



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: A 22-022

February 01, 2022

Introduced: 1/18/2022

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

Authorize the Interim Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 3 to the agreement (A-13111) with Toyon Associates, Inc. for 1. Rural Floor Budget Neutrality Appeals Services; and 2. Medicare/Medicaid Crossover Bad Debt Recovery Services; and 3. Medicare /Medi-Cal Appeals Services; and 4. OSHPD Report Preparation Services; and 5. Medical Eligible Day Services (POA/Historical); and 6. Medicare/Medi-Cal/Short Doyle Cost report Preparation Services, and 7. Consulting services, adding \$385,000 for a revised total agreement amount not to exceed \$2,385,000, with no change to the agreement term of April 29, 2016 through June 30, 2022.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Interim Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 3 to the agreement (A-13111) with Toyon Associates, Inc. for 1. Rural Floor Budget Neutrality Appeals Services; and 2. Medicare/Medicaid Crossover Bad Debt Recovery Services; and 3. Medicare /Medi-Cal Appeals Services; and 4. OSHPD Report Preparation Services; and 5. Medical Eligible Day Services (POA/Historical); and 6. Medicare/Medi-Cal/Short Doyle Cost report Preparation Services, and 7. Consulting services, adding \$385,000 for a revised total agreement amount not to exceed \$2,385,000, with no change to the agreement term of April 29, 2016 through June 30, 2022.

SUMMARY/DISCUSSION:

Toyon Associates Inc. provides expert services in areas of reimbursement from state and federal government. Their consulting services includes preparation of state's Medi-Cal cost reports, federal Medicare cost report, special supplemental cost reports (P-14) to the state, state's Short Doyle cost reports and annual state's OSHPD reports. Toyon provides assistance in representing Natividad Medical Center during scheduled audits and appeals for all state and federal cost and supplemental reports. Toyon provides strategic assistance on reimbursement issues related to Disproportionate Share, Realignment, Bad Debts, Medi-Cal Waiver funding and programs and other reimbursement related initiatives particular to safety net provider (public) hospitals.

Toyon Associates Inc. will continue to provide NMC with the services described above including

pursuing reimbursable cost available on previously reported years which are available to Monterey County Health System. This is an ongoing process between provider (NMC), State and Federal Government.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel reviewed and approved this amendment No.3 as to form, and the Auditor-Controller reviewed and approved as to payment provisions. The amendment No. 3 was reviewed and approved by NMC's Finance Committee and by its Board of Trustees on January 14, 2022.

FINANCING:

The cost for this amendment No. 3 is \$385,000 which is included in the Fiscal Year 2021-22 Adopted Budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This agreement is for specialized consulting services, the outcome of which will contribute to retaining or maximizing the financing of public health care services by Monterey County.

The services rendered in this agreement provide NMC with the reimbursement expertise that allows for the improvement of financing options under State and Federal regulations, resulting in higher quality of patient care for the families in Monterey County.

- Economic Development
- Administration
- Health and Human Services
- Infrastructure
- Public Safety

Prepared by: Juan Polanco, Chief Hospital Accountant, 783-2372
Approved by: Charles R. Harris, Interim Chief Executive Officer, 783-2504

- Attachments:
- Toyon Associates, Inc. Amendment 3
 - Toyon Associates, Inc. Amendment 2
 - Toyon Associates, Inc. Amendment 1
 - Toyon Associates, Inc. Agreement

Attachments on file with the Clerk of the Board

Dr. Charles R. Harris
Dr. Charles R. Harris, Interim Chief Executive Officer

1/19/22
Date