



May 17, 2019

Jennifer Lopez  
Division Chief  
Capitated Rates Development Division  
Department of Health Care Services  
1501 Capital Avenue, MS 4413  
P.O. Box 997413  
Sacramento, CA 95899-7413

Dear Ms. Lopez:

This letter confirms the interest of Monterey County d/b/a Natividad, a governmental entity, federal I.D. Number 94-6000524, in working with the California Department of Health Care Services (DHCS) to participate in the Voluntary Rate Range Program, including providing an Intergovernmental Transfer (IGT) to DHCS to be used as a portion of the non-federal share of actuarially sound Medi-Cal managed care capitation rate payments incorporated into the contract between Medi-Cal managed care plans ("MCPs") and DHCS for the period of July 1, 2018, to June 30, 2019. This is a non-binding letter, stating our interest in helping to finance health improvements for Medi-Cal beneficiaries. The governmental entity's funds are being provided voluntarily pursuant to sections 14164 and 14301.4 of the California Welfare and Institutions Code, and the State of California is in no way requiring the governmental entity to provide any funding.

Monterey County d/b/a Natividad is willing to contribute up to \$9,800,000 of the estimated nonfederal contribution for rate range amounts available and payable for the SFY 2018-19 rating period. We recognize that, unless a waiver is approved by DHCS, there will be an additional 20-percent assessment fee payable to DHCS on the Non-MCE funding amount, for the administrative costs of operating the voluntary rate range program.

The following individual from our organization will serve as the point of communication between our organizations on this issue:

Daniel Leon, Chief Financial Officer, Natividad Medical Center 1441 Constitution Blvd. Salinas, CA 93906,  
831-783-2561, [leond@natividad.com](mailto:leond@natividad.com)

This letter of intent supersedes our prior letter regarding the SFY 2018-19 rating period, dated August 20, 2018.

I certify that I am authorized to sign this letter of intent on behalf of the governmental entity.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Gray", is written over a horizontal line.

Gary Gray, D.O.  
Chief Executive Officer

cc: Juan Polanco, NMC