

**QUALCARE
PATIENT CENTERED MEDICAL HOME SUPPLEMENT
TO
HMO/POS NETWORK ADDENDUM**

This PATIENT CENTERED MEDICAL HOME SUPPLEMENT TO HMO/POS NETWORK ADDENDUM (the “**Supplement**”) is made and entered into this ____ day of _____, 20__ (the “**Effective Date**”), by and between QualCare, Inc., (hereinafter “**QualCare**”) and _____ (hereinafter “**Group**”) and it supplements that certain participation agreement and that certain HMO/POS network addendum, both previously made and entered into by and between QualCare and Group, including without limitation any exhibits, addendums, and amendments thereto (collectively, the “**Participation Agreement**”).

WITNESSETH:

WHEREAS, QualCare is a certified ODS that arranges for the provision of Covered Services to eligible enrollees of applicable Plans through one or more of QualCare’s Networks; and

WHEREAS, Group is a physician group practice that is owned by, employs, or otherwise contracts with Group Physicians (as defined in the Participation Agreement), at least one of whom is a primary care physician, is certified as a Patient Centered Medical Home by the National Committee for Quality Assurance (“**NCQA**”), and is a member in good standing in QualCare’s HMO/POS Network under the terms of the Participation Agreement; and

WHEREAS, QualCare desires to establish a Preferred Care Network (the “**PCN Network**”) consisting of, among other things, groups practices who have received NCQA certification as a Patient Centered Medical Home, and Group and each of its Group Physicians desires to become a participating provider (a “**PCN Provider**”) of the PCN Network, as set forth herein; and

WHEREAS, QualCare has entered or will enter into arrangements with one or more Payors that offer a patient centered medical home product (the “**PCMH Program**”) through which enrollees may access PCN Providers.

NOW, THEREFORE, in consideration of the premises and the mutual promises, covenants and conditions herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS; RESOLUTION OF INCONSISTENCIES; NO LIABILITY

1.1 Definitions. All capitalized words that are not capitalized for the purposes of grammar and that are not otherwise defined in this Supplement shall have the meaning ascribed to them in the Participation Agreement.

1.2 Inconsistencies. In the event of an inconsistency between or among this Supplement and the Participation Agreement or the Provider Manual insofar as such inconsistency relates to a the PCMH Program, the following order of precedence will govern: (a) this Supplement, (b), the Participation Agreement, and (c) the Provider Manual.

1.3 No Liability. QualCare shall not be financially liable for any care management fees or for any payment required under the PCMH Program for any applicable Payor. QualCare shall not be an insurer, guarantor, or underwriter of the responsibility or liability of any Payor under the PCMH Program. The sole duty and responsibility of QualCare under this Supplement is to act as an agent of Payor, as and to the extent be applicable, with respect to the Payor's administration of its PCMH Program.

ARTICLE 2

CONDITIONS PRECEDENT

2.1 Conditions Precedent. This Supplement, as well as the Group's right to receive any compensation from the applicable Payor under the PCMH Program pursuant to this Supplement, is conditioned upon: (a) Group and each of its Group Physicians at all times being a contracted provider in QualCare's HMO/POS Network; (b) Group and each of its Group Physicians at all times being in good standing under the Participation Agreement; (c) Group and each of its Group Physicians at all times being in good standing under any amendments, addendums, or other documents relevant to the Participation Agreement for purposes of participating in the PCN Network; (d) Group and each of its Group Physicians at all times obtaining and maintaining recognition by the NCQA as a Patient Centered Medical Home or satisfying and continuing to satisfy such other or additional criteria as may be required by the applicable Payor with respect to its PCMH Program; (e) Group furnishing primary care services; (f) each Group Physician who may be entitled to any compensation under the PCMH Program assigning all rights to such compensation solely to the Group; and (g) such other conditions precedent applicable to PCN Providers or the PCMH Program as may be set forth in the applicable Provider Manual.

ARTICLE 3

CARE MANAGEMENT

3.1 Participation. Each Group who is a PCN Provider shall be entitled to participate in and receive care management fees under the PCMH Program. Group acknowledges and agrees that, in the event of the expiration or termination of the Participation Agreement or this Supplement, Group shall not be entitled to continue to participate as a PCN Provider or continue to receive care management fees.

3.2 Care Management Fee. If Group meets the PCMH Program's care management requirements and standards set forth in **Exhibit A**, Group shall be eligible to receive a care management fee ("CMF") from the applicable Payor. During the initial care management measuring period, the CMF shall be equivalent to _____ per aligned/assigned PCMH enrollee per month for all PCMH enrollees that remain so aligned/assigned at the time of payment of the CMF. The CMF, if any, shall be paid at least monthly. Group shall have sole

discretion in allocating and distributing such CMF among its Group Physicians, subject to applicable federal, state and local laws, rules, and regulations.

ARTICLE 4

DUTIES AND OBLIGATIONS OF PCN PROVIDER

4.1 Compliance and Cooperation.

4.1.1 Group shall demonstrate, and shall ensure that its Group Physicians demonstrate, a meaningful commitment to the mission of Payor and its PCMH Program to ensure its likely success by promoting a patient-centric delivery model, comprehensive and coordinated primary care services, and quality and safety.

4.1.2 Group shall cooperate, and shall ensure that its Group Physicians cooperate, with and do all things reasonably requested by or necessary for Payor and QualCare to comply with applicable federal, state and local laws, rules, and regulations, and for Payor, QualCare, or their designee to implement, administer, monitor, or improve the Payor's PCMH Program. This obligation survives the expiration or termination of this Supplement with respect to Covered Services furnished under the PCMH Program.

4.2 Records, Data, and Information. Subject to applicable federal, state and local laws, rules, and regulations:

4.2.1 Group shall maintain submit, and permit access, and shall ensure that its Group Physicians maintain, submit, and permit access, to Payor and/or QualCare, as applicable, to all records, data, and information, including without limitation data on treatment delivery, quality, utilization and other health care delivery, as well as data required for demographics, performance standards, quality standards, and costs information necessary for the PCMH Program. Group shall certify, and shall arrange for its Group Physicians to certify, to the accuracy, completeness, and truthfulness of such records, data, and information to the best of its/his/her knowledge, information, and belief.

4.2.2 Group shall not limit or restrict, and shall ensure that its Group Physicians not limit or restrict, appropriate sharing of medical records, data, and information with other providers participating in the PCMH Program, including without limitation other PCN Providers, for treatment, payment, or healthcare operations or otherwise necessary for the PCMH Program.

4.2.3 Compliance under this **Section 4.2** includes without limitation, the timely documentation, collection, organization, and delivery of records, data, and other information in a form required by Payor or QualCare for purposes of the PCMH Program.

ARTICLE 5

TERM AND TERMINATION

5.1 Term. This Supplement shall commence as of the Effective Date and shall continue for a period of three (3) years thereafter (the “**Initial Term**”), unless QualCare or Group gives written notice to the other party within ninety (90) days prior to the end of the Initial Term, or the Agreement is earlier terminated as provided herein. Thereafter, this Agreement shall automatically renew for successive one (1) year periods (each a “**Renewal Term**”), unless QualCare or Group gives written notice to the other party within ninety (90) days prior to the end of any Renewal Term, or the Agreement is earlier terminated as provided herein (the Initial Term and all Renewal Terms, collectively, the “**Term**”).

5.2 Termination. Notwithstanding the foregoing, this Supplement may be terminated as follows:

5.2.1 At any time by voluntary, mutual agreement of QualCare and Group, provided that, in such event, the Participation Agreement may remain in full force and effect, following the termination of this Supplement, in accordance with its terms.

5.2.2 At the election of QualCare if a material breach or failure to perform under this Supplement remains uncured after QualCare has given the Group at least thirty (30) days prior written notice of, and an opportunity to cure, such breach or failure.

5.2.3 Upon the expiration or termination of Group’s Participation Agreement with QualCare.

5.2.4 Upon the expiration or termination of the PCMH Program or the PCN Network.

5.2.5 Upon the Group no longer being owned by, or employing or otherwise contracting with, a primary care physician for the furnishing of Covered Services.

5.2.6 Upon the Group no longer satisfying all of the conditions precedent set forth in **Article 2** above.

[SIGNATURE PAGE FOLLOWS]

ARTICLE 6

SIGNATURE PAGE

IN WITNESS WHEREOF, this Supplement is hereby entered into by and between the undersigned to be effective as of the Effective Date stated above.

QUALCARE, INC.
30 Knightsbridge Road
Piscataway, NJ 08854

By: _____
Donna Dojan
Title: National Director,
Contracting Policy, Standards, & Compliance

Dated: _____, 20__

GROUP: _____
Address: _____

Telephone: _____
Facsimile: _____

Provider
Signature: _____
Print Name: _____
Title: _____

Dated: _____, 20__

EXHIBIT A
Summary of Care Management Requirements