

AMENDMENT NUMBER 13

AMENDED AND RESTATED CONTRACTOR RISK AGREEMENT
BETWEEN
THE STATE OF TENNESSEE,
d.b.a. TENNCARE
AND
VOLUNTEER STATE HEALTH PLAN, INC.,
d.b.a. BLUECARE

CONTRACT NUMBER: FA-02-14859-13

For and in consideration of the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to amend the Amended and Restated Contractor Risk Agreement dated July 1, 2001 as follows, recognizing; however, that the items represent clarifications and in some cases revisions to existing requirements. The numbering for the items below is for convenience for locating particular items within the document and are not a part of the Agreement and shall have no bearing on the Agreement.

1. Section 2-26 of the July 1, 2001 Amended and Restated Contractor Risk Agreement, as amended, shall be amended by adding a new sub-section d which shall read as follows:

2-26.d. Subject to the availability of State and Federal funding, the CONTRACTOR agrees to make essential provider payments to certain hospitals pursuant to a schedule set forth by TENNCARE, within 14 calendar days of receipt of the required funds from the State. Payments shall be made in accordance with the methodology and payment list provided by TENNCARE from a fund established by TENNCARE and transferred to the CONTRACTOR for this purpose. The CONTRACTOR may deposit these funds in the account of its choice and may retain all interest earned as compensation for providing this service. The CONTRACTOR agrees to include any correspondence requested by TENNCARE to be included with the payment and to provide a complete accounting on an individual provider basis of all disbursements made including the date check is mailed or the transaction is made, the amount, payee, address, and date cashed. Checks and/or funds transfers issued shall be only for the amount included in the payment list provided by TENNCARE. The Contractor agrees to take all reasonable steps to cancel all outstanding checks, ninety days after issuance and any funds remaining will be returned to TENNCARE with an accounting of those not cashed. In the event that a bank subsequently processes and honors a canceled check, TENNCARE will honor the payment made by the Contractor subject to the specific amount limits in the payment list provided by TENNCARE. In addition to any interest earned, TENNCARE agrees to pay the CONTRACTOR up to \$2,040,816 for administrative purposes consistent with State Law requirements.

Upon notice by TENNCARE, the Contractor will pay each provider the Quarterly Payment Due presented in the schedule provided by TENNCARE each quarter (period covering July 1, 2004 through June 30, 2005) of the State's fiscal year. The amount of quarterly payments may vary. The actual payment amount for each quarter will be provided by TENNCARE and will be based on the disbursement methodology recommended by TENNCARE's actuaries. Disbursements to providers by the CONTRACTOR, under this amendment, shall not exceed \$100,000,000, as presented in the schedule provided by TENNCARE. Payments to the CONTRACTOR, under this amendment, will not exceed \$102,040,816.

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IN WITNESS WHEREOF, the parties have by their duly authorized representative set their signatures, effective upon approval of this Contract Amendment by all Parties and the Centers for Medicare and Medicaid Services (CMS).

STATE OF TENNESSEE
DEPARTMENT OF FINANCE
AND ADMINISTRATION

VOLUNTEER STATE HEALTH PLAN, INC.

BY: M.D. Goetz, Jr. 1004
M. D. Goetz, Jr.
Commissioner

BY: Ronald E. Harr
Ronald E. Harr
President and CEO

DATE: 10/25/04

DATE: Oct 25, 2004

APPROVED BY:

APPROVED BY:

STATE OF TENNESSEE
DEPARTMENT OF FINANCE
AND ADMINISTRATION

STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY

BY: M. D. Goetz, Jr. IPW
M. D. Goetz, Jr.
Commissioner

BY: John G. Morgan
John G. Morgan
Comptroller

DATE: OCT 26 2004

DATE: 10/28/04