

HOSPITAL AGREEMENT
AMENDMENT 2020-01 (AMENDMENT No 7)

This Amendment Number Seven (“Amendment”) to the Hospital Agreement (“Agreement”) between San Mateo County Health Commission, dba **Health Plan of San Mateo**, a public entity hereinafter referred to as “PLAN”, and the County of San Mateo dba **San Mateo Medical Center**, hereinafter referred to as “HOSPITAL” is made effective the 1st day of December 2020.

RECITALS:

WHEREAS, PLAN and HOSPITAL have previously entered into an agreement effective January 1, 2007; and

WHEREAS, Article XIV.C of Agreement provides for amending such Agreement; and

WHEREAS, PLAN is a County Organized Health System, formed pursuant to Welfare and Institutions Code Section 14087.51 and Sections 2.23.010, 2.23.020 and 2.23.030 of the San Mateo County Ordinance Code, which has entered into and maintains a Medi-Cal Services Contract with the State of California; and

WHEREAS, HOSPITAL is the only disproportionate share hospital (DSH) as defined in Welfare and Institutions Code Section 14105.98, in the County of San Mateo and historically has been the largest DSH provider of adult (non-obstetric) inpatient services to PLAN’s members; and

WHEREAS, in light of recent changes in reimbursement programs resulting from the issuance of final regulations by the Centers of Medicare & Medicaid Services (CMS) that revise and significantly strengthen existing Medicaid managed care rules, PLAN and HOSPITAL desire to amend the Agreement to increase payment rates for inpatient medical-surgical services to PLAN members to help assure the continued availability of Medi-Cal health care services to Medi-Cal beneficiaries in San Mateo County; and

NOW, THEREFORE, in consideration of the mutual terms set forth below, the parties agree to amend the Agreement as Follows:

1. Exhibit 2 – Reimbursement Addendum is deleted and replaced with the attached Exhibit 2: Reimbursement Addendum.
2. Notwithstanding the date of execution, unless otherwise referenced this Amendment shall be effective the 1st day of December 2020.
3. Except as amended hereby, all other terms and conditions of the Agreement are to remain in full force and effect. In the event there are any conflicting terms between this Amendment and the Agreement, this Amendment shall control.
4. The parties certify that the individuals signing below have the authority to execute this Amendment on behalf of their respective organizations.

In witness of and in agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

For PLAN: HEALTH PLAN OF SAN MATEO

<p><small>Digitally signed by Trent Ehrgood DN: cn=Trent Ehrgood, o=Health Plan of San Mateo, ou=Chief Financial Officer, email=Trent.Ehrgood@hpsm.org, c=US Date: 2020.12.24 13:22:40 -0800</small></p> <p>Trent Ehrgood</p>	<p><u>12/24/20</u></p>	<p><u>Trent Ehrgood</u></p>
<p>PLAN Signature</p>	<p>Date</p>	<p>Name (please print)</p>



COUNTY OF SAN MATEO

By:
President, Board of Supervisors, San Mateo County

Date:

ATTEST:

By:
Clerk of Said Board

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Exhibit 2

Reimbursement Addendum

Section A – Hospital Inpatient Services Reimbursement

- (1) PLAN shall pay HOSPITAL, as a non-full scope hospital, the all-inclusive rates per day for admission as follows:

<u>Hospital Inpatient Services Reimbursement</u>	
<u>Services Type</u>	<u>Rates in effect for services on or after July 1, 2020</u>
Med/Surg	\$ 4,104.00
ICU	\$ 4,104.00
Administrative Day	\$ 500.00

- (2) HOSPITAL shall provide notice to PLAN of the interim inpatient per diem rate established annually by the California Department of Health Care Services within five (5) business days from the date HOSPITAL receives notice of the interim inpatient per diem rate from the California Department of Health Care Services.

After PLAN receives such notice from HOSPITAL, PLAN shall adjust the Med/Surg and ICU rate in the Hospital Inpatient Services table above, equal to the interim inpatient per diem rate established annually by the California Department of Health Care Services, unless otherwise amended.

Section B - HOSPITAL Outpatient Services Reimbursement

- (1) The PLAN shall pay the HOSPITAL for those outpatient hospital services, excluding physician services, provided to Medi-Cal Members, and for which approved claims have been submitted by the HOSPITAL at 123 % of the prevailing state Medi-Cal outpatient service reimbursement rates for services rendered or the PLAN's payment rate, whichever is higher.

The PLAN shall pay the HOSPITAL for professional services, provided to Medi-Cal Members, and for which approved claims have been submitted by the HOSPITAL at 123% of the prevailing state Medi-Cal reimbursement rate for services rendered or the PLAN' s payment rate, whichever is higher.

- (2) The all-inclusive per diem rates, as described above, are to be the only payments made by the PLAN to the HOSPITAL for inpatient services provided to Medi-Cal Members except where otherwise provided hereunder.