

HEALTH PLAN-PROVIDER AGREEMENT

AGREEMENT TO IMPLEMENT THE 2021 RATE RANGE IGTS

This Agreement is made this 29th day of October {month/year}, by and between the Fresno-Kings-Madera Regional Health Authority dba CalViva Health, a Medi-Cal Managed Care Plan hereinafter referred to as "PLAN", and Natividad Medical Center, a Monterey County Hospital, hereinafter referred to as "PROVIDER."

RECITALS:

WHEREAS, CalViva Health licensed under Health and Safety Code Section 1349 et seq. has a contract with the State Department of Health Care Services pursuant to Welfare and Institutions Code Section 14087.3 to act as a Medi-Cal managed care plan and CalViva Health has contracted with Health Net Community Solutions, Inc., (HNCS) which is a subsidiary of Health Net, Inc., which is a wholly owned subsidiary of Centene Corporation, to fulfill its responsibilities for the provision of Medi-Cal covered services for eligible Medi-Cal members. For purposes of this Agreement, Centene Corporation, Health Net of California, Inc., Health Net Community Solutions, Inc. and CalViva Health shall collectively be referred to as "PLAN";

WHEREAS, PROVIDER, an acute care medical center owned and operated by the County of Monterey ("County"), provides medical services to Medi-Cal beneficiaries who are Medi-Cal managed care enrollees of PLAN ("PLAN members"); and

WHEREAS, PLAN and PROVIDER desire to enter into an Agreement with respect to Medi-Cal managed care capitation rate increases received by PLAN as a result of intergovernmental transfers ("IGTs") from the County d/b/a Natividad Medical Center (GOVERNMENTAL FUNDING ENTITY) to the California Department of Health Care Services ("State DHCS"), to maintain the availability of Medi-Cal health care services to Medi-Cal beneficiaries.

NOW, THEREFORE, PLAN and PROVIDER hereby agree as follows:

2021 IGT MEDI-CAL MANAGED CARE CAPITATION RATE RANGE INCREASES

1. IGT Capitation Rate Range Increases to PLAN

A. Payment

Should PLAN receive any Medi-Cal managed care capitation rate increases from State DHCS where the nonfederal share is funded by the GOVERNMENTAL FUNDING ENTITY specifically pursuant to the provisions of the Intergovernmental Agreement Regarding Transfer of Public Funds, # _____ ("Intergovernmental Agreement") effective for the period of January 1, 2021 through December 31, 2021, PLAN shall pay to PROVIDER the amount of such Intergovernmental Transfer Medi-Cal Managed Care Rate Range Increases ("IGT

MMCRRIIs”) received from State DHCS as Local Medi-Cal Managed Care Rate Range (“LMMCRR”) Payments, in accordance with paragraph 1.E below regarding the form and timing of LMMCRR Payments, less the amount retained by PLAN pursuant to paragraph 1.B. below. LMMCRR Payments paid to PROVIDER shall not replace or supplant any other amounts paid or payable to PROVIDER by PLAN.

B. Health Plan Retention

(1) The PLAN shall retain a 2% administrative fee for PLAN’s cost to administer this program, calculated based on applying the 2% to the total amount of the IGT received by DHCS from County relating to PLAN’s members in Fresno County.

(2) PLAN will not retain any other portion of the IGT MMCRRIIs received from the State DHCS other than those mentioned above.

C. Consideration and Conditions for Receiving Local Medi-Cal Managed Care Rate Range IGT Payments

(1) As a condition for receiving LMMCRR Payments, PROVIDER shall, as of the date the particular LMMCRR Payment is due:

(a) Remain a participating Medi-Cal provider;

(b) maintain its current emergency response and ambulance transport services for PLAN beneficiaries; and

(c) collect and maintain data on the utilization by PLAN members of PROVIDER’s services during the period of January 1, 2021, through December 31, 2021.

(2) The LMMCRR Payments shall represent compensation for Medi-Cal services rendered to Medi-Cal PLAN members by PROVIDER during the period of January 1, 2021 through December 31, 2021, the period to which the LMMCRR Payments apply.

(a) To the extent that total payments received by PROVIDER for the period January 1, 2021, through December 31, 2021, under this Agreement exceed the cost of Medi-Cal services provided to Medi-Cal beneficiaries by PROVIDER during that period, any remaining LMMCRR Payment amounts shall be retained by PROVIDER to be available to expend for health care services. Retained LMMCRR Payment amounts may be applied by the PROVIDER in either the State fiscal year or calendar year for which the payments are received or subsequent State fiscal or calendar years.

(b) For purposes of subsection (2)(a) above, if the retained LMMCRR Payments, if any, are not applied by PROVIDER in the State fiscal or calendar year received, retention of funds by PROVIDER may be established by demonstrating that the retained earnings account of PROVIDER at the end of any State fiscal year or calendar year in which it received payments based on LMMCRR Payments funded pursuant to the Intergovernmental Agreement, has increased over the unspent portion of the prior State fiscal year’s or calendar

year's balance by the amount of LMMCRR Payments received, but not otherwise applied. These retained PROVIDER funds may be commingled with other GOVERNMENTAL FUNDING ENTITY funds for cash management purposes provided that the amounts of such funds can be identified for purposes of this paragraph and only the depositing facility is authorized to expend them. Nothing herein shall preclude PROVIDER from using any other reasonable methodology for demonstrating retention of funds, as applicable.

(3) Both parties agree that none of these funds, either from the GOVERNMENTAL FUNDING ENTITY or federal matching funds will be recycled back to the GOVERNMENTAL FUNDING ENTITY'S general fund, the State, or any other intermediary organization. Payments made by PLAN to PROVIDER under the terms of this Agreement constitute patient care revenues.

D. Schedule and Notice of Transfer of Non-Federal Funds

The GOVERNMENTAL FUNDING ENTITY shall notify the PLAN within five business days after the County funds referred to in the Intergovernmental Transfer Agreement have been transferred to the State.

PROVIDER shall provide PLAN with a copy of the schedule regarding the transfer of funds to State DHCS, referred to in the Intergovernmental Agreement, within fifteen (15) calendar days of the PROVIDER receiving such schedule from the State DHCS. Additionally, PROVIDER shall notify PLAN, in writing, no less than seven (7) calendar days prior to any changes to an existing schedule including, but not limited to, changes in the amounts specified therein.

E. Form and Timing of Payments

PLAN agrees to pay LMMCRR Payments to PROVIDER in the following form and according to the following schedule:

(1) PLAN agrees to pay the LMMCRR Payments to PROVIDER using the same mechanism through which compensation and payments are normally paid to PROVIDER (e.g., electronic transfer). After paying any required taxes and retaining the PLAN's administrative fee, as shown in Section B above, PLAN will pay PROVIDER a percent of the remaining LMMCRR payment equal to the PROVIDER's contribution as a percent of total local provider contributions.

(2) PLAN will pay the LMMCRR Payments to PROVIDER no later than sixty (60) calendar days after receipt of the IGT MLCRRIs from State DHCS.

F. PLAN's Oversight Responsibilities

PLAN's oversight responsibilities regarding PROVIDER's use of the LMMCRR Payments shall be limited as described in this paragraph. PLAN may request, within thirty (30) calendar days after the end of each State fiscal year in which LMMCRR Payments were transferred to PROVIDER, a written confirmation that states whether and how PROVIDER

complied with the provisions set forth in Paragraph 1.C above. In each instance, PROVIDER shall provide PLAN with written confirmation of compliance within thirty (30) calendar days of PLAN's request.

G. Cooperation Among Parties

Should disputes or disagreements arise regarding the ultimate computation or appropriateness of any aspect of the LMMCRR Payments, PROVIDER and PLAN agree to work together in all respects to support and preserve the LMMCRR Payments to the full extent possible on behalf of the safety net in Fresno County.

H. Reconciliation

Within one hundred twenty (120) calendar days after the end of each of PLAN's fiscal years in which LMMCRR Payments were made to PROVIDER, PLAN shall perform a reconciliation of the LMMCRR Payments transmitted to the PROVIDER during the preceding fiscal year to ensure that the supporting amount of IGT MMCRRIs were received by PLAN from State DHCS. PROVIDER agrees to return to PLAN any overpayment of LMMCRR Payments made in error to PROVIDER within thirty (30) calendar days after receipt from PLAN of a written notice of the overpayment error, unless PROVIDER submits a written objection to PLAN. Any such objection shall be resolved in accordance with the dispute resolution processes set forth in Section G. of this Agreement or otherwise in good faith by the parties. The reconciliation processes established under this paragraph are distinct from the indemnification provisions set forth in Section I. below. PLAN agrees to transmit to the PROVIDER any underpayment of LMMCRR Payments within thirty (30) calendar days of PLAN's identification of such underpayment.

I. Indemnification

PROVIDER agrees to indemnify and hold PLAN harmless in all matters relating to the nonfederal share provided for the IGT MMCRRIs under this Agreement, subsequent payment and use of such funds, up to the amount of the LMMCRR payments made under this Agreement.

J. Remittance Information

The LMMCRR payments made by the PLAN pursuant only to this Agreement, shall be mailed to the PROVIDER at the address set forth below:

Natividad Medical Center
Attn: _____
Address

Phone: _____

Email: _____

2. Term

The term of this Agreement shall commence on January 1, 2021 and shall terminate on December 31, 2023.

SIGNATURES

BY HEALTH PLAN: Jeffrey Nkansah Date: 10/29/2021
Jeffrey Nkansah, Chief Executive Officer, CalViva Health

BY PROVIDER: _____ Date: _____
_____, Natividad Medical Center