TWENTY-SECOND AMENDMENT TO THE PRIMARY HOSPITAL AND OUTPATIENT LABORATORY SERVICES AGREEMENT

This Twenty-second Amendment to the Primary Hospital and Outpatient Laboratory Services Agreement ("Amendment") is entered into and is effective this first day of August, 2016 ("Effective Date of Amendment"), by and between the Santa Cruz-Monterey-Merced Managed Medical Care Commission, doing business as the Central California 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, as amended. The Agreement became the Primary Hospital and Outpatient Laboratory Services Agreement as a result of the Fifth Amendment, effective August 1, 2009.

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. Delete the introductory paragraph located on page 5 of the Agreement and replace it with the following introductory paragraph:

"This Primary Hospital and Outpatient Laboratory Services Agreement ("Agreement") is entered into and is effective as of this 1st day of July, 2007 ("Effective Date") between the Santa Cruz/Monterey/Merced Managed Medical Care Commission, a public entity organized under the laws of the State of California, doing business as the Central California Alliance for Health ("Plan"), and Natividad Medical Center, a County Hospital ("Contractor")."

2. Delete Section 1.21 MEMBER, and replace with the following Section 1.21 MEMBER:

"1.21 MEMBER refers to a covered individual entitled to health care services under the Membership Contracts. Members include Medi-Cal Members and Other Members. Medi-Cal Members include Santa Cruz Medi-Cal Members, Monterey Medi-Cal Members, and Merced Medi-Cal Members.

(a) Santa Cruz Medi-Cal Member shall mean any person certified as eligible for Medi Cal, pursuant to the California Welfare and Institutions Code, who has been determined to be eligible to receive Medi-Cal benefits by the Santa Cruz County Social Services Department or the Social Security Administration and whose Member I.D. number contains Santa Cruz County Code Number 44 as the first two numbers and whose aid code is included for capitation payment in the State Medi-Cal Contract. A newborn of a Santa Cruz Medi-Cal Member is covered under the mother's membership for the month of birth and the following calendar month. A newborn born in the month immediately preceding the mother's enrollment as a Santa Cruz Medi-Cal Member is covered under the mother's membership during the mother's first month of enrollment.

(b) Monterey Medi-Cal Member shall mean any person certified as eligible for Medi Cal, pursuant to the California Welfare and Institutions Code, who has been determined to be eligible to receive Medi-Cal benefits by the Monterey County Social Services Department or the Social Security Administration and whose Member I.D. number contains Monterey County Code Number 27 as the first two numbers and whose aid code is included for capitation payment in

the State Medi-Cal Contract. A newborn of a Monterey Medi-Cal Member is covered under the mother's membership for the month of birth and the following calendar month. A newborn born in the month immediately preceding the mother's enrollment as a Monterey Medi-Cal Member is covered under the mother's membership during the mother's first month of enrollment.

(c) Merced Medi-Cal Member shall mean any person certified as eligible for Medi Cal, pursuant to the California Welfare and Institutions Code, who has been determined to be eligible to receive Medi-Cal benefits by the Merced County Social Services Department or the Social Security Administration and whose Member I.D. number contains Merced County Code Number 24 as the first two numbers and whose aid code is included for capitation payment in the State Medi-Cal Contract. A newborn of a Merced Medi-Cal Member is covered under the mother's membership for the month of birth and the following calendar month. A newborn born in the month immediately preceding the mother's enrollment as a Merced Medi-Cal Member is covered under the mother's membership during the mother's first month of enrollment.

Members are categorized as either Case Managed Members or Administrative Members. "Case Managed Members" include all Members who are managed by a Primary Care Physician. "Linked Members" are the Primary Care Physician's own Case Managed Members. "Administrative Members" include all Members determined by Plan to be inappropriate for inclusion in the regular Primary Care Physician Case Management system. Administrative Members are those Members who are Case Managed (either on a temporary or permanent basis) by the Medical Director. Some examples are: share of cost members, foster children living out of area, newly eligible members and retroactively eligible members.

3. Within Section 1.25 OUT OF AREA, delete "Santa Cruz and Monterey Counties" and replace with "Santa Cruz, Monterey, and Merced Counties".

4. Within Section 2.2 SERVICE TO BE PROVIDED BY CONTRACTOR, Subsection (d) Location of Services, delete "Santa Cruz or Monterey County" and replace with "Santa Cruz, Monterey, or Merced Counties".

5. Within Section 3.4 BILLING OTHER SOURCES, Subsection (a), delete "Santa Cruz County, Monterey County" and replace with "Santa Cruz County, Monterey County, Merced County".

6. Within Section 5.4 DISCLOSURE TO GOVERNMENT OFFICIALS, delete "the County of Santa Cruz, the County of Monterey" and replace with "the County of Santa Cruz, the County of Monterey, the County of Merced".

7. Within Section 8.1 PROVIDER DISPUTE RESOLUTION, Subsection (b) Provider Dispute Resolution, delete "Santa Cruz or Monterey County" and replace with "Santa Cruz, Monterey, or Merced Counties".

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

A. Hospital Inpatient Services Reimbursement Effective August 1, 2016.

(1) Plan shall pay Contractor for Covered Services that are Inpatient Hospital Services provided by Contractor to Medi-Cal Members at the lesser of (a) Contractor's billed charges or (b) one hundred percent (100%) of the following all-inclusive rates per Day of Service:

RATES REDACTED

This payment is payment in full for all such Covered Services that are provided to Medi-Cal Members, as well as any necessary administrative services; provided, however, Plan shall pay the Laparoscopic Gastric Banding Implant kit at the invoice cost in addition to the Laparoscopic Gastric Banding Surgery Day One per diem. Payment may be subject to adjustment as described in Section 3.3 of this Agreement, and is subject to the Coordination of Benefits rules set forth in Section 3.5 of this Agreement.

(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.

9. Delete Exhibit 3 Section C. 9. a. in its entirety and replace it with the following Exhibit 3 Section C. 9. a.:

"9. Rate Schedule, Effective August 1, 2016.

a. Hospital Inpatient Services Reimbursement.

(1) Plan shall pay Contractor for Covered Services that are Inpatient Hospital Services provided by Contractor to IHSS Members at the lesser of (a) Contractor's billed charges or (b) the following all-inclusive rates per Day of Service:

RATES REDACTED

This payment and the amount set forth in Section 3.4 (b) (i) is payment in full for all such Covered Services that are provided to IHSS Members, as well as any necessary administrative services. Payment may be subject to adjustment as described in Section 3.3 of this Agreement, and is subject to the Coordination of Benefits rules set forth in Section 3.5 of this Agreement. Compensation to Contractor for Covered Services provided to IHSS Members shall

be reduced by any applicable copayment owed by or on behalf of such IHSS Members.

(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 (h). 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) '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."

10. Delete Exhibit 3, Section D. Access for Infants and Mothers Program in its entirety and replace with the following, Exhibit 3, Section D. Medi-Cal Access Program:

"D. Medi-Cal Access Program

1. Medi-Cal Access Program Contract. The Medi-Cal Access Program Contract is the Membership Contract that Plan has entered into with the California Department of Health Care Services under which Monterey individuals eligible for the Medi-Cal Access Program and enrolled with Plan will receive all specified health care services.

2. Medi-Cal Access Program Members. Medi-Cal Access Program Members are Other Members. Medi-Cal Access Program Members include Monterey Medi-Cal Access Program Members.

   (a) Monterey Medi-Cal Access Program Member means any person who is eligible for and participates in the Medi-Cal Access Program, who resides in Monterey County and who is enrolled with Plan pursuant to Plan's Medi-Cal Access Program Contract.

3. Covered Benefits. Covered Benefits for Medi-Cal Access Program Members are the Medically Necessary health care services and benefits

which the Medi-Cal Access Program Member is entitled to receive, provided by and through Plan, under its Medi-Cal Access Program Contract. The Medi-Cal Access Program Contract currently covers Medically Necessary health care services and benefits set forth in Article 3, Chapter 5.6, Title 10 of the California Code of Regulations beginning with Section 2699.300. Covered Benefits for Medi-Cal Access Program Members are further described in the applicable Member Evidence of Coverage document. With respect to preventive pediatric health care services provided to Medi-Cal Access Program Members, Contractor will follow the most recent recommendations of the Recommended Childhood Immunization Schedule/United States adopted by the American Academy of Pediatrics, the Advisory committee on Immunization Practices (ACIP), and the American Academy of Family Physicians. Contractor shall provide immunizations for adult Medi-Cal Access Program Members as recommended by the ACIP. Health education related to tobacco use is a Covered Benefit under the Medi-Cal Access Program Program and the Medi-Cal Access Program Contract requires Plan to encourage its Providers, including Contractor, to (i) provide a smoke free environment for Members, (ii) offer Members smoking cessation services and assistance in tobacco avoidance, (iii) include tobacco exposure questions in health history and review for family history of tobacco related conditions, and (iv) encourage Members using tobacco products or exposed to second hand smoke to attend an anti-tobacco use program.

4. Exclusions. Services excluded under the Medi-Cal Access Program by Article 3, Chapter 5.6, Title 10 of the California Code of Regulations and services excluded under the Medi-Cal Access Program Contract are not Covered Benefits for Medi-Cal Access Program Members under this Agreement and Plan shall not pay Contractor for the provision of such excluded services to Medi-Cal Access Program Members. Exclusions for Medi-Cal Access Program Members are further described in the applicable Member Evidence of Coverage document.

5. Copayments. There are no copayments payable by Medi-Cal Access Program Members pursuant to the Medi-Cal Access Program Contract. Contractor shall not charge any copayments to Medi-Cal Access Program Members.

6. Emergency Services. For Medi-Cal Access Program Members, Emergency Services shall mean twenty-four hour health care services required for a medical condition manifesting itself by acute symptoms of a sufficient severity (including active labor or severe pain) such that the

absence of immediate medical attention could reasonably be expected to result in any of the following: a) placing the Member's health in serious jeopardy, b) serious impairment to bodily functions, or c) serious dysfunction of any bodily organ or part. According to California Health and Safety Code Section 1317.1, emergency services and care include (i) screenings, examinations, and evaluations for the purpose of determining whether a psychiatric emergency medical condition exists and (ii) the treatment necessary to relieve or eliminate the psychiatric emergency medical condition.

7. Self-Referral Services. For Medi-Cal Access Program Members, Self-Referral Services include family planning/sensitive services.

8. Compliance with the Medi-Cal Access Program. Contractor represents, certifies and warrants that it is currently, and for the duration of this Agreement shall remain in compliance with all applicable local, State and federal laws and regulations necessary for participation in the Medi-Cal Access Program.

9. Rate Schedule, Effective August 1, 2016.

a. Hospital Inpatient Services Reimbursement.

(1) Plan shall pay Contractor for Covered Services that are Inpatient Hospital Services provided by Contractor to Medi-Cal Access Program Members at the lesser of (a) Contractor's billed charges or (b) the following all-inclusive rates per Day of Service:

RATES REDACTED

This payment is payment in full for all such Covered Services that are provided to Medi-Cal Access Program Members, as well as any necessary administrative services. Payment may be subject to adjustment as described in Section 3.3 of this Agreement, and is subject to the Coordination of Benefits rules set forth in Section 3.5 of this Agreement.

(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 (h). 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, during the period when the mother is also an inpatient at Contractor. 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, during the period when the mother is also an inpatient at Contractor. 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, during the period when

the mother is also an inpatient at Contractor. 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) '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."

b. Hospital Outpatient and Emergency Room Services Reimbursement.

RATES REDACTED

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	Contractor Natividad Medical Center
By: _____	By: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Date: _____	Date: _____