

## HEALTH PLAN-PROVIDER AGREEMENT

### 2018-19 PAYMENT INCREASES FOR SERVICES FOR PLAN MEMBERS

This Agreement is made this <sup>26<sup>th</sup></sup> day of <sup>Aug</sup>/<sub>2019</sub> {month/year}, by and between the Fresno-Kings-Madera Regional Health Authority dba CalViva Health, a Medi-Cal Managed Care Plan hereinafter referred to as "PLAN", and Natividad Medical Center, a County Hospital hereinafter referred to as "PROVIDER."

#### RECITALS:

WHEREAS, CalViva Health licensed under Health and Safety Code Section 1349 et seq. has a contract with the State Department of Health Care Services pursuant to Welfare and Institutions Code Section 14087.3 to act as a Medi-Cal managed care plan and CalViva Health has contracted with Health Net Community Solutions, Inc., ("HNCS") which is a subsidiary of Health Net, Inc., which is a wholly owned subsidiary of Centene Corporation, to fulfill its responsibilities for the provision of Medi-Cal covered services for eligible Medi-Cal members. For purposes of this Agreement, Centene Corporation, Health Net of California, Inc., Health Net Community Solutions, Inc. and CalViva Health shall collectively be referred to as "PLAN";

WHEREAS, PROVIDER, an acute care medical center owned and operated by the County of Monterey ("County"), provides medical services to Medi-Cal beneficiaries who are Medi-Cal managed care enrollees of PLAN ("PLAN members"); and

WHEREAS, PLAN and PROVIDER desire to enter into an Agreement to provide for Medi-Cal managed care rate payment increases to PROVIDER with respect to medical services for PLAN members, and to maintain the availability of Medi-Cal health care services to Medi-Cal beneficiaries.

NOW, THEREFORE, PLAN and PROVIDER hereby agree as follows:

#### **2018-19 MEDI-CAL MANAGED CARE CAPITATION RATE RANGE INCREASES**

##### **1. Capitation Rate Range Increases to PLAN**

###### **A. Payment**

Should PLAN receive any Medi-Cal managed care capitation rate increases from the California Department of Health Care Services ("State DHCS") for which the nonfederal share is identified as funded by the County of Monterey on behalf of PROVIDER pursuant to the provisions of the Voluntary Rate Range Program authorized by State Law, including but not limited to, California Welfare and Institutions Code Sections 14301.4 ("Rate Range Program"), that is effective for the period of July 1, 2018 through June 30, 2019 ("MMCRRI"), PLAN shall pay to PROVIDER no less than one million three hundred fifty thousand dollars (\$1,350,000) of the total amount of the MMCRRI received from State DHCS as Local Medi-Cal Managed Care Rate Range ("LMMCRRI") Payments, except as provided in the paragraph below and less the 2%

administrative fee described in section B. LMMCRR Payments paid to PROVIDER shall not replace or supplant any other amounts paid or payable to PROVIDER by PLAN.

Notwithstanding the foregoing, LMMCRR Payments to PROVIDER for the relevant period shall be adjusted as appropriate to ensure that all such MMCRRIs received by PLAN, less any administrative fees, are expended as LMMCRR Payments, and in no case shall exceed the total amount of the MMCRRIs received by PLAN for the period. MMCRRIs received by PLAN are determined based on the actual member months per rate category, and the actual MMCRRIs received for the relevant period will be reflected in the PLAN's monthly capitation payment or as lump-sum payments received from State DHCS. Adjustments to the amount of LMMCRR Payments to PROVIDER will be increased or decreased accordingly.

**B. Health Plan Retention**

The PLAN shall retain a 2% administrative fee as PROVIDER'S share of PLAN's cost to administer this program. The amount of the administrative fee applicable to PROVIDER shall be calculated by multiplying the amount of the LMMCRR Payments otherwise payable to PROVIDER by 0.02.

**C. Consideration and Condition for Receiving Local Medi-Cal Managed Care Rate Range IGT Payments**

(1) The LMMCRR Payments shall represent compensation for covered Medi-Cal services rendered by PROVIDER to Medi-Cal beneficiaries enrolled in PLAN during the State fiscal year to which the LMMCRR Payments apply.

(2) As consideration and a condition for receiving LMMCRR IGT Payments, PROVIDER shall, as of the date the particular LMMCRR IGT Payment is due:

(i) maintain its current emergency response and ambulance transport services for PLAN enrollees; and

(ii) collect and maintain data on the utilization by PLAN members of PROVIDER's services during the period of July 1, 2018 through June 30, 2019.

(3) Payments made by PLAN to PROVIDER under the terms of this Agreement constitute patient care revenues.

**D. Schedule and Notice of Transfer of Non-Federal Funds**

PROVIDER shall provide PLAN with a copy of the schedule regarding the transfer of funds to State DHCS identified as funding for MMCRRIs, referred to in the applicable Intergovernmental Agreement between the County and State DHCS, within fifteen (15) calendar days of the PROVIDER establishing such schedule with the State DHCS. Additionally, PROVIDER shall notify PLAN, in writing, no less than seven (7) calendar days

prior to any changes to an existing schedule including, but not limited to, changes in the amounts specified therein.

**E. Form and Timing of Payments**

PLAN agrees to pay LMMCRR Payments to PROVIDER in the following form and according to the following schedule:

(1) PLAN agrees to pay the LMMCRR Payments to PROVIDER using the same mechanism through which compensation and payments are normally paid to PROVIDER (e.g., via check). After retaining the PLAN's administrative fee, as shown in Section B above, PLAN will pay PROVIDER the remaining LMMCRR payment.

(2) PLAN will pay the LMMCRR Payments to PROVIDER no later than thirty (30) calendar days after receipt of the MMCRRI from State DHCS.

**F. Cooperation Among Parties**

Should disputes or disagreements arise regarding the ultimate computation or appropriateness of any aspect of the LMMCRR Payments, PROVIDER and PLAN agree to work together in all respects to support and preserve the LMMCRR Payments to the full extent possible on behalf of the safety net in Fresno, Kings and Madera Counties.

**G. Reconciliation**

Within one hundred twenty (120) calendar days after the end of each of PLAN's fiscal years in which LMMCRR Payments were made to PROVIDER, PLAN shall perform a reconciliation of the LMMCRR Payments transmitted to the PROVIDER during the preceding fiscal year to ensure that the supporting amount of MMCRRI were received by PLAN from State DHCS. PROVIDER agrees to return to PLAN any overpayment of LMMCRR Payments made in error to PROVIDER within thirty (30) calendar days after receipt from PLAN of a written notice of the overpayment error, unless PROVIDER submits a written objection to PLAN. Any such objection shall be resolved in good faith by the parties. The reconciliation processes established under this paragraph are distinct from the indemnification provisions set forth in Section H. below. PLAN agrees to transmit to the PROVIDER any underpayment of LMMCRR Payments within thirty (30) calendar days of PLAN's identification of such underpayment.

**H. Indemnification**

PROVIDER agrees to indemnify and hold PLAN harmless in all matters relating to the nonfederal share provided for the MMCRRI, subsequent payment and use of such funds, up to the amount of the LMMCRR payments made under this Agreement.

**I. Remittance Information**

The LMMCRR Payments made by the PLAN pursuant only to this Agreement, shall be mailed to the PROVIDER at the address set forth below:

Address: 1441 Constitution Blvd.  
Salinas, CA 93906

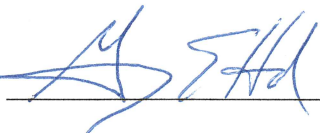
Phone: (831) 783-2553

Email: graygr@natividad.com


**2. Term**

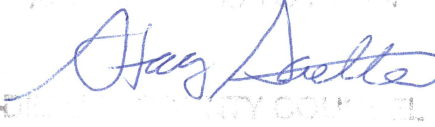
The term of this Agreement shall commence on July 1, 2018 and shall terminate on September 30, 2021.

**SIGNATURES**

BY HEALTH PLAN:  Date: 8/26/19  
Greg Hund, Chief Executive Officer, CalViva Health

BY PROVIDER: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed as to fiscal provisions  
  
Auditor-Controller  
County of Monterey  
4/16/19

  
COUNTY COUNCIL  
COUNTY OF MONTEREY