

**AMENDMENT NO. 1
TO SERVICES AGREEMENT
BETWEEN HEALTH MANAGEMENT ASSOCIATES, INC. AND
NATIVIDAD MEDICAL CENTER
FOR
PROVIDER SYSTEM PROGRAM REVIEW SERVICES**

This Amendment No. 1 to the Services Agreement (“Agreement”) which was effective on January 2, 2017 is entered into by and between the County of Monterey, on behalf of **Natividad Medical Center** (hereinafter “NMC”), and **Health Management Associates, Inc.** (hereinafter “CONTRACTOR”); (collectively, the County, NMC and CONTRACTOR are referred to as the “Parties”), with respect to the following:

RECITALS

WHEREAS, the Agreement was executed for review of programs that other counties, both within California and nationally, have in place in regard to benefit and network designs to lower costs and direct care into specific provider systems with a term January 2, 2017 through January 1, 2018 and a total Agreement amount not to exceed \$45,000; and

WHEREAS, NMC and CONTRACTOR currently wish to amend the Agreement to extend it for an additional one (1) year period through January 1, 2019 to allow for services to continue with revisions to the scope of services/ payment provisions as per Amendment No. 1 and to increase the total agreement amount by an additional \$55,000 for a revised total Agreement amount not to exceed \$100,000.

AGREEMENT

NOW, THEREFORE, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the Original Agreement incorporated herein by this reference, except as specifically set forth below.

1. Section 2 / Paragraph titled, “PAYMENTS BY NMC” shall be amended to the following:
“NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in EXHIBIT A plus EXHIBIT A-1 as per Amendment No. 1 attached hereto this Amendment No. 1. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$100,000.”
2. The first sentence of Paragraph titled, “TERM OF AGREEMENT” shall be amended to the following:
“The term of this Agreement is from January 2, 2017 through January 1, 2019 unless sooner terminated pursuant to the terms of this Agreement.”
3. Section 4/ Paragraph titled, “SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS” shall be amended to the following:
“The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:
 - **Exhibit A: Scope of Services/Payment Provisions**
 - **Exhibit A-1: revised Scope of Services/Payment Provisions as per Amendment No. 1.”**


4. Except as provided herein, all remaining terms, conditions and provisions of the Original Agreement are unchanged and unaffected by this Amendment No. 1 and shall continue in full force and effect as set forth in the Agreement.
 5. A copy of this Amendment No. 1 shall be attached to the Original Agreement.
 6. This Amendment No. 1 shall be effective when signed by both parties.
-

The remainder of this page was intentionally left blank.

~ Signature page to follow ~

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 1 on the basis set forth in this document and have executed this Amendment No. 1 on the day and year set forth herein.

NATIVIDAD MEDICAL CENTER

By: 
Gary R. Gray, DO, CEO

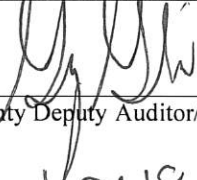
Date: 1/31/18

APPROVED AS TO LEGAL PROVISIONS

By: 
Monterey County Deputy County Counsel

Date: 1/29/18

APPROVED AS TO FISCAL PROVISIONS

By: 
Monterey County Deputy Auditor/Controller

Date: 1-30-18

CONTRACTOR

Health Management Associates, Inc.


CONTRACTOR's Business Name

See instructions below

By: 
(Signature of: Chair, President, or Vice-President)

KELLY JOHNSON, VICE PRESIDENT
Name and Title

Date: 12/21/2017

By: 
(Signature of: Secretary, Asst. Secretary, CFO, Treasurer, or Asst. Treasurer)

Bruce Gould, Secretary
Name and Title

Date: 12-28-2017

*****Instructions*****

If **CONTRACTOR** is a corporation; including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required).

If **CONTRACTOR** is a partnership; the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required).

If **CONTRACTOR** is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).

EXHIBIT A-1 SCOPE OF SERVICES/ PAYMENT PROVISIONS

HEALTH MANAGEMENT ASSOCIATES

SCOPE OF SERVICES

HMA shall provide the following services:

- Assistance in improving the financial and operational alignment between Natividad, other parts of the Monterey County health portfolio, private providers, and the Central California Alliance for Health, Medi-Cal managed care, plan/provider issues, payment reform, and quality issues;
- Assistance on how Natividad and Monterey County can mitigate the negative impact of changes to the ACA and Medicaid financing linked to the managed care rule (i.e. supplemental payments, hospital financing), and anticipated Congressional action; and
- Assistance in improving alignment of the Drug Medi-Cal Organized Delivery System, Whole Person Care, Health Homes, and other initiatives focused on high-need clients in the County.

DELIVERABLES

Most of the contracted work will take place through meetings and conference calls with you and your staff, and may also include drafting or editing written products for designated audiences on the topics mentioned above.

STAFFING

Jonathan Freedman will serve as the HMA project manager for this project, and will be the primary staff on this project. Additional HMA staff will provide services for the project as appropriate.

PROJECT FEES

We shall provide the services described above on a time-and-materials basis. Professional hourly rates and travel time will be billed as indicated in the table below.

HMA and NMC agree that all travel related expenses shall be reimbursed in accordance with the County of Monterey Travel Policy, www.co.monterey.ca.us/auditor/policies.htm. To receive reimbursement, HMA agrees to provide NMC with a detailed breakdown of authorized expenses, identifying what was expended and the date expended; receipts for all travel expenses, excluding meals, shall be provided. Should additional work be required that would cause additional fees to be incurred, HMA will provide a written SOW and cost estimate for this additional work to NMC for its approval. This will ensure that project fees will not be incurred beyond this amount without NMC's prior approval.

Title	Professional Hourly Rate	Travel Time Rate
Physician Principal	\$485	\$247
Managing Principal	\$415	\$217
Principal	\$390	\$205
Senior Consultant	\$335	\$175
Consultant	\$225	\$117
Research Assistant	\$185	\$92
Clerical and Staff Support	\$95	N/A