the MCO's and subcontractor's activities undertaken pursuant to the subcontract agreement. The provision of such records shall be at no expense to LDH.	Regulatory Appendix Pg. 7 Section 4.4(e)
8	Ensure the subcontractor shall not, without prior approval of the MCO, enter into any subcontract or other agreement for any of the work contemplated under the subcontract without approval of the MCO.	Regulatory Appendix Pg. 15 Section 4.22
9	Require that if any requirement in the subcontract is determined by LDH to conflict with the contract between LDH and the MCO, such requirement shall be null and void and all other provisions shall remain in full force and effect.	Regulatory Appendix Pg. 20 Section 6.1

	<b>Checklist Item</b>	<b>Location</b> (Include Name of Document, Page Number, and Section Number/Letter)
10	Identify the population covered by the subcontract.	Regulatory Appendix Pg. 1 Section 2.2
11	Specify that the services provided under the subcontract must be in accordance with the Louisiana Medicaid State Plan and require that the subcontractor provide these services to enrollees through the last day that the subcontract is in effect.	Regulatory Appendix Pg. 15 Section 4.23
12	Require that the subcontractor be currently licensed and/or certified under applicable state and federal statutes and regulations and shall maintain throughout the term of the subcontract all necessary licenses, certifications, registrations and permits as are required to provide the health care services and/or other related activities delegated by the MCO.	Regulatory Appendix Pg. 14 Section 4.20
13	Specify the amount, duration, and scope of benefits and services that are provided by the subcontractor.	Regulatory Appendix Pg. 17 Section 4.29
14	Provide that emergency services be coordinated without the requirement of prior authorization of any kind.	Regulatory Appendix Pg. 2 Section 3.1(b)
15	Require that if the subcontractor performs laboratory services, the subcontractor must meet all applicable state requirements and 42 C.F.R. § 493.1 and 493.3, and any other federal requirements.	Regulatory Appendix Pg. 18 Section 4.35
16	Require that an adequate record system be maintained for recording services, charges, dates and all other commonly required information elements for services rendered to MCO enrollees pursuant to the subcontract (including but not limited to such records as are necessary for the evaluation of the quality, appropriateness, and timeliness of services performed under the contract between LDH and the MCO). MCO enrollees and their representatives shall be given access to and can request copies of the enrollees' medical records, to the extent and in the manner provided by La. R.S. 40:1165.1 and 45 C.F.R. §164.524 as amended and subject to reasonable charges.	Regulatory Appendix Pg. 6 Section 4.4(b)
17	Include record retention requirements as specified in the contract between LDH and the MCO.	Regulatory Appendix Pg. 6 Section 4.4 (c)

	<b>Checklist Item</b>	<b>Location</b> (Include Name of Document, Page Number, and Section Number/Letter)
18	Shall make all program and financial records and service delivery sites open to CMS, the U.S. Office of the Inspector General (OIG), HHS, the State Auditor's Office, the Office of the Attorney General, Government Accountability Office (GAO), LDH, and/or any of their designees upon request, and shall provide them with timely and reasonable access and the right to examine and make copies, excerpts, or transcripts of all books, documents, papers, and records which are directly pertinent to a specific program for the purpose of making audits and examinations, contact and conduct private interviews with the subcontractor's clients, employees, and contractors, and do on-site reviews of all matters relating to service delivery as specified by the Contract. The rights of access in this provision are not limited to the required retention period, but shall last as long as records are retained. The subcontractor shall provide originals and/or copies (at no charge) of all records and information requested. Requests for information shall be compiled in the form and the language requested.	Regulatory Appendix Pg. 9 Section 4.5 (e)
19	INTENTIONALLY LEFT BLANK	
20	Whether announced or unannounced, provide for the participation and cooperation in any internal and external quality assessment review, utilization management, and grievance procedures established by the MCO and/or LDH or its designee.	Regulatory Appendix Pg. 14 Section 4.18
21	Specify that the subcontractor shall monitor and report the quality of services delivered under the subcontract and initiate a plan of correction where necessary to improve quality of care, in accordance with that level of care which is recognized as acceptable professional practice in the respective community in which the MCO /subcontractor practices and/or the standards established by LDH or its designee.	Regulatory Appendix Pg. 20 Section 6.2
22	Require that the subcontractor comply with any corrective action plan initiated by the MCO and/or required by LDH.	Regulatory Appendix Pg. 20 Section 6.2
23	Specify any monetary penalties, sanctions or reductions in payment that the MCO may assess on the subcontractor for specific failures to comply with subcontract and/or credentialing requirements. This shall include, but may not be limited to a subcontractor's failure or refusal to respond to the MCO's request for information, the request to provide medical records, credentialing information, etc.; at the MCO's discretion or a directive by LDH, the MCO shall impose at a minimum, financial consequences against the subcontractor as appropriate.	Regulatory Appendix Pg. 17 Section 4.32
24	Provide for submission of all reports and clinical information to the MCO for reporting purposes required by LDH.	Regulatory Appendix Pg. 16 Section 4.25

	<b>Checklist Item</b>	<b>Location</b> (Include Name of Document, Page Number, and Section Number/Letter)
25	Require safeguarding of information about MCO enrollees according to applicable state and federal laws and regulations and as described in contract between LDH and the MCO.	Regulatory Appendix Pg. 9 Section 4.6
26	Make full disclosure of the method and amount of compensation or other consideration to be received from the MCO.	<b>Regulatory Appendix</b> Pg. 22 Section 6.11 <b>Within Executed Contract</b> Amendment 7 Pg. 3 - 10
27	Provide that the subcontractor comply with LDH's claims processing requirements as outlined in the RFP.	Regulatory Appendix Pg. 22 Section 6.11
28	Provide that the subcontractor adhere to LDH's timely filing guidelines as outlined in the RFP.	Regulatory Appendix Pg. 16 Section 4.26
29	Provide that, if LDH or its subcontractors discover an error or a conflict with a previously adjudicated encounter claim, the subcontractor shall be required to adjust or void the encounter claim within fourteen (14) calendar days of notification by LDH or the MCO, or if circumstances exist that prevent the subcontractor from meeting this time frame, by a specified date approved by LDH.	Regulatory Appendix Pg. 16 Section 4.26
30	Specify that the subcontractor shall accept the final payment made by the MCO as payment-in-full for covered services provided and shall not solicit or accept any surety or guarantee of payment from LDH or the member(s). Member shall include the patient, parent(s), guardian, spouse or any other legally or potentially legally, responsible person of the member being served.	Regulatory Appendix Pg. 4 Section 4.1
31	Specify that at all times during the term of the subcontract, the subcontractor shall indemnify and hold LDH harmless from all claims, losses, or suits relating to activities undertaken pursuant to the contract between LDH and the MCO, unless the subcontractor is a state agency. For subcontractors that are not state agencies, the indemnification may be accomplished by incorporating such language from the contract between LDH and the MCO in its entirety in the subcontractor's agreement or by use of other language developed by the MCO and approved by LDH. For state agencies, the liability protection may be accomplished by incorporating language developed by the state agency and approved by LDH.	Regulatory Appendix Pg. 5 Section 4.2



	<b>Checklist Item</b>	<b>Location</b> (Include Name of Document, Page Number, and Section Number/Letter)
32	Require the subcontractor to secure all necessary liability, malpractice, and workers' compensation insurance coverage as is necessary to adequately protect the MCO's enrollees and the MCO under the subcontract. The subcontractor shall provide such insurance coverage upon execution and at all times during the subcontract and shall furnish the MCO with written verification of the existence of such coverage.	Regulatory Appendix Pg. 14 Section 4.19
33	Specify that the subcontractor agrees to recognize and abide by all state and federal laws, rules and regulations and guidelines applicable to the provision of services, and stipulate that Louisiana law, without regard to its conflict of laws provisions, will prevail if there is a conflict between the state law where the material subcontractor is based and Louisiana law.	Regulatory Appendix Pg. 18 Section 4.36
34	Provide that the agreement incorporates by reference all applicable federal and state laws, rules or regulations, and revisions of such laws, rules, or regulations shall automatically be incorporated into the subcontract as they become effective.	Regulatory Appendix Pg. 20 Section 6.1
35	Provide that the MCO and subcontractor shall be responsible for resolving any disputes that may arise between the two (2) parties, and that no dispute shall disrupt or interfere with the provisions of services to the MCO member.	Regulatory Appendix Pg. 21 Section 6.8
36	Include a conflict of interest clause as stated in the contract between LDH and the MCO.	Regulatory Appendix Pg. 17 Section 4.30
37	Specify that the subcontractor must adhere to the Quality Assessment Performance Improvement (QAPI) and Utilization Management (UM) requirements as outlined the contract between LDH and the MCO. The QAPI and UM requirements shall be included as part of the subcontract between the MCO and the subcontractor.	Regulatory Appendix Pg. 14 Section 4.18
38	Provide that all subcontractors shall give MCO immediate notification in writing by certified mail of any litigation, investigation, complaint, claim or transaction that may reasonably be considered to have a material impact on the subcontractor's ability to perform the services included in its contract with the MCO.	Regulatory Appendix Pg. 16 Section 4.29
39	Provide that in accordance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et. seq.) and its implementing regulation at 45 C.F.R. Part 80 (2001, as amended), the subcontractor must take adequate steps to ensure that persons with limited English skills receive free of charge the language assistance necessary to afford them meaningful and equal access to the benefits and services provided under the subcontract.	Regulatory Appendix Pg. 12 Section 4.12

	<b>Checklist Item</b>	<b>Location</b> (Include Name of Document, Page Number, and Section Number/Letter)
40	Contain no provision which restricts a subcontractor from subcontracting with another MCO or other managed care entity.	Regulatory Appendix Pg. 23 Section 6.14
41	Require that, when the MCO has entered into an alternative reimbursement arrangement with subcontractor, all encounter data must comply with the same standards of completeness and accuracy as required for proper adjudication of claims by the MCO.	Regulatory Appendix Pg. 16 Section 4.25
42	Require that the services to be provided under this subcontract shall be performed entirely within the boundaries of the United States, which includes the 50 states, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa. In addition, the subcontractor will not hire any individual to perform any services under this Contract if that individual is required to have a work visa approved by the U.S. Department of Homeland Security and such individual has not met this requirement.	Regulatory Appendix Pg. 19 Section 4.43
43	<p>Contain the following language:</p> <p>The subcontractor and the subcontractor's providers assign to the State of Louisiana any and all rights or claims it currently has or may acquire under any state or federal antitrust laws and that are attributable to any product units purchased or reimbursed through any state program or payment mechanism, including but not limited to product units purchased or reimbursed under the Louisiana Medicaid managed care program. For purposes of this assignment clause, the "subcontractor" shall include any direct or indirect owner to whom the right or claim to be assigned actually belongs, including any and all parents, branches, departments or subsidiaries.</p>	Regulatory Appendix Pg. 3 Section 3.3

	<b>Checklist Item</b>	<b>Location</b> (Include Name of Document, Page Number, and Section Number/Letter)
44	<p>Contain the following language:</p> <p>The subcontractor and the subcontractor's providers shall comply, within a reasonable time, with any information, records or data request from any healthcare oversight agency, including the Louisiana Office of the Attorney General, Medicaid Fraud Control Unit (MFCU), related to any services provided under Louisiana's Medical Assistance Programs. This requirement shall be inclusive of contracts or subcontracts with entities who manage or coordinate certain benefits for Medicaid beneficiaries on behalf of the MCO's but does not directly provide the service to Medicaid beneficiaries. When requested by the MFCU the production of the information, records or data requested by the MFCU shall be done at no cost to the MFCU, and the contractor, subcontractor or provider shall not require the MFCU to enter into any contract, agreement or memorandum of understanding to obtain the requested information, records or data. The MCO contractor, subcontractor and/or provider agrees that this contract creates for the healthcare oversight agency an enforceable right for which the healthcare oversight agency can petition the court in the event of non-compliance with an information, records or data request.</p>	Regulatory Appendix Pg. 8 Section 4.5(c)