

**FIFTH AMENDMENT TO
THE PRIMARY HOSPITAL
SERVICES AGREEMENT**

This Fifth Amendment to the Primary Hospital Services Agreement ("Amendment") is entered into and is effective this first day of August, 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. The Santa Cruz/Monterey Managed Medical Care Commission 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, the Second Amendment to the Primary Hospital Services Agreement effective February 1, 2009, the Third Amendment to the Primary Hospital Services Agreement effective July 1, 2009 and the Fourth Amendment to the Primary Hospital Services Agreement effective July 1, 2009 (together the "Agreement").
- B. On April 22, 2009, all rights and duties of the Santa Cruz/Monterey Managed Medical Care Commission were transferred to the Santa Cruz-Monterey-Merced Managed Medical Care Commission, pursuant to California Welfare and Institutions Code Section 14087.54, Merced County Code Chapter 9.43, Monterey County Code Chapter 2.45, and Santa Cruz County Code Chapter 7.58. The Santa Cruz-Monterey-Merced Managed Medical Care Commission filed with the California Secretary of State to do business as Central California Alliance for Health, effective July 1, 2009.
- C. Both Plan and Contractor desire to change certain terms of the Agreement.
- D. Subject to any necessary approval by the State, this Amendment shall be effective on the Effective Date of Amendment set forth above.
- E. 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. On the first page and in the introductory paragraph, change the title of the Agreement to read: "PRIMARY HOSPITAL AND OUTPATIENT LABORATORY SERVICES AGREEMENT".
- 2. Add the following after the second to last sentence of Section 2.2 (a):

“Contractor shall be available to provide on behalf of Members or arrange on behalf of Members prompt STAT outpatient laboratory Services that are ordered by a Physician.”

3. Add the following after the fourth sentence of Section 2.6:

“Laboratory Services shall be ordered by a Physician.”

4. Add the following after the first sentence of Section 5.3:

“Contractor will promptly forward copies of lab results to the Member’s ordering Physician.”

5. In the last sentence of Section 5.3, add the phrase “or ordering physician” before the phrase “at no charge”.

6. In the first sentence of Section 5.5 (a), delete the phrase “and (ii) Contractor’s financial resources” and replace it with the phrase “, (ii) Contractor’s financial resources, and (iii) lab values and codes required for HEDIS reporting”.

7. Add the following after the second sentence in Section 7.3 (a):

“Contractor shall be certified under the rules and regulations of the Clinical Laboratory Improvement Amendments of 1988 and the California Clinical Laboratory requirements. Contractor agrees that if any performance under this Agreement includes any tests or examination of materials derived from the human body for the purpose of providing information, diagnosis, prevention, treatment or assessment of disease, impairment, or health of a human being, all locations at which such examinations are performed shall meet the requirements of 42 USC Section 263a (CLIA) and the regulations thereto. Contractor shall also meet all applicable rules and regulations required of clinical laboratories in California. Equipment required to be licensed or registered by law shall be so licensed and registered.”

8. In Section 9.9, delete the phrase “The Santa/Cruz Monterey Medical Care Commission” and replace it with the phrase “The Central California Alliance for Health”.

9. Add the following at the end of Exhibit 1:

“Hospital outpatient services shall include, but not be limited to, outpatient clinical laboratory services, which are described as follows:

- a. Outpatient clinical laboratory services are clinical laboratory testing for Members not provided or ordered as part of an Inpatient Hospital Service that provides information for the diagnosis, prevention or treatment of disease, or the assessment of a medical condition and includes, but is not

limited to, microbiological, serological, chemical, hematological, cytological, immunohematology, and pathological examinations performed on materials derived from the human body. Services shall also include consulting services for all tests performed or arranged by Contractor, all necessary and required supplies, requisition forms, specimen pickup, courier service as applicable, specimen collection, specimen preparation, specimen storage as appropriate, report delivery and inservice training. Services may include suitable phlebotomy services to draw sites and to Skilled Nursing Facilities and Long Term Care Facilities. If a Physician orders a repeat clinical laboratory test on the same specimen, Contractor shall provide such test at no additional charge if the repeat test is due to Contractor error. Contractor shall not bill for such errors.

b. STAT Testing and Other Testing.

(1) STAT laboratory tests are those tests for which the results may be necessary to treat a life-threatening condition or for immediate modification to therapy. Contractor shall be available to provide on behalf of Members or arrange on behalf of Members prompt STAT Services that are ordered by a Physician, within the standard time period for the industry.

(2) Routine Testing. Routine laboratory tests are those laboratory tests that are not STAT, culture or specialty tests. Contractor will complete routine tests and transmit results to the ordering Physicians within the standard time period for the industry.

(3) Cultures and Special Testing. Other tests such as cultures and specialty tests may take longer than routine testing depending on the organism. Contractor will complete culture and specialty tests and transmit results to the ordering Physicians within the standard time period for the industry.

c. Critical Values. Critical Values are laboratory test results which may indicate a life threatening condition. If a laboratory test result for a Member is in the Critical Value range, Contractor shall immediately contact the ordering Physician. If the ordering Physician is not available, Contractor shall immediately contact another appropriate physician."


10. Delete Exhibit 2 Section B. in its entirety and replace it with the following Exhibit 2 Section B., effective August 1, 2009:

"B. Hospital Outpatient and Emergency Room Services Reimbursement. Plan

11. Effective August 1, 2009, delete the fourth sentence of Exhibit 3 Section A. 10. b. in its entirety, that reads "All Services that are outpatient laboratory services provided by a clinical laboratory under contract with Plan shall be excluded from this Agreement and shall be referred to such clinical laboratory."
12. Effective August 1, 2009, delete the fourth sentence of Exhibit 3 Section B. 9. b. in its entirety, that reads "All Services that are outpatient laboratory services provided by a clinical laboratory under contract with Plan shall be excluded from this Agreement and shall be referred to such clinical laboratory."
13. Effective August 1, 2009, delete the fourth sentence of Exhibit 3 Section C. 9. b. in its entirety, that reads "All Services that are outpatient laboratory services provided by a clinical laboratory under contract with Plan shall be excluded from this Agreement and shall be referred to such clinical laboratory."
14. Effective August 1, 2009, delete the last sentence of Exhibit 3 Section D. 9. b. in its entirety, that reads "All Services that are outpatient laboratory services provided by a clinical laboratory under contract with Plan shall be excluded from this Agreement and shall be referred to such clinical laboratory."
15. 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.

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

Plan
Central California Alliance for Health


By: 

Print Name: Ellen Pirie

Title: Chairperson

Date: 9/25/09

Contractor

By: 

Print Name: MICHAEL MCGINNIS

Title: CFO

Date: 07/29/09