



Legislation Details (With Board Report)

**File #:** A 19-008      **Name:** Authority to Sign Government Payer Agreements/Amendments

**Type:** BoS Agreement      **Status:** Passed - Natividad Medical Center

**File created:** 2/6/2019      **In control:** Board of Supervisors

**On agenda:** 2/26/2019      **Final action:** 2/26/2019

**Title:** Authorize the Chief Executive Officer of Natividad Medical Center (“NMC”) until June 30, 2024 to execute agreements/amendments with government payers of healthcare services, including agreements/amendments containing non-standard risk provisions, for the purpose of adding NMC as an in-network provider of healthcare services for both hospital and professional services and for establishing reimbursement methodologies used in healthcare payments, subject to County Counsel and Auditor-Controller approval.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Board Report, 2. 34. Completed Board Order

Date	Ver.	Action By	Action	Result
2/26/2019	1	Board of Supervisors	approved - natividad medical center	Pass

Authorize the Chief Executive Officer of Natividad Medical Center (“NMC”) until June 30, 2024 to execute agreements/amendments with government payers of healthcare services, including agreements/amendments containing non-standard risk provisions, for the purpose of adding NMC as an in-network provider of healthcare services for both hospital and professional services and for establishing reimbursement methodologies used in healthcare payments, subject to County Counsel and Auditor-Controller approval.

**RECOMMENDATION:**

**It is recommended the Board of Supervisors:**

Authorize the Chief Executive Officer of Natividad Medical Center (“NMC”) until June 30, 2024 to execute agreements/amendments with government payers of healthcare services, including agreements/amendments containing non-standard risk provisions, for the purpose of adding NMC as an in-network provider of healthcare services for both hospital and professional services and for establishing reimbursement methodologies used in healthcare payments, subject to County Counsel and Auditor-Controller approval.

**SUMMARY/DISCUSSION:**

The County of Monterey, on behalf of Natividad Medical Center (“NMC”), has contracts with government payers, including Santa Clara County, Santa Cruz County and Central California Alliance for Health. Some of the payer agreements have been in place for over 20 years.

The purpose of a payer agreement is to allow NMC to be an in-network provider to provide inpatient and outpatient services to the government program members and/or enrollees. As government entities are responsible for constituents, the entities in turn request agreements or modifications to their existing agreements with hospitals and providers.

In many situations, a government entity would want to have an agreement in place in a very short timeframe in order to provide the appropriate network of hospitals and physicians for patients needing care. Having the network in place is important for a government entity to provide health benefits coverage.

Agreements have standard provisions such as authorizations, documentation, covered services, confidentiality, indemnity, termination and rates. NMC will continue as currently to work with County Counsel and County-Auditor to receive approval prior to finalizing an agreement.

**OTHER AGENCY INVOLVEMENT:**

County Counsel and the County Auditor-Controller have reviewed this request. The request has also been reviewed and approved by NMC's Finance Committee on January 24, 2019 and by the NMC Board of Trustees on February 1, 2019.

**FINANCING:**

There is no impact to the General Fund. There are no costs associated with this Agreement. The action will result in reimbursement rates paid to Natividad.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

- Economic Development
- Administration
- Health and Human Services

This authority provides timely mutual beneficial terms and conditions related to the provision of health care services for patients in the community.

- Infrastructure
- Public Safety

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