



Board Report

File #: A 16-076, **Version:** 1

- a. Authorize the Chief Executive Officer of Natividad Medical Center (NMC) to execute the Central California Alliance for Health (CCAH) Twentieth (20th) Amendment to the Primary Hospital and Outpatient Laboratory Services Agreement (“Agreement”) concerning Outpatient Laboratory incentive (“OLI”) payments for NMC’s reporting of certain Healthcare Effectiveness Data and Information Set (HEDIS) 2016 Laboratory Test Results.
- b. Authorize the Chief Executive Officer of NMC to execute future non-substantive amendments to the Agreement that pertain solely to CCAH’s payment of OLIs for NMC’s reporting of HEDIS Laboratory Test Results, subject to County Counsel and County Auditor-Controller approval; delegation of authority expires June 30, 2021.

RECOMMENDATION:

It is recommended the Board of Supervisors

- a. Authorize the Chief Executive Officer of Natividad Medical Center (NMC) to execute the Central California Alliance for Health (CCAH) Twentieth (20th) Amendment to the Primary Hospital and Outpatient Laboratory Services Agreement (“Agreement”) concerning Outpatient Laboratory incentive (“OLI”) payments for NMC’s reporting of certain Healthcare Effectiveness Data and Information Set (HEDIS) 2016 Laboratory Test Results.
- b. Authorize the Chief Executive Officer of NMC to execute future non-substantive amendments to the Agreement that pertain solely to CCAH’s payment of OLIs for NMC’s reporting of HEDIS Laboratory Test Results, subject to County Counsel and County Auditor-Controller approval; delegation of authority expires June 30, 2021.

SUMMARY/DISCUSSION:

The Central California Alliance for Health (CCAH) is the Medi-Cal Managed Care Commission for Santa Cruz-Monterey-Merced counties. NMC provides outpatient laboratory, inpatient and outpatient services to CCAH members.

The County of Monterey, on behalf of NMC, entered into a Primary Hospital Services Agreement with CCAH with an original term of July 1, 2007 through December 31, 2007. Since then, the Agreement has been renewed automatically for successive one-year terms, subject to three termination provisions (immediate termination, termination without cause, termination with cause).

Healthcare Effectiveness Data and Information Set (HEDIS) Laboratory Test Results are a set of standardized performance measures maintained by the National Committee for Quality Assurance. HEDIS is a tool used by the majority of America’s health plans to measure performance on important dimensions of care and service. Annually, CCAH offers incentive payments to contracted providers for the reporting of certain laboratory test results on a quarterly basis. The Twentieth Amendment extends until the end of the calendar year CCAH’s payment of Outpatient Laboratory Incentives (“OLI”) for NMC’s reporting of HEDIS laboratory test results.

Over the years, five of the amendments to the Agreement (Amendments 9, 14, 16, 18 and now 20) have involved amendments to the provisions concerning OLI payments for the reporting of HEDIS laboratory test results. All of the changes have been very minimal technical changes, involving, for example, specific laboratory test procedure codes. In addition, none of the changes thus far has amended the per valid OLI test result reimbursement rate. Due to the non-substantive nature of these amendments, NMC seeks Board authority to permit the NMC Chief Executive Officer to execute future non-substantive amendments to the Agreement, where the amendments pertain solely to annual OLI payments for NMC’s reporting of HEDIS data.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this 20th Amendment as to legal form and risk provisions. The 20th Amendment has also

been reviewed and approved by NMC's Finance Committee on February 25, 2016 and by the NMC Board of Trustees on March 4, 2016.

FINANCING:

There is an additional revenue opportunity from this no-cost incentive program.

Prepared by: Nancy Majewski, Managed Care Operations Manager, 783-2385

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Amendment No. 20 to CCAH Facility Agreement,
Amendments 11 through 19 to CCAH Facility Agreement,
Amendments 1 through 10 to CCAH Facility Agreement,
CCAHA Facility Agreement

Attachments on file with the Clerk of the Board