

NEXUS Health - VALUE INCENTIVE PROGRAM
MEDICARE ADVANTAGE PRODUCT EXHIBIT
Contract Agreement with APEX Health Group

EFFECTIVE DATE: January 1, 2023

I. PHYSICIAN ORGANIZATION FUNDS

A. Medical Services Funding – NEXUS Health will allocate a monthly premium to a Physician Organization (“PO”) Medical Services Fund (“Medical Services Fund” or “Fund”) based upon Medicare Advantage PPO members (“Members”) currently attributed to PO Practitioners at the time of Fund allocation. NEXUS Health will not allocate funding for Members enrolled in self-funded groups or for other excluded groups, except as noted herein.

B. Covered Medical Services Fund Allocation – Covered Services will be funded with an allocation of premiums to the Medical Services Fund that shall be calculated using prospective medical loss ratio targets (“MLR”). MLRs will be determined on an annual basis for distinct NEXUS Health Medicare Advantage Member populations, e.g., individual, employer group, specific employer groups (each a “NEXUS Health Medicare Advantage Segment” or “Segment”) based on the weighted average of the regional targets and each PO’s regional distribution within each Segment.

The Segment level MLRs will be equal to Total Benefit Expense divided by Total Revenue minus Taxes: Total Benefit Expense will be equal to the sum of Paid Claims for Medical services and 100% of Non-Claims Benefit Expenses.

a. “Paid Claims” will be equal to allowed claims less Member liability. No services will be carved out of the Paid Claims included in the financial model other than those listed in Section I(C) of this Exhibit. Claims incurred by attributed Members shall be included regardless of the provider delivering care or whether the claims are processed by NEXUS Health Medicare Advantage or a vendor.

b. “Non-Claims Benefit Expense” shall mean non-claims benefit expense as defined by NEXUS Health Medicare Advantage, and will include, but not be limited to, such expenses as VBC Group incentives and allocated vendor costs and fees. NEXUS Health Medicare Advantage may secure vendors or other such third parties to perform NEXUS Health Medicare Advantage-led initiatives, functions, or services which may impact the Financial Model. NEXUS Health Medicare Advantage applies the adjustment for projected Non-Claims Benefit Expenses in target development and actual Non-Claims Benefit Expenses at settlement.

Total Revenue shall be equal to the sum of CMS Medical Revenue and NEXUS Health Medicare Advantage Member premium (whether paid by the Member or on the Member's behalf by an employer group).

a. "CMS Medical Revenue" means all risk-adjusted capitated payments made by CMS to NEXUS Health Medicare Advantage on a periodic basis for a specific NEXUS Health Medicare Advantage Member, including Part C and Part D revenue, reinsurance subsidy and MLR transfer, if applicable, and less sequestration.

b. "Taxes" means the federal insurance premium tax.

C. Medical Services Fund Allocation Carve-outs – The following Covered Services and charges are excluded from the allocation to the Fund described in Section I(B): Additional benefits provided under supplemental buy-ups (as an example, optical and hearing aid benefits).

On a prospective basis, End Stage Renal Disease (ESRD) Dialysis Members (as listed in the monthly Membership Report from CMS).

On a prospective basis, any member who is eligible for inclusion in the VBC Group incentive program or a similar high intensity in home care program.

NEXUS Health will provide PO notice if additional services are carved out of Medical Service Funding during the Agreement Year.

VBC-Group Incentive Eligible Member Inclusions and Exclusion

VBC-Group Incentive eligible members are excluded from financial risk and the Quality Rating Gain Share Payout Schedule calculation. VBC-Group Incentive eligible members are included for purposes of quality measurements related to the Performance Recognition Program (PRP) and the Risk Adjustment Program Support referenced in Section III(A).

E. Attribution – NEXUS Health will attribute Members to PO Practitioners based upon NEXUS Health attribution methodology. PO and/or PO Practitioner may notify NEXUS Health of Members who are incorrectly attributed to PO Practitioners. Nexus Health will verify information provided by PO and/or PO Practitioner and make corrections as necessary.

RISK SHARING SCHEDULE

	Performance Y1	Performance Y2	Performance Y3	Performance Y4	Performance Y5
Upside Gain Cap PMPM	\$3.00	\$5.00	\$10.00	\$15.00	\$20.00
Downside Loss Cap PMPM	\$0.00	\$1.00	\$2.00	\$3.00	\$6.00
Risk Sharing Percentages	50%/50%	50%/50%	50%/50%	50%/50%	50%/50%

QUALITY METRIC TRACKING

		BAND 1.0		BAND 2.0	
Quality Measure	Scoring Weight	Required Score	Gain Share %	Required Score	Gain Share %
Breast Cancer Screening	1	75 to 80%	1.5%	80 to 85%	2%
Colon Cancer Screening	1	75 to 80%	1.5%	80 to 85%	2%
Controlling High Blood Pressure	1	75 to 80%	1.5%	80 to 85%	2%
Diabetes Eye Exam	1	75 to 80%	1.5%	80 to 85%	2%
Diabetes Blood Sugar Control <10%	1	75 to 80%	1.5%	80 to 85%	2%

RBCE*Bob Jones*

Signature

Bob Jones

Name

Head of Value Based Care Network Contracting

Title

Jan 1, 2023

Date**NEXUS Health***Sally Smith*

Signature

Sally Smith

Name

Head of Group VBC Contracts

Title

Jan 1, 2023

Date