

**TWELFTH AMENDMENT TO
THE PRIMARY HOSPITAL AND
OUTPATIENT LABORATORY
SERVICES AGREEMENT**

This Twelfth Amendment to the Primary Hospital and Outpatient Laboratory Services Agreement ("Amendment") is made this 1st day of March, 2013, 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").
- B. Both Plan and Contractor desire to change certain terms of the Agreement.
- C. Plan has entered into an agreement with the County of Monterey ("County") and has agreed to provide administrative support services on behalf of County for County's Low Income Health Program ("LIHP").
- D. Contractor desires to participate as a Participating Provider for the County Low Income Health Program and agrees to look solely to County for payment for Covered Services provided to Low Income Health Program Members.
- 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. Section 4.7, Termination of LIHP Without Cause, shall be added to state in full as follows:


"4.7 Termination of LIHP Without Cause. Either party may terminate the Agreement at any time with respect to the Low Income Health Program (LIHP) only and without impacting the remainder of the Agreement by giving the other party at least one hundred twenty (120) days prior written notice.
- 2. Exhibit 4, Low Income Health Program (LIHP) Attachment, attached hereto, is added as a new Exhibit and incorporated into the Agreement.

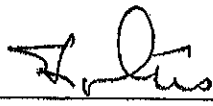
3. Exhibit 4-A, Rate Schedule for LIHP Members, attached hereto, is added as a new Exhibit and incorporated into the Agreement.
4. The Effective Date of Amendment shall be March 1, 2013, as determined by County in accordance with the County's contract with the State of California.
5. In all other respects, 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: Alan McKay

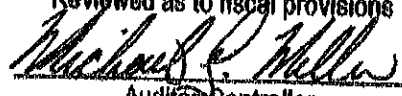
Print Name: Hans Weiss

Title: Executive Director

Title: CEO

Date: 2/28/13

Date: 2/25/13

Reviewed as to fiscal provisions

Auditor/Controller
County of Monterey

APPROVED AS TO FORM AND LEGALITY

 2/26/13
DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY

EXHIBIT 4

LOW INCOME HEALTH PROGRAM (LIHP) ATTACHMENT

This Exhibit 4 sets forth requirements, in addition to those requirements set forth elsewhere in the Agreement, applicable to Covered Services provided to Members enrolled in and determined to be eligible for the Low Income Health Program (LIHP). For purposes of this Exhibit 4, "County" shall mean County of Monterey.

1. LIHP Members. LIHP Members are Other Members. LIHP Members include Monterey LIHP Members.
 - (a) Monterey LIHP Member means any person who is enrolled in and determined to be eligible for the LIHP Program.
2. Covered Services. With respect to the LIHP, the term "Covered Services" shall mean Medically Necessary health care services and benefits which Members are entitled to receive under County's contract with DHCS for the LIHP. Information regarding Covered Services and excluded services are also set forth in the LIHP Evidence of Coverage and the Provider Manual.
3. County Responsibility for Funding Payments. For Covered Services for the LIHP, County shall be solely responsible for providing funding for payments for Hospital Services. Plan shall assist County, pursuant to an administrative services agreement between Plan and County, in, among other things, establishment of a network of Providers and administering payments for Covered Services rendered by Contractor from accounts established by County. However, Plan shall have no responsibility for payment and Contractor shall hold Plan harmless from such obligation. All references in the Agreement to a Plan obligation to pay for Hospital Services or Covered Services shall be revised, for purposes of the LIHP only, to specify that obligations to pay Contractor shall be the sole responsibility of County. County shall be entitled to the same rights and subject to the same obligations as Plan in connection with payment terms and conditions under the Agreement. Plan shall be responsible for administration of payments to the extent County funds are made available, and any overpayments received by Contractor shall be returned to Plan as the County's administrator.
4. Provider Manual. For purposes of the LIHP, the Provider Manual shall incorporate policies and procedures adopted by County related to the LIHP.
5. Quality Assessment and Improvement Program and UM Program. Contractor shall comply with the quality assessment and improvement program and UM program as set forth in the Provider Manual in connection with the LIHP. Plan and County reserve the right to amend the quality assessment and improvement program and UM program solely for the LIHP to address County-specific quality improvement and utilization management programs. Any such changes shall be adopted through amendments to the Provider Manual.

6. Effect of Termination and Survival. Section 4.5(a), Effect of Termination and Survival, shall not apply to the LIHP.
7. Adjustments to Payment Rate. County shall have the same rights as specified for Plan under Section 3.3, Adjustments to Payment Rate.
8. Grievance, Hearings and Appeals. In addition to its obligations under Section 8.2 (a), Member Complaints, Grievances, Inquiries and Claims, Contractor shall cooperate with Plan and County in administering Member grievance, hearing and appeal rights required by the LIHP and as may be set forth in the Provider Manual.
9. Amendments. Notwithstanding Section 9.5 of the Agreement, the Plan may amend this Agreement at any time in order to comply with any change to the LIHP, as adopted by County and/or DHCS, including any change in payment amounts or policies. Such amendment shall be effective upon written notice to Contractor and shall not require the written consent of Contractor.
10. Member Copayments. Contractor shall collect Member Copayments to the extent they are included as part of the LIHP.
11. Medi-Cal Program. All Medi-Cal program provisions set forth in the Agreement, shall also be applicable to the LIHP, except that in the event of any Medi-Cal program inconsistencies between the Agreement and this Exhibit 4, the terms of this Exhibit 4 shall prevail.

EXHIBIT 4-A
RATE SCHEDULE FOR LIHP MEMBERS

- I. Hospital Services Rate Schedule.
- A. Hospital Inpatient Services Reimbursement.
- (1)

may be subject to adjustment as described in Section 3.3 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. 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.

B. Hospital Outpatient and Emergency Room Services Reimbursement. Plan shall pay