

**AGREEMENT
FOR PUBLIC HOSPITAL PROVIDING OUTPATIENT SERVICES
WELFARE AND INSTITUTIONS CODE SECTION 14105.96**

This Agreement is entered into between the Department of Health Care Services ("DHCS") and the County of Monterey d/b/a Natividad Medical Center ("Public Agency").

RECITALS

- A. This Agreement is made pursuant to the authority of Title 1, Division 7, Chapter 5, Article 1 (commencing with section 6500) of the Government Code. That Article establishes a procedure for the exercise of powers, by the contracting parties, when those parties are within the definition of the term "public agency" set forth in Government Code section 6500.
- B. This Agreement is made to implement Welfare and Institutions Code section 14105.96. That Section authorizes specified acute care hospitals providing outpatient services as specified in subdivision (b) of that section to receive supplemental Medi-Cal reimbursement for such outpatient services provided. In this Agreement, the supplemental reimbursement program established in Welfare and Institutions Code section 14105.96 is referred as the "Public Hospital Outpatient Services Supplemental Reimbursement Program."
- C. This Agreement is intended to fulfill the conditions of Welfare and Institutions Code section 14105.96 that a contract with DHCS must be entered into to implement that section and that DHCS must be reimbursed DHCS' costs of administering of that section.
- D. Welfare and Institutions Code section 14105.96 further provides that the State share of the supplemental reimbursement submitted to the Federal Centers for Medicare & Medicaid Services (CMS) for purposes of claiming federal financial participation shall be paid only with funds expended by Public Agency and certified to DHCS.

1. Certification and Data Submission

Public Agency shall submit, at such times as prescribed by DHCS, a complete and executed certification form, entitled "Public Hospital Outpatient Services Supplemental Reimbursement Claim and Certification Form," constituting the certification pursuant to Code of Federal Regulations, title 42, section 433.51, that the claimed expenditures are eligible for federal financial participation, data as specified by DHCS as to the amount of such expenditures, and such other information as DHCS may require. In the event any item of expenditure certified is no longer occurring or has been determined to be inaccurate, Public Agency shall promptly notify DHCS. If a certified item of expenditure is determined to be not fully reimbursable in accordance with Code of Federal Regulations, title 42, section 433.51, Public Agency's reimbursement with respect to such certified items shall be denied or reduced.

2. Records and Access

Public Agency shall keep, maintain, and have readily retrievable, records to fully substantiate any certification, data, or other information provided to DHCS. Upon the request of DHCS, Public Agency shall make such records available for inspection and copying, and, if requested by DHCS, convert such records into language(s) or format(s) to allow such records material to be readily interpreted by DHCS personnel. The obligations of Public Agency under this Paragraph shall be undertaken at Public Agency's sole expense.

3. Administrative Cost Reimbursement

Public Agency acknowledges its obligation, pursuant to Welfare and Institutions Code section 14105.96, subdivision (f), to reimburse DHCS for the DHCS' administrative costs incurred in implementing the Public Hospital Outpatient Services Supplemental Reimbursement Program. After the end of each state fiscal year, DHCS will calculate its administrative costs for that fiscal year, and will determine the portion of those costs, if any, that will be assessed to Public Agency. DHCS and Public Agency will enter into a separate agreement setting forth the amount of the

administrative costs, if any, to be paid by Public Agency, together with details regarding invoicing and payment. DHCS may determine that the amount due from Public Agency is zero, if DHCS has been fully reimbursed for such costs from other entities (including other participants in the Public Hospital Outpatient Services Supplemental Reimbursement Program).

4. Term of Agreement

This Agreement shall take effect as of July 1, 2012, and continue in effect until terminated subject to the provisions of this Paragraph 4. Except as set forth in this Paragraph 4, the obligations of both parties shall cease upon such termination.

- A. Termination by Public Agency. Public Agency may terminate this Agreement with or without cause by written notice to DHCS delivered in accordance with Paragraph 5. Termination shall be effective ten (10) days after delivery or such later date set forth in the notice. Termination by Public Agency under this paragraph 4.A shall constitute Public Agency's withdrawal from participation in the Public Hospital Outpatient Services Supplemental Reimbursement Program.
- B. Automatic Termination. This Agreement shall be terminated automatically upon the occurrence of any of the following events: (i) Public Agency at any time ceases to operate an acute care hospital, (ii) such hospital ceases to provide outpatient hospital services; or (iii) Welfare and Institutions Code Section 14105.96 is repealed or becomes inoperative.
- C. Surviving Obligations of Public Agency. Both of the following obligations shall survive the termination of this Agreement for any reason: (i) Public Agency's obligations under Paragraph 2; and (ii) Public Agency's obligations to pay administrative costs under Paragraph 3 for any state fiscal year for which this Agreement is in force at any time during such state fiscal year.

5. Notices

Any and all notices required, permitted or desired to be given by one party to the other and will be in writing and delivered to the other party personally or by United States first class, certified or registered mail with postage prepaid, addressed to the other party at the addresses set forth below. Notices mailed pursuant to this Paragraph shall be deemed delivered five (5) days after mailing. Notices shall be directed as follows:

Notices to Public Agency:

Notices to DHCS: Department of Health Care Services
Safety Net Financing Division
Medi-Cal Supplemental Payments Unit
1501 Capitol Avenue
P.O. Box 997436, MS 4504
Sacramento, CA 95899-7436

Changes in the place to which notices are to be directed may be made by the notice procedure set forth in this Paragraph.

IN WITNESS WHEREOF, the parties to this Agreement, by their duly authorized representatives, have executed this Agreement on the dates set forth below.

Public Agency [Signature]
Authorized Representative
CEO
Title

Date 3/11/14

DHCS _____
Authorized Representative

Title

Date _____

APPROVED AS TO FORM AND LEGALITY

[Signature]
DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY

Reviewed as to fiscal provisions
[Signature]
Auditor-Controller
County of Monterey
3/12/14

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DHCS _____
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APPROVED AS TO FORM AND LEGALITY
[Signature]
DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY

Reviewed as to fiscal provisions
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