

HEALTH PLAN-PROVIDER AGREEMENT

COUNTY OF NEVADA AND CALIFORNIA HEALTH AND WELLNESS  
PLAN

AMENDMENT NUMBER 6

This Amendment is made this \_\_\_ day of \_\_\_\_\_{month/year}, by and between California Health and Wellness Plan, hereinafter referred to as "PLAN", and COUNTY OF NEVADA, hereinafter referred to as "PROVIDER".

RECITALS:

WHEREAS, PLAN and PROVIDER have previously entered into an Agreement effective DECEMBER 10, 2013;

WHEREAS, Section 12 of such Agreement provides for amending such Agreement;

WHEREAS, California Health and Wellness has a contract with the State Department of Health Care Services pursuant to Welfare and Institutions Code Section 14087.3 to act as a Medi-Cal managed care plan;

WHEREAS, PROVIDER through its Nevada County Public Health Department and Nevada County Behavioral Health Department is mandated by the State of California and federal laws to provide specific health services to the residents of Nevada County who may be members or eligible to be members; and WHEREAS, PLAN and PROVIDER desire to amend the Agreement to provide for Medi-Cal managed care capitation rate increases to PLAN as a result of intergovernmental transfers ("IGTs") from COUNTY OF NEVADA (GOVERNMENTAL FUNDING ENTITY) to the California Department of Health Care Services ("State DHCS") to maintain the availability of Medi-Cal health care services to Medi-Cal beneficiaries.

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

Section 3 of the Memorandum of Understanding is revised to read as follows:

The following is added as a new section 3.4 of the Memorandum of Understanding:

**2021 IGT MEDI-CAL MANAGED CARE CAPITATION RATE RANGE INCREASES**

**1. IGT Capitation Rate Range Increases to PLAN**

**A. Payment**

Should PLAN receive any Medi-Cal managed care capitation rate increases from State DHCS where the nonfederal share is funded by the GOVERNMENTAL FUNDING

ENTITY specifically pursuant to the provisions of the Intergovernmental Agreement Regarding Transfer of Public Funds, # \_\_\_\_\_ (“Intergovernmental Agreement”) effective for the periods of January 1, 2021 through December 31, 2021 for Intergovernmental Transfer Medi-Cal Managed Care Rate Range Increases (“IGT MMCRRIs”), PLAN shall pay to PROVIDER the amount of the IGT MMCRRIs received from State DHCS, in accordance with paragraph 1.E below regarding the form and timing of Local Medi-Cal Managed Care Rate Range (“LMMCRR”) IGT Payments. LMMCRR IGT Payments paid to PROVIDER shall not replace or supplant any other amounts paid or payable to PROVIDER by PLAN.

**B. Health Plan Retention**

- (1) Medi-Cal Managed Care Seller’s Tax related withholds or payments do not apply to any service months on or after July 1, 2016.
- (2) The PLAN shall not impose a fee or retention amount, or reduce other payments to a county public hospital health system, that would result in a direct or indirect reduction to the payments authorized under Welfare and Institutions Code Section 14301.5.
- (3) The PLAN shall retain a 2% administrative fee based on the total amount of the IGT MMCRRIs, subject to (2) above, received from DHCS for PLAN’s cost to administer this program. Each provider’s share of the 2% fee shall be calculated based on the provider’s proportionate share of the LMMCRR IGT payment made by PLAN in Nevada County.
- (4) PLAN will not retain any other portion of the IGT MMCRRIs received from the State DHCS other than those mentioned above.

**C. Conditions for Receiving Local Medi-Cal Managed Care Rate Range IGT Payments**

As a condition for receiving LMMCRR IGT Payments, PROVIDER shall, as of the date the particular LMMCRR IGT Payment is due:

- (1) remain a participating provider in the PLAN and not issue a notice of termination of the Agreement;
- (2) maintain its current emergency room licensure status and not close its emergency room;
- (3) maintain its current inpatient surgery suites and not close these facilities.

**D. Schedule and Notice of Transfer of Non-Federal Funds**

PROVIDER shall notify PLAN within (5) days of the date of transfer of funds to State DHCS pursuant to the IGT agreement.

**E. Form and Timing of Payments**

PLAN agrees to pay LMMCRR IGT Payments to PROVIDER in the following form and according to the following schedule:

(1) PLAN agrees to pay the LMMCRR IGT Payments to PROVIDER using the same mechanism through which compensation and payments are normally paid to PROVIDER (e.g., electronic transfer).

(2) PLAN will pay the LMMCRR IGT Payments to PROVIDER no later than thirty (30) calendar days after receipt of the IGT MMCRRIs from State DHCS.

**F. Consideration**

(1) As consideration for the LMMCRR IGT Payments, PROVIDER shall use the LMMCRR IGT Payments for the following purposes and shall treat the LMMCRR IGT Payments in the following manner:

(a) The LMMCRR IGT Payments shall represent compensation for Medi-Cal services rendered to Medi-Cal PLAN members by PROVIDER during the State fiscal year to which the LMMCRR IGT Payments apply.

(b) To the extent that total payments received by PROVIDER for any State fiscal year under this Amendment exceed the cost of Medi-Cal services provided to Medi-Cal beneficiaries by PROVIDER during that fiscal year, any remaining LMMCRR IGT Payment amounts shall be retained by PROVIDER to be expended for health care services. Retained LMMCRR IGT Payment amounts may be used by the PROVIDER in either the State fiscal year for which the payments are received or subsequent State fiscal years.

(2) For purposes of subsection (1) (b) above, if the retained LMMCRR IGT Payments, if any, are not used by PROVIDER in the State fiscal year received, retention of funds by PROVIDER will be established by demonstrating that the retained earnings account of PROVIDER at the end of any State fiscal year in which it received payments based on LMMCRR IGT Payments funded pursuant to the Intergovernmental Agreement, has increased over the unspent portion of the prior State fiscal year's balance by the amount of LMMCRR IGT Payments received, but not used. These retained PROVIDER funds may be commingled with other GOVERNMENTAL FUNDING ENTITY funds for cash management purposes provided that such funds are appropriately tracked and only the depositing facility is authorized to expend them.

(3) Both parties agree that none of these funds, either from the GOVERNMENTAL FUNDING ENTITY or federal matching funds will be recycled back to the GOVERNMENTAL FUNDING ENTITY'S general fund, the State, or any other intermediary organization. Payments made by the health plan to providers under the terms of this Amendment constitute patient care revenues.

**G. PLAN's Oversight Responsibilities**

PLAN's oversight responsibilities regarding PROVIDER's use of the LMMCRR IGT Payments shall be limited as described in this paragraph. PLAN shall request, within thirty (30) calendar days after the end of each State fiscal year in which LMMCRR IGT Payments were transferred to PROVIDER, a written confirmation that states whether and how PROVIDER complied with the provisions set forth in Paragraph 1.F above. In each instance, PROVIDER shall provide PLAN with written confirmation of compliance within thirty (30) calendar days of PLAN's request.

**H. Cooperation Among Parties**

Should disputes or disagreements arise regarding the ultimate computation or appropriateness of any aspect of the LMMCRR IGT Payments, PROVIDER and PLAN agree to work together in all respects to support and preserve the LMMCRR IGT Payments to the full extent possible on behalf of the safety net in Nevada County.

**I. Reconciliation**

Within one hundred twenty (120) calendar days after the end of each of PLAN's fiscal years in which LMMCRR IGT Payments were made to PROVIDER, PLAN shall perform a reconciliation of the LMMCRR IGT Payments transmitted to the PROVIDER during the preceding fiscal year to ensure that the supporting amount of IGT MMCRRIs were received by PLAN from State DHCS. PROVIDER agrees to return to PLAN any overpayment of LMMCRR IGT Payments made in error to PROVIDER within thirty (30) calendar days after receipt from PLAN of a written notice of the overpayment error, unless PROVIDER submits a written objection to PLAN. Any such objection shall be resolved in accordance with the dispute resolution processes set forth in Section 14 of the Memorandum of Understanding. PLAN agrees to transmit to the PROVIDER any underpayment of LMMCRR IGT Payments within thirty (30) calendar days of PLAN's identification of such underpayment.

**2. Term**

The term of this Amendment shall commence on January 1, 2021, and shall terminate on December 31, 2024.

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; provided, however, if there is any conflict between the terms of this Amendment and the Agreement, then the terms of this Amendment shall govern.

**SIGNATURES**

HEALTH PLAN: California Health and Wellness Plan Date: \_\_\_\_\_

By: Title: Chair, Jessica Sellner, Plan Chief Financial Officer

PROVIDER: County of Nevada Date: \_\_\_\_\_

By: Title: Chair of the Board of Supervisors \_\_\_\_\_