

32 AN 011
32 AN 020

THIRD AMENDMENT TO THE PRIMARY HOSPITAL SERVICES AGREEMENT

This Third Amendment to the Primary Hospital Services Agreement ("Amendment") is entered into and is effective this first day of July, 2009 ("Effective Date of Amendment"), by and between the Santa Cruz/Monterey Managed Medical Care Commission, doing business as the Central Coast Alliance for Health, a public entity organized under the laws of the State of California, hereinafter referred to as "Plan", and Natividad Medical Center, a County Hospital, hereinafter referred to as "Contractor".

RECITALS

- A. Plan and Contractor entered into the Primary Hospital Services Agreement effective July 1, 2007, the First Amendment to the Primary Hospital Services Agreement effective October 1, 2008, and the Second Amendment to the Primary Hospital Services Agreement effective February 1, 2009 (together the "Agreement").
- B. Both Plan and Contractor desire to change certain terms of the Agreement.
- C. Subject to any necessary approval by the State, this Amendment shall be effective on the Effective Date of Amendment set forth above.
- D. References to Sections and Exhibits below are to Sections and Exhibits, respectively, of the Agreement.

NOW, THEREFORE, the parties hereby amend the terms of the Agreement as follows:

- 1. Delete Exhibit 2 Section A. in its entirety and replace it with the following Exhibit 2 Section A.:

"A. Hospital Inpatient Services Reimbursement Effective July 1, 2009.

(1)

SECRET

(2) Definitions of Days of Service

- (a) 'Acute Medical/Surgical/Pediatric Day' shall mean an Inpatient Day approved by Plan in a Hospital for the provision of medical, surgical, or pediatric Inpatient Hospital Services not specifically designated as another Day of Service category set forth in this Section (2) (b) through (i). Such Services shall be billed using inpatient revenue codes 110, 111, 113, 117, 119, 120, 121, 123, 127, 129, 130, 131, 133, 137, 139, 150, 151, 153, 157 and 159.
- (b) 'Maternity Day' shall mean an Inpatient Day approved by Plan in a Hospital for a mother delivering a baby(ies), through normal or C-Section delivery. The related per diem rate includes payment for Covered Services for mother only. Such Services shall be billed using inpatient revenue codes 112, 122, 132, and 152.
- (c) 'Nursery Level I Day' shall mean an Inpatient Day approved by Plan in a Hospital for a baby(ies), delivered by a mother through normal or C-Section delivery when the newborn child (children) is an inpatient at Contractor and is receiving Level I Nursery care. The related per diem rate includes payment for Covered Services for newborn child (children) only. Such Services shall be billed using inpatient revenue codes 170 and 171.
- (d) 'Nursery Level II Day' shall mean an Inpatient Day approved by Plan in a Hospital for a baby(ies), delivered by a mother through normal or C-Section delivery when the newborn child (children) is an inpatient at Contractor and is receiving Level II Nursery care.

The related per diem rate includes payment for Covered Services for newborn child (children) only. Such Services shall be billed using inpatient revenue code 172.

- (e) 'Nursery Level III Day' shall mean an Inpatient Day approved by Plan in a Hospital for a baby(ies), delivered by a mother through normal or C-Section delivery when the newborn child (children) is an inpatient at Contractor and is receiving Level III Nursery care. The related per diem rate includes payment for Covered Services for newborn child (children) only. Such Services shall be billed using inpatient revenue code 173 and 174
- (f) 'ICU Day' shall mean an Inpatient Day approved by Plan in a Hospital for ICU Services. Such Services shall be billed using inpatient revenue codes 200, 201, 202, 203, 206, 207, 208, 209, 210, 211, 212, 214, and 219.
- (g) 'Acute Rehabilitation Day' shall mean an Inpatient Day approved by Plan in a Hospital for acute rehabilitation Services. Such Services shall be billed using inpatient revenue codes 118, 128, 138, and 158.
- (h) 'Laparoscopic Gastric Banding Surgery Day One' shall mean an Inpatient Day approved by Plan in a Hospital for the first day of laparoscopic gastric banding surgery (lap banding) Services. Such Services shall be billed using inpatient revenue code 126. Inpatient Days approved by Plan for laparoscopic gastric banding surgery (lap banding) Services beyond the first Inpatient Day shall be defined as an Acute Medical/Surgical/Pediatric Day and reimbursed at the Acute Medical/Surgical/Pediatric per diem rate.
- (i) 'Administrative Day' shall mean an Inpatient Day approved by Plan in a Hospital for which acute inpatient care is not required. Such Services shall be billed using inpatient revenue code 169."

2. In all other respects, the provisions of the Agreement are ratified and reconfirmed. In the event there is any inconsistency between the terms of this Amendment and the terms of the Agreement, the terms of this Amendment shall control. The Agreement, as amended, is the entire agreement of the parties and supersedes all prior negotiations, proposals or understandings relating to the subject matter of the Agreement.

AMEND

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their respective duly authorized representatives.

Plan
Central Coast Alliance for Health

Contractor

By: Ellen Pirie

By: [Signature]

Print Name: Ellen Pirie

Print Name: [Signature]

Title: Chairperson

Title: CEO

Date: 8/6/09

Date: 8/24/09