

THIRD AMENDMENT TO AGREEMENT AMONG SETON MEDICAL CENTER, THE
COUNTY OF SAN MATEO, AND THE SAN MATEO COUNTY HEALTH COMMISSION

RECITALS

Pursuant to Resolution No. 072695 of the San Mateo County ("County") Board of Supervisors, and action by the Governing Board of the San Mateo County Health Commission, dba the Health Plan of San Mateo ("HPSM"), the County, HPSM, and the Seton Medical Center ("Hospital," and, together with the County and HPSM, the "Parties") entered into an agreement for the term of October 1, 2013 through June 30, 2014 pursuant to which the County provided up to \$11,500,000 in financial support for the Hospital in exchange for Hospital's agreement, among other things, to maintain the Hospital's role as a safety net provider in San Mateo County during the term of the Agreement (the "Agreement").

Pursuant to Resolution No. 073228 of the County Board of Supervisors, adopted on June 17, 2014, and corresponding action by the HPSM and the Hospital, the Parties amended the Agreement to, among other things, increase the total amount of financial support to the Hospital under the Agreement by seven million two hundred thousand dollars (\$7,200,000), from \$11,500,000 to an amount not to exceed \$18,700,000.

Pursuant to Resolution No. 073538 of the San Mateo County Board of Supervisors, adopted on December 9, 2014, and corresponding action by the HPSM and the Hospital, the Parties further amended the Agreement to, among other things, further extend the term of the Agreement through February 28, 2015 and to increase the total amount of fiscal support to the Hospital under the Agreement by two million four hundred thousand dollars (\$2,400,000), from \$18,7000, to an amount not to exceed \$21,100,000.

The Hospital continues to play an important role in the County's healthcare delivery system and the Parties now desire to further amend the Agreement to extend the term through June 30, 2015 and to increase the total amount of financial support to the Hospital under the Agreement by four million eight hundred thousand dollars (\$4,800,000), from \$21,100,000 to an amount not to exceed twenty five million nine hundred thousand dollars (\$25,900,000).

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Section II.1. of the Agreement is hereby amended in its entirety as follows:

The term of this Agreement is October 1, 2013 through June 30, 2015.

2. Section II.2. of the Agreement is hereby amended in its entirety as follows:

During the term of this Agreement, the County of San Mateo will make available to the HPSM for payment to Seton Medical Center, a total of twenty five million four hundred thousand dollars (\$25,400,000). The County will make these funds available to the HPSM, which will pay these funds to Seton Medical Center, at the rate of one million two hundred thousand dollars (\$1,200,000) per month during the first eight months of the term of this Agreement (i.e., from October 1, 2013 through May 31, 2014); one million four hundred thousand dollars (\$1,400,000) during the ninth month of the Agreement's term (i.e., June

2014); and one million two hundred thousand dollars (\$1,200,000) per month during the next twelve months of the term of the Agreement (i.e., from July 1, 2014 through June 30, 2015), unless the Agreement is terminated early as set forth herein. The County will undertake and coordinate for legal research and analysis, including through outside counsel, to determine whether intergovernmental funds transfers may be used to leverage monies paid to Seton Medical Center in consideration of Medi-Cal services.

All other terms and conditions of the Agreement as amended prior to the adoption of this Third Amendment to this Agreement, remain unchanged and in full force and effect.

COUNTY OF SAN MATEO

SETON MEDICAL CENTER

By: _____

Carole Groom, President

San Mateo County Board of Supervisors

Date: _____

By: Joanne Allen

Joanne Allen, President and CEO

Date: 6/30/2015

ATTEST:

HEALTH PLAN OF SAN MATEO

By: _____

Clerk of Said Board

By: _____

Maya Altman, CEO

Date: _____