



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

**File #: A 17-125, Version: 1**

Authorize the Chief Executive Officer of Natividad Medical Center (“NMC”) to execute the Third Amendment (“Amendment”) to the Blue Shield of California (“Blue Shield”) Fee for Service Hospital Agreement (“Agreement”), amending the reimbursement rates for NMC’s provision of health care services, extending the term for three additional years, effective May 15, 2017 through May 14, 2020, and subject to an automatic renewal clause for additional terms of one (1) year, unless earlier terminated as set forth in the Agreement. (CORRECTED VIA SUPPLEMENTAL AGENDA ON FRIDAY, MAY 5, 2017 AT 3:00 p.m.)

### **RECOMMENDATION:**

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

Authorize the Chief Executive Officer of Natividad Medical Center (“NMC”) to execute the Third Amendment (“Amendment”) to the Blue Shield of California (“Blue Shield”) Fee for Service Hospital Agreement (“Agreement”), amending the reimbursement rates for NMC’s provision of health care services, extending the term for three additional years, effective May 15, 2017, and subject to an automatic renewal clause for additional terms of one (1) year, unless earlier terminated as set forth in the Agreement.

### **SUMMARY/DISCUSSION:**

Natividad Medical Center has had a long standing relationship with Blue Shield. As reflected in the Third Amendment, both parties have agreed to new terms effective May 15, 2017.

Section 1457 of the Health and Safety Code provides that the records of a hospital or any other county medical facility that reveal the rates of payment for health care services rendered by, or purchased by, the hospital or other medical facility shall not be considered public records subject to disclosure pursuant to the California Public Records Act. Cal. Health & Safety Code § 1457(c)(1). Accordingly, the payment rates have been redacted from the attached copy of the Agreement.

### **OTHER AGENCY INVOLVEMENT:**

County Counsel has reviewed and approved this Amendment as to legal form and risk provisions and the County Auditor-Controller has reviewed and approved as to payment provisions. The Amendment has also been reviewed and approved by NMC’s Finance Committee on February 23, 2017 and by the NMC Board of Trustees on March 3, 2017.

### **FINANCING:**

There are no costs associated with this Agreement. There is no impact to the General Fund.

### **BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

- ☐ Economic Development
- ☐ Administration
- ☒ Health and Human Services

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

- ☐ Infrastructure
- ☐ Public Safety

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

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

Attachments:

Blue Shield Amendment 3 to Fee for Svc Agreement (redacted rates)  
Blue Shield Amendment 2 to Fee for Svc Agreement (redacted rates)  
Blue Shield Amendment 1 to Fee for Svc Agreement (redacted rates)  
Blue Shield Fee for Svc Agreement 1204A (redacted rates)

Attachments on file with the Clerk of the Board