

**AMENDMENT NO. 2
TO SERVICES AGREEMENT
BETWEEN AE & ASSOCIATES, LLC AND
THE COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER
FOR
CODING, AUDITS, ON SITE TRAINING AND REMOTE CODING SUPPORT SERVICES**

This Amendment No. 2 to the Services Agreement ("Agreement") which was effective on August 1, 2019 is entered into by and between the County of Monterey, on behalf of Natividad Medical Center ("NMC"), and AE & Associates, LLC ("CONTRACTOR"); **From this point forward, the party referenced previously as "NMC" shall be referenced as "COUNTY" and collectively, COUNTY and CONTRACTOR are referred to as the "Parties" to this Agreement, with respect to the following:**

RECITALS

WHEREAS, the Agreement was executed with AE & Associates, LLC for Coding, Audits, On Site Training and Remote Coding Support Services with a term August 1, 2019 through July 31, 2022 and a total Agreement amount not to exceed \$100,000; and

WHEREAS, COUNTY and CONTRACTOR amended the Agreement on February 8, 2022 via Amendment No. 1 to extend the term for additional two (2) year period through August 1, 2022 through July 31, 2024 (August 1, 2019 through July 31, 2024) and to add an additional \$179,616, thereby increasing the total Agreement amount to \$279,616; and

WHEREAS, COUNTY and CONTRACTOR currently wish to amend the Agreement via Amendment No. 2, to revise Exhibit A attached hereto as "Exhibit A-2 Per Amendment No.2" with no change to the term (August 1, 2019 through July 31, 2024), to allow services to continue with a \$10,000 increase for a total Agreement amount of \$289,616.

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. Paragraph titled, "PAYMENTS BY COUNTY" shall be amended to the following:
"COUNTY shall pay the CONTRACTOR in accordance with the payment provisions set forth in by "Exhibit A-2 per Amendment No.2" and incorporated herein, subject to the limitations set forth in this Agreement. The total amount payable by COUNTY to CONTRACTOR under this Agreement shall not exceed the sum of \$289,616."

2. 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-2 per Amendment No.2
Addendum No. 1 as per Amendment No. 1
Exhibit A: Scope of Services/Payment Provisions
Exhibit B: Business Associate Agreement."**

3. Except as provided herein, all remaining terms, conditions and provisions of the Agreement are unchanged and unaffected by this Amendment No. 2 and shall continue in full force and effect as set forth in the Agreement.
4. A copy of this Amendment No. 2 shall be attached to the Agreement.
5. This Amendment No. 2 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. 2 on the basis set forth in this document and have executed this Amendment No. 2 on the day and year set forth herein.

**COUNTY OF MONTEREY on behalf of
NATIVIDAD MEDICAL CENTER**

DocuSigned by:
Charles Harris
4E1F837D204E481...
By: Charles R. Harris, CEO

Date: 2/2/2023 | 12:38 PM PST

APPROVED AS TO LEGAL PROVISIONS

DocuSigned by:
Stacy Saetta
C0EE1B99F444A9...
By: Monterey County Deputy County Counsel

Date: 1/24/2023 | 4:30 PM PST

APPROVED AS TO FISCAL PROVISIONS

DocuSigned by:
Joey Nolasco
F60C442ED05B437...
By: Monterey County Deputy Auditor/Controller

Date: 1/25/2023 | 2:36 PM PST

CONTRACTOR

AE & Associates, LLC
CONTRACTOR's Business Name
See instructions below

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

ARNALDO T. ARDEVELA, CEO
Name and Title

Date: 1/12/23

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

Ester Ardevela, CFO
Name and Title

Date: 01/12/2023

*****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-2 Per Amendment No.2- SCOPE OF SERVICES AND PAYMENT PROVISIONS

NMC and CONTRACTOR hereby agree the Scope of Services include but are not limited to the following:

1. Scope of Services

CONTRACTOR shall provide the following additional services are needed and as requested by NMC.

- CODING SERVICES: AE & Associates, LLC will provide support coding for the Health Information Management department in the form of:

- Emergency Room coding
- Evaluation & Management Coding
- Outpatient Surgery
- Observation
- Inpatient Coding
- Interventional Radiology/Cardiovascular Coding

Coding Type	Productivity Standard
Emergency Department Coding <i>(without E&M)</i>	7 charts / hour
Ancillary Coding	15 charts / hour
Evaluation & Management Facility Coding	TBD charts / hour
Outpatient Surgery Coding	5 charts / hour
Observation Coding	5 charts / hour
Inpatient Coding	2.25 charts/hour

- AUDITING SERVICES: AE & Associates, LLC will provide the following auditing services for the facility.

- Concurrent ICD Coding Audit
- Concurrent Medical Surgical Coding Audit
- MS-DRG Audit
- APC Audit
- RAC Defense Audit
- Nurse Defense Audit
- Admit to Observation Audit

- OTHER SERVICES

EXHIBIT A-2 Per Amendment No.2- SCOPE OF SERVICES AND PAYMENT PROVISIONS

2. Payment

In consideration for the services to be performed by CONTRACTOR, NMC agrees to pay
CONTRACTOR as follows:

Type of Service	Cost
Support Coding Services	
Emergency Department Coding	\$56.00 / Hour
Ancillary Coding	\$56.00 / Hour
Evaluation & Management Facility Coding	\$58.00 / Hour
Outpatient Surgery Coding	\$56.00 / Hour
Observation Coding	\$56.00 / Hour
Inpatient Coding	\$60.00 / Hour

Interventional Radiology and Cardiovascular Coding	
IR Coding (1-5 codes submitted)	\$22.00 / Encounter
IR Coding (6-10 codes submitted)	\$27.00 / Encounter
IR Coding (11-15 codes submitted)	\$35.00 / Encounter
IR Coding (16+ codes submitted)	\$50.00 / Encounter

Auditing Services	
Concurrent ICU Coding Audit	See Concurrent Pricing Chart
Concurrent Medical Surgical Coding Audit	See Concurrent Pricing Chart
MS-DRG Audit	\$53.00 / Chart
APC Audit	\$33.00 / Chart
RAC Defense Audit	\$200.00 / Chart
Nurse Defense Audit	\$3.00 / \$1,000.00 Billed
Admit to Observation Audit	TBD

Other Services	
IP Denial Appeals	TBD
Evaluation & Management Education for Coder	TBD
Peer to Peer E/M Education for Physicians	TBD
ICD-10 Education	TBD
CDI Development and Monitoring	TBD

EXHIBIT A-2 Per Amendment No.2- SCOPE OF SERVICES AND PAYMENT PROVISIONS

Other Services

First (1 st) Level Appeal –Clinical Validation/Medical Necessity	\$200.00/Hour
First (1 st) Level Appeal-Inpatient Coding/ MS-DRG Downgrade	\$225.00/Per Case
First Level Appeal	\$50 for up to two additional & \$75 for each additional diagnosis thereafter
Second (2 nd) Level Appeal	\$200.00/Case
Third (3 rd) Level and Subsequent if Applicable	\$350.00/Hour (including preparation and construction of appeal letter and /or discussion with pater, medical director, or other payer representative
Nurse Charge Audit	\$200.00

Concurrent Coding	
1-3 Days	\$70.00 / Chart
4-6 Days	\$80.00 / Chart
7-10 Days	\$90.00 / Chart
11-15 Days	\$100.00 / Chart
16-20 Days	\$110.00 / Chart
21-30 Days	\$120.00 / Chart
31 and over	\$130.00 / Chart