

COUNTY OF SAN MATEO
Departmental Correspondence

DATE **APR 18 2001**
HEARING DATE **APR 24 2001**

TO Honorable Board of Supervisors
FROM Timothy B. McMurdo, Director, Hospital & Clinics Division
SUBJECT Amendments to the Agreement (2000-2 and 2001-1) with the San Mateo Health Commission

RECOMMENDATION

Adopt a resolution authorizing the President of the Board to execute amendments to an agreement with the San Mateo Health Commission

Background

On January 11, 1994, you approved an agreement with the San Mateo Health Commission for San Mateo County General Hospital (SMCGH) to serve as a participating hospital in the Health Plan of San Mateo (HPSM), the Medi-Cal capitated program. All San Mateo County Medi-Cal patients are automatically enrolled in the HPSM and are assigned to hospital affiliated primary care providers. The term of the agreement was one year, from December 1, 1993 through November 30, 1994.

On December 19, 1995, you approved five amendments to the agreement (94-1, 94-2, 94-3, 95-1, and 95-2) which 1) updated Exhibit B and deleted mental health services from the Health Plan's contract with the State, 2) extended the term through November 30, 1995, 3) increased per diem payments and outpatient reimbursement, and redefined the term Special Member Pediatric Day.

On January 28, 1997, you approved three amendments to the agreement (95-3, 96-1, and 96-2) which 1) revised Exhibit B for the 1995 term; 2) extended the term through November 30, 1996, 3) reduced the percentage of withhold from 15% to 10% and adjusted the capitation allocation rates, 4) increased provider rates for one year effective June 1, 1996, and 5) extended the term through November 30, 1997, and added Full Capitation Allocations to the Health Plan's approved budget.

On February 10, 1998, you approved amendment 97-1 which extended the term one year, through November 30, 1998 and replaced Exhibit B which contains the full capitation allocations.

On November 17, 1998, you approved Amendment 98-1 which 1) increased the hospital per diem rates by 10% and increased the outpatient rate by 5% (or 33% above the Medi-Cal rates) for services provided on or after July 1, 1998, and 2) included a revised schedule of capitation allocations reflecting the increase in rates.

On February 23, 1999, you approved Amendment 98-2 which extended the term of the agreement another year, through November 30, 1999 and replaced Exhibit B (Full Capitation Allocations which reflected adjustments to various categories, none of which is more or less than 1%)

On February 8, 2000, you approved Amendment 99-1 which extended the term of the agreement through November 30, 2000

On April 25, 2000, you approved Amendment 2000-1 which increased Hospital Inpatient and Outpatient rates by 5% and increased physician rates and hospital outpatient rates from 33% to 38% above Med-Cal rates at a minimum.

Discussion

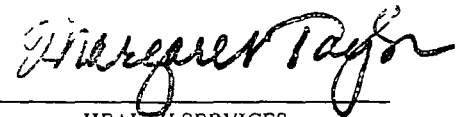
Amendment 2000-2 extends the term of the agreement another year, through November 30, 2001 effective December 1, 2000

Amendment 2001-1 increases Hospital Inpatient and Outpatient rates by 5% effective February 1, 2001 Health Plan of San Mateo will pay SMCGH for those outpatient services, excluding physician services, provided to Medi-Cal Beneficiaries, and for which approved claims have been submitted by SMCGH, at the prevailing state Medi-Cal outpatient service reimbursement rates for services rendered on and after February 1, 2001, or HPSM's payment rate, whichever is higher This amendment includes a revised Exhibit 3 reflecting the increase in rates

Term and Fiscal Impact

It is projected San Mateo County General Hospital will realize approximately \$377,000 annually as a result of this increase This amount has been included in the Hospital and Clinics FY 2001-02 recommended budget and will be used to cover operational costs

RECOMMENDED



HEALTH SERVICES

RESOLUTION NO _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * *

RESOLUTION AUTHORIZING EXECUTION OF AN
AMENDMENTS (2000-2 and 2001-1) TO THE AGREEMENT WITH THE
SAN MATEO HEALTH COMMISSION

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, there has been presented to this Board of Supervisors for its consideration and acceptance an amendment to the agreement, reference to which is hereby made for further particulars, whereby the San Mateo Health Commission will continue to pay for Medi-Cal reimbursable hospital and medical services provided to San Mateo County Medi-Cal recipients at San Mateo County General Hospital, and

WHEREAS, this Board has been presented with a form of the Amendment to the Agreement and has examined and approved it as to both form and content and desires to enter into the Amendment to the Agreement

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the President of this Board of Supervisors be, and is hereby authorized and directed to execute said Amendment to the Agreement for and on behalf of the County of San Mateo, and the Clerk of this Board shall attest the President's signature thereto

HOSPITAL AGREEMENT

Amendment 2000-2

This Agreement is made this 1st day of December 2000, by and between the San Mateo Health Commission, a public corporation, hereinafter referred to as "PLAN", and **San Mateo County General Hospital**, hereinafter referred to as HOSPITAL.

RECITALS

WHEREAS, PLAN and HOSPITAL have previously entered into an Agreement effective December 1, 1993;

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

WHEREAS, the San Mateo Health Commission has approved an amendment to extend the term of the Agreement.

NOW, THEREFORE, PLAN and HOSPITAL hereby agree as follows:

Paragraph One - Article X, Term, Termination and Effect of Termination

Article X. (A) is amended to read:

- A. Term. The term of this Agreement shall commence on December 1, 1993 and shall terminate on November 30, 2001.

Paragraph Two - Effective Date of Amendment

This amendment shall be effective December 1, 2000.

Paragraph Three - Incorporation of Agreement Rights, Duties and Obligations

All other terms and provisions of said Agreement shall remain in full force and effect so that all rights, duties and obligations, and liabilities of the parties hereto otherwise remain unchanged.

SAN MATEO HEALTH COMMISSION

Date: _____ By: _____
Title: Executive Director

HOSPITAL

Name: San Mateo County General Hospital
Date: _____ By: _____
Title: President, Board of Supervisors

HOSPITAL AGREEMENT

Amendment 2001-1

This Agreement is made this _____ day of January, 2001, by and between the San Mateo Health Commission, a public corporation, hereinafter referred to as PLAN , and **San Mateo County General Hospital**, hereinafter referred to as HOSPITAL.

RECITALS

WHEREAS, PLAN and HOSPITAL have previously entered into an Agreement effective December 1, 1993;

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

WHEREAS, the San Mateo Health Commission has approved an increase in reimbursement rates to hospitals and physician providers effective February 1, 2001.

NOW, THEREFORE, PLAN and HOSPITAL hereby agree as follows:

Paragraph One - EXHIBIT 2, Reimbursement Addendum

Sections A and B of Exhibit 2 are amended to read:

A. "HOSPITAL Inpatient Service Reimbursement

(1) Except as provided for in (4) below, PLAN shall pay HOSPITAL ninety percent (90%) of the following all-inclusive rates per day for admissions beginning on and after February 1, 2001:

- | | | |
|-----|----------------------------|------------|
| (a) | Acute Medical/Surgical Day | \$1,102.00 |
| (b) | ICU Heart Day | \$1,575.00 |

(c)	Neonatal Critical Care Day	\$1,575.00
(d)	Obstetrics Critical Care Day	\$1,575.00
(e)	Pediatric Critical Care Day	\$1,575.00
(f)	Obstetrical Common Day	\$ 689.00
(g)	Nursery Common Day	\$ 413.00
(h)	ICU Burn Day	\$1,575.00
(i)	Administrative Day	202.00
(j)	Special Member Pediatric Day	\$1,297.00

- (2) The all-inclusive per diem rates, as described above, are to be the only payments made by PLAN to HOSPITAL for inpatient services provided to Medi-Cal Beneficiaries except where otherwise provided hereunder.
- (3) The remaining ten percent (10%) of the per diem rate will be withheld and placed in a reserve account as provided in Section C of this Exhibit.
- (4) For Members in aid codes 55, 58, 5F, 5G and 5N (OBRA), PLAN shall pay HOSPITAL one hundred percent (100%) of the all inclusive rates per day for admissions beginning on or after December 1, 1997.

B. HOSPITAL Outpatient Services Reimbursement

PLAN shall pay HOSPITAL for those outpatient services, excluding physician services, provided to Medi-Cal Beneficiaries, and for which approved claims have been submitted by HOSPITAL at the prevailing state Medi-Cal outpatient service reimbursement rates for services rendered on and after February 1, 2001, or the PLAN's payment rate, whichever is higher."

Paragraph Two - EXHIBIT 3, Full Capitation Allocations

Exhibit 3 is amended to read:

Exhibit 3

FULL CAPITATION ALLOCATIONS

Effective 2/1/01

FOR CASE-MANAGED MEMBERS:

Beneficiaries Aid Category	Regular Hours PCP Cap	Extended Hours PCP Cap	Referral	Hospital Inpatient	Hospital Outpatient & Other Med	Pharmacy	Total Allocation	
							Regular PCP Cap	Extended PCP Cap
Public Assistance:								
Aged	\$5 36	\$5 85	\$8 35	\$56 35	\$20 34	\$100 14	\$190 54	\$191 03
Blind	8.67	9 49	21 34	77 88	81 80	163 41	353 10	353.92
Disabled	13 83	15 18	24 05	98.69	59 91	161 96	358 44	359 79
Family	10.35	11 33	15 34	22.71	14 11	15 69	78 20	79 18
Med Needy No SOC								
Aged	9 83	10 76	30 23	75 57	44 61	82 11	242 35	243.28
Blind	29 05	31 83	89 43	539 61	118 52	32.91	809 52	812 30
Disabled	29 05	31 83	75 06	536 71	142 68	90 08	873 58	876 36
Family	16 94	18 58	35 40	63 40	25.58	16 45	157 77	159.41
MI Child No SOC	13.35	14 63	26 46	61.70	35.75	22 04	159 30	160.58
Refugees	10 35	11 33	15 20	32.27	17 08	10 83	85 73	86 71
Percent of Poverty	13 11	14 43	13 64	30 93	10 63	11 18	79 49	80.81

FOR SPECIAL MEMBERS:

Beneficiaries Aid Category	Regular Hours PCP Cap	Extended Hours PCP Cap	Referral	Hospital Inpatient	Hospital Outpatient & Other Med	Pharmacy	Total Allocation	
							Regular PCP Cap	Extended PCP Cap
Med Needy SOC:								
Aged	\$0.00	\$0 00	\$9 39	\$102 52	\$55 56	\$151 99	\$319 46	\$319 46
Blind	0 00	0 00	120 06	718 12	325 33	189 50	1 353 01	1 353 01
Disabled	0.00	0 00	91 46	537.71	166.98	315 22	1 111.37	1 111 37
Family	0.00	0 00	108 16	418.73	68.22	20 91	616.02	616 02
MI Adult:								
SOC	0 00	0 00	310 99	1 943 31	154 64	136 60	2 545 54	2 545 54
No SOC & Pending	0 00	0 00	253 60	506.16	120.27	6 48	886 51	886 51
MI Child SOC	0.00	0 00	76 29	538 89	222 85	7 13	845 16	845 16
MIA LTC	0 00	0 00	310 28	573 64	154.64	136 60	1 175.16	1 175 16
MN LT Non-Grant:								
Aged	0 00	0 00	5 10	26.18	33.38	114 38	179 04	179 04
Blind	0.00	0 00	85 48	428.58	120.79	213 85	848 70	848 70
Disabled	0 00	0 00	85 48	428 58	120.79	213 85	848 70	848 70
OBRA	0 00	0 00	63 41	135 24	27 65	7 92	234 22	234 22

Paragraph Three - Effective Date of Amendment

This amendment shall be effective February 1, 2001.

Paragraph Four - Incorporation of Agreement Rights, Duties and Obligations

All other terms and provisions of said Agreement shall remain in full force and effect so that all rights, duties and obligations, and liabilities of the parties hereto otherwise remain unchanged.

SAN MATEO HEALTH COMMISSION

Date: _____ By: _____
Title: Executive Director

HOSPITAL

Name: San Mateo County General Hospital
Date: _____ By: _____
Title: President, Board of Supervisors