Prospective Contract Components
For Contracts Between a State Medicaid Agency and a Medicaid Managed Care Organization

This document is intended to be educational in nature, providing elements to consider when contracting between a state Medicaid agency (Agency) and a Medicaid managed care organization (MCO). This document does not constitute legal advice and does not substitute for legal advice when crafting an agreement. Entities should consult with an attorney or contract specialist when establishing such an agreement. Organizations should consult with an attorney or contract specialist when establishing such an agreement.

The following are examples of contract components that could be included in a contract between a state Medicaid agency and an MCO. Each contract component is meant to be illustrative and not to be copied verbatim. The components are listed in sections to help with navigation of this document but are not suggested to be included in any specific order or category.

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Section I. Program Description

The Centers for Disease Control and Prevention (CDC)-recognized National Diabetes Prevention Program (National DPP) lifestyle change program is a one-year, evidence-based program for individuals with prediabetes and/or at high risk for type 2 diabetes. Through involvement in this program, eligible participants can delay or prevent progression to type 2 diabetes through five (5) to seven (7) percent weight loss and achievement of 150 minutes of exercise each week.

Section II. Definitions

a. The CDC/ADA Prediabetes Risk Test. A brief seven-question survey that allows individuals to gauge their risk of having prediabetes. The test can be accessed at: https://www.cdc.gov/prediabetes/takethetest/
b. CDC-recognized organization. An organization that offers the National DPP lifestyle change program and has received pending, preliminary, or full recognition from the Diabetes Prevention Recognition Program.
c. Diabetes Prevention Recognition Program (DPRP). A CDC-established program to ensure high quality implementation of the National DPP lifestyle change program. It sets standards by which organizations obtain CDC recognition.
d. National DPP lifestyle change program. A CDC-recognized, evidence-based program designed to delay or prevent a participant’s progression to type 2 diabetes.
e. Core sessions. Weekly sessions in which individuals participate during the first six (6) months of the program (sixteen (16) sessions total). The sessions are focused on teaching participants healthy lifestyle choices and assisting them in losing weight.
f. Core maintenance sessions. Monthly sessions in which individuals participate during the second six (6) months of the program (six (6) sessions total). These sessions are focused on maintaining healthy lifestyle choices and weight loss.

Section III. Eligibility and Frequency Limits

Eligibility determination for the program will be the responsibility of the MCO. Eligibility criteria for individuals, as outlined by CDC, is as follows:

Participants:

a. must be at least 18 years old, and
b. must be overweight (body mass index ≥25; ≥23 if Asian), and
c. have had no previous diagnosis of type 1 or type 2 diabetes, and
d. have a blood test result in the prediabetes range within the past year:
   i. Hemoglobin A1C: 5.7%–6.4%, or
   ii. Fasting plasma glucose: 100–125 mg/dL, or
   iii. Two-hour plasma glucose (after a 75 gm glucose load): 140–199 mg/dL, or

e. Be previously diagnosed with gestational diabetes, or
f. Score 5 or higher on the CDC/ADA Prediabetes Risk Test. [The inclusion of the CDC/ADA Prediabetes Risk Test as a criterion for enrollment may depend on the specifics of your benefit.]
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Physician referral [shall/shall not] be required for program eligibility. [A physician referral is not required by CDC. These benefit parameters may be determined at the State level. If applicable, please consult your State Medicaid agency for specifics of your State’s benefit.]

MCOs must show that a minimum of [X%] of completers in the evaluation cohort are eligible for the National DPP lifestyle change program based on either a blood test indicating prediabetes or a history of gestational diabetes. The remainder must be eligible based on the CDC/ADA Prediabetes Risk Test. [CDC requires 35% of completers in the evaluation cohort to be eligible based on a blood test indicating prediabetes or a history of gestational diabetes. The State Medicaid agency may require higher or lower participant level eligibility requirements for blood testing for reimbursement purposes.]

The program may be covered up to [X] times per beneficiary per lifetime. [The contract should include details on what happens if a National DPP lifestyle change program participant loses eligibility for the program. Your State or Payer may have specifics on this event. Please consult your State Medicaid agency or Payer for more information.]

Section IV. Scope of Services
MCO shall furnish items and services to persons with prediabetes and/or at high risk for type 2 diabetes under a National DPP lifestyle change program that has [pending, preliminary, and/or full recognition] from the CDC DPRP. Such services include, but are not limited to:

a. Sixteen (16) weekly sessions during the first six (6) months (core sessions);
b. Six (6) monthly sessions during the second six (6) months (core maintenance sessions);
c. Incentives may be provided to participants, but MCO must provide the funding for such incentives;
d. A lifestyle coach, meeting CDC DPRP standards, to run each session;
e. Facility to host the sessions (or acceptable virtual platform in the case of an online or distance learning delivery format);
f. National DPP lifestyle change program curriculum, as approved by CDC; and
g. Other items or services as required by the DPRP

Section V. Promotion, Marketing and Enrollment
MCO will be responsible for identifying potentially eligible beneficiaries into the program and administering enrollment campaigns through phone, email, text, or any other communication channels to which Agency and MCO agree.

MCO must amend policies, evidences of coverage, and/or promotional material as necessary to ensure that beneficiaries are given complete information about coverage of the National DPP lifestyle change program. MCO shall, at a minimum:

a. Promote the National DPP lifestyle change program to Medicaid MCO beneficiaries.
b. Gain input from Agency on promotional materials provided to Medicaid MCO beneficiaries.
c. Enroll [XX, total number] Medicaid MCO beneficiaries into the program.
d. Provide reports on promotional activities at least biannually.
e. Partner with health care providers to promote the program and refer patients.

Section VI. Provider Network and Subcontracting

MCO shall create a network of and contract with organizations that have [pending, preliminary, and/or full CDC recognition] to furnish the National DPP lifestyle change program. CDC-recognized organizations shall furnish coaches, facilities, and curriculum for covered services, as well as any other requirements as directed by CDC DPRP. The program may be delivered through [in-person, online, distance learning, and/or combination format]. The State Medicaid Agency may determine which modality is permissible for the MCO to use to furnish services. In-person sessions may be delivered at health or community centers or other appropriate facilities.

CDC-recognized organizations must also be Medicaid-enrolled providers and comply with Medicaid program integrity rules such as confidentiality, screening, and disclosure standards.

MCO may seek to become a CDC-recognized organization itself.

If desired, MCO may subcontract with a third-party organization to assist with program delivery. Such organizations may manage networks of CDC-recognized organizations and may provide functions such as claims processing and billing.

Section VII. Reimbursement

Reimbursement for these services will be part of the capitation rate as set forth in Section XX.

Section VIII. Reporting and Evaluation

MCO shall provide [monthly, bi-monthly, quarterly] participant status reports to Agency which will contain aggregate data on beneficiaries related to [enrollment, attendance, outcomes (e.g., weight-loss progress, weekly hours of physical activity, and behavior changes), participant satisfaction, and/or participant learning outcomes.]

The MCO shall release to Agency, upon request, any information necessary for the Agency to perform federal obligations or program evaluations. The MCO is subject to all audits and inspections that may be required of the Agency under law. Copies of MCO’s claims pertaining to the Agency’s enrollees in the program, if any, shall be furnished to the Agency upon request.