

## **TERMS AND CONDITIONS OF PARTICIPATION HUMANA “MSO/IPA/PHO” NETWORK**

The within Terms and Conditions of Participation for Providers have been prepared for the Kentucky Humana Network, including, but *not* limited to, Humana Health Plan, Inc., Humana Insurance Company and their Kentucky licensed affiliates (“Humana” or “Humana Provider Network”) in order to comply with Kentucky’s Any Willing Provider (“AWP”) statute set out in KRS 304.17A-270. Humana has prepared the within terms and conditions to be in compliance with AWP because it is Humana’s intent to *not* discriminate against any Kentucky provider who is located within the Kentucky geographic coverage area of Humana and is willing to meet the terms and conditions for participation as outlined below. The Humana Kentucky geographic area includes all counties except Gallatin, Grant, Pendleton, Bracken, Mason, Boone, Kenton and Campbell. As used herein, the term “Provider” shall refer to such category of licensed professional or entity as provided for in KRS 304.17A-005(19) and is utilized as a Provider in a Humana network. In addition, the term “Provider” shall also include partners, staff and affiliates of Providers, all of whom must meet the within Terms and Conditions of Participation. However, nothing herein is intended to nor shall create any additional rights or causes of action under the above referenced statutes and the inclusion of certain specific categories of providers in this document does not and is not intended to expand the definition of Provider as set out in the above statutes.

Humana Health Care Plans (“Humana”) shall not discriminate against any Medical Service Organization (“MSO”) providing services within the geographic coverage area of the health benefit plan and is willing to meet the Terms and Conditions for Participation as outlined below:

1. The MSO must agree to the price, reimbursement and other terms outlined in the Humana MSO contracts offered to the MSO, which may change from time to time based on changing business circumstances.
2. Humana reserves the right *not* to enter into a contractual relationship with a provider organization or entity which Humana, in its sole discretion, deems has a conflict of interest with, or an adverse attitude, relationship or history with, Humana, whether directly or through any intermediary or regulatory agency.
3. MSO must agree and recognize Humana has and will selectively use capitation as a payment methodology awarded to a MSO for designated covered individuals (members). Factors used to select MSOs for capitation may include, but are not limited to, the following:
  - ◆ Minimum membership assigned
  - ◆ Geographic coverage
  - ◆ Scope of services
  - ◆ Demonstrated ability to deliver high-quality, cost effective care
  - ◆ Continuity of care to current membership
  - ◆ Price
  - ◆ Competitive status
  - ◆ Administrative and management capabilities

The MSO must abide by Humana’s decision to use one or more providers, IPAs or MSOs for capitation, to the exclusion of that MSO.

4. The MSO must have the following capabilities:
  - a. MSO must have the ability to credential and recredential physicians based on NCQA standards.
  - b. Assess member and physician satisfaction through physician patient satisfaction surveys.
  - c. Have a system in place that generates provider profiles.
  - d. Ability to process claims as well as a claims payment methodology which will eliminate financial risk to the MSO. If the MSO does not eliminate their financial risk, stop-loss insurance must be maintained for MSO’s protection against financial risk. Humana reserves the right the request the

- MSO to demonstrate to Humana's satisfaction the ability to meet and sustain financial obligations created within an MSO contract.
- e. Have a system in place for auditing claims and medical records and employ a physician of the same specialty as that of the network being managed for the purpose of reviewing claims for medical necessity, appeal and/or payment determinations.
  - f. Have the ability to administer procedures for utilization management of specialty care surveys provided to members by contracted physicians.
  - g. Must have quality assurance plan on place to monitor and evaluate clinical issues, establish standards of access for, and measure, physician and patient surveys and provider profiles. MSO must also have a QA & UR reporting system, which meets NCQA standards as well as HEDIS reporting requirements.
  - h. Must have system capabilities for data exchange between MSO and Humana.
  - i. Experience in administering a physician network and satisfactory history of managed care plan contracting and participation with Humana's or other managed care plans.
  - j. The MSO must agree to provide access to members within standards as determined by Humana and must demonstrate a satisfactory history of patient access. MSO must demonstrate ability to produce geo-network access analysis on an ongoing basis to ensure adequate access.
5. MSO must agree and acknowledge that Humana can use a bidding process to obtain health services, in Humana's sole discretion, must agree to participate in the bidding process if requested by Humana, and must agree to abide by the results of the bidding process. If that MSO is an unsuccessful bidder, MSO must further agree to waive any right or ability to contract with Humana to MSO the same services on the terms of the successful bid, unless and until invited to make another bid by Humana at a future date.
6. The provider must have no Medicare or Medicaid sanctions, which are not explained to Humana's satisfaction.
7. The MSO must agree to each of the following in writing before being considered:
- a. To complete on a timely basis any and all pre-application forms, application forms and other forms, and any additional information required or requested, to determine that MSO complies with the terms and conditions, including the credentialing and recredentialing standards.
  - b. To authorize and hold harmless any and all third parties as to the release of any and all information requested by Humana in connection with its review of the provider's credentials in compliance with these terms and conditions, and to waive any right of notice from any such third party before any release is made to Humana. A copy or facsimile thereof may be used to authorize such release.
  - c. To agree that all materials submitted to Human by MSO, third parties, and by any employee, committee, professional counsel or other entity that is duly constituted by Humana, at any time to stage in the process of considering MSO under the terms and conditions, shall be confidential and privileged and shall not be subject to discovery subpoena or introduction into evidence.
  - d. To address any concern over the applications of these terms and conditions to MSO within the Humana review procedure and to waive any right to contest or challenge any decision or to make any claim whatsoever against Humana in any fashion other than to review procedures provided by Humana.
  - e. To waive any claim against Humana for denial. To waive any claim for damages for any good faith action taken by any person who is a member, participant in or employee of, or who furnishes information, professional counsel or services to, any committee, board, commission or other entity that is duly constituted by Humana when performing the designated function of reviewing the MSO for compliance with these terms and conditions.
  - f. To agree to indemnify Humana and hold Humana harmless from any claim, action, damage, suit judgment, cost, fee or expense (including court costs and attorney fees) arising directly or indirectly from Humana's consideration or denial of MSO under these terms and conditions; and
  - g. To be bound by all answers set forth in any pre-application, application or other form throughout any ensuring relationship with Humana.
  - h. To certify that all information provided is true and accurate.
  - i. To advise Humana promptly of any change or update related to any answer given by the MSO.

A MSO shall have the burden of establishing compliance with all the terms and conditions. Humana shall have the right to use any information available on the MSO from any source, including Humana's own records. Humana shall have the discretion to apply each of the terms and conditions, and give appropriate weighting to each, as Humana may deem appropriate, but the failure to meet one of the terms and conditions shall be sufficient grounds for denial by Humana. The entire file on each provider's application for participation shall be strictly confidential in accordance with KRS 311.377.

MSO must acknowledge and agree that Humana reserves the right to changes to its Terms and Conditions based upon the competitive needs of Humana, changes in legal and accreditation standards, and other factors deemed appropriate by Humana in its discretion.

Humana shall have the right to delegate and assign any MSO, IPA, PHO or other provider network with which Humana contracts, the authority and responsibility to applying these terms and conditions, or other terms and conditions deemed acceptable to Humana, with respect to providers who are within the scope of providers and in the geographic area covered under such Humana contract; however, any delegation of the Humana Credentialing and Recredentialing Process also must meet the requirements for delegations expressly set forth therein.