



County of Monterey

Item No.14

Board Report

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

Legistar File Number: A 24-262

June 25, 2024

Introduced: 5/28/2024

Current Status: Natividad Medical Center -
Consent

Version: 1

Matter Type: BoS Agreement

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A 22-319) with Toyon Associates, Inc for Rural Floor Budget Neutrality Appeals Services, Medicare/Medicaid Crossover Bad Debt Recovery Services, Medicare/Medi-Cal Appeals Services, Office of Statewide Health Planning Development Report Preparation Services, Medical Eligible Day Services (POA/Historical), Medicare/Medi-Cal/Short Doyle Cost report Preparation Services and Consulting services, extending the agreement an additional two (2) year period (July 1, 2024 through June 30, 2026) for a revised full agreement term of July 1, 2022 through June 30, 2026, and adding \$500,000 for a revised total agreement amount not to exceed \$1,350,000.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer for Natividad Medical Center (NMC) or his designee to execute amendment No. 1 to the agreement (A 22-319) with Toyon Associates, Inc for Rural Floor Budget Neutrality Appeals Services, Medicare/Medicaid Crossover Bad Debt Recovery Services, Medicare/Medi-Cal Appeals Services, Office of Statewide Health Planning Development Report Preparation Services, Medical Eligible Day Services (POA/Historical), Medicare/Medi-Cal/Short Doyle Cost report Preparation Services and Consulting services, extending the agreement an additional two (2) year period (July 1, 2024 through June 30, 2026) for a revised full agreement term of July 1, 2022 through June 30, 2026, and adding \$500,000 for a revised total agreement amount not to exceed \$1,350,000.

SUMMARY/DISCUSSION:

Toyon Associates Inc. (Toyon) provides expert services in areas of reimbursement from State and Federal Government. Their consulting services include 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 HCAI reports. Toyon provides assistance in representing Natividad 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. also

pursues reimbursable costs 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 agreement as to form, and the Auditor-Controller reviewed and approved as to payment provisions. The agreement was reviewed and approved by NMC's Finance Committee and by its Board of Trustees on June 14, 2024.

FINANCING:

The cost for this agreement is \$500,000, of which \$100,000 is included in the Fiscal Year 2024-25 Recommended Budget. Amounts for remaining years of the agreement will be included in those budgets as appropriate. Funding will be provided from NMC's Enterprise Fund 451-9600-6613.

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: Prepared by: Marwin Vinluan, Finance, 783-2372
Approved by: Charles R. Harris, Chief Executive Officer, 783-2553

Attachments:
Toyon Associates, Inc. Agreement
Toyon Associates, Inc. Amendment No.1

Attachments on file with the Clerk of the Board

Charles R Harris

Charles R. Harris, M.D., Chief Executive Officer

6/18/2024

Date