

FORM APPROVED COUNTY COUNSEL  
 BY: *[Signature]*  
 GREGORY P. PRIAMOS  
 DATE: 4/23/15

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

806



**FROM:** Riverside County Regional Medical Center

**SUBMITTAL DATE:**  
 April 16, 2015

**SUBJECT:** Approval for the Fourteenth and Fifteenth Amendment to the Hospital Per Diem Agreement with Inland Empire Health Plan [All District; \$0; Hospital Enterprise Fund]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Ratify and authorize the Chairman to execute the Fourteenth Amendment to the Hospital Per Diem Agreement with Inland Empire Health Plan (IEHP) for payment of inpatient and outpatient hospital services effective April 1, 2014;
2. Ratify and authorize the Chairman to execute the Fifteenth Amendment to the Hospital Per Diem Agreement with Inland Empire Health Plan (IEHP) which extends the term effective April 1, 2015 through July 31, 2015; and,
3. Authorize the Hospital CEO or designee to sign amendments that do not change the substantive terms of the agreement, as approved by County Counsel.

*[Signature]*  
 Zareh H. Sarrafarian, Hospital CEO

FINANCIAL DATA	Current Fiscal Year	Next Fiscal Year	Total Cost	Ongoing Cost	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
<b>SOURCE OF FUNDS:</b> Revenue from the Inland Empire Health Plan HMO Members referred to hospital for services				<b>Budget Adjustment:</b> No	
				<b>For Fiscal Year:</b> 2014/2015	

**C.E.O. RECOMMENDATION:**

**APPROVE**

BY: *[Signature]*  
 Debra Cournoyer

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Tavaglione, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley  
 Nays: None  
 Absent: None  
 Date: May 12, 2015  
 xc: RCRMC

Kecia Harper-Ihem  
 Clerk of the Board  
 By: *[Signature]*  
 Deputy

Prev. Agn. Ref.: 11/25/08; 3.35 | District: All | Agenda Number:

**3-31**

- A-30
- Positions Added
- 4/5 Vote
- Change Order

**Previous Agenda Reference:**

9/1/09; 3.93, 11/24/09; 3.92, 8/16/11; 3.72, 4/24/12; 3.17, 7/17/12; 3.37, 11/6/12; 3.57, 1/29/13; 3.35 1/29/13;  
3.36, 6/25/13 3.34

**BACKGROUND:**

**Summary (continued)**

Riverside County Regional Medical Center (RCRMC) has provided inpatient and outpatient services to members enrolled with Inland Empire Health Plan (IEHP) under a contractual agreement since the Health Plans inception in 1996.

The fourteenth amendment establishes compensation rates for hospital services, including medical services and supplies provided to IEHP member receiving health care services or inpatient care provided while they are at the hospital.

The fifteenth amendment only extends the period of performance for an additional 120 days until a new contract agreement is established. The compensation rates for hospital services, including medical services and supplies provided to IEHP Members receiving health care services or inpatient care provided while they are at the hospital have not changed and will remain firm for this amendment. The term of this amendment ends July 31, 2015.

**Impact on Citizens and Businesses**

This service impacts the patients residing in Riverside County receiving care from Riverside County Regional Medical Center.

FIFTEENTH AMENDMENT

TO THE HOSPITAL PER DIEM AGREEMENT

BETWEEN

INLAND EMPIRE HEALTH PLAN AND IEHP HEALTH ACCESS

AND

RIVERSIDE COUNTY REGIONAL MEDICAL CENTER

WHEREAS, Inland Empire Health Plan ("IEHP"), and IEHP Health Access ("Health Access"), (known collectively as "IEHP Health Plan"), and Riverside County Regional Medical Center ("HOSPITAL") agree to further amend the Hospital Per Diem Agreement (the "Agreement"), as amended between them dated April 1, 2007.

NOW THEREFORE, the parties agree as follows:

- A. The language on Section 9.01 TERM is hereby deleted in its entirety and replaced by the following language:

"9.01 TERM – "The term of this Agreement shall commence on April 1, 2015 and shall continue in effect until July 31, 2015, unless sooner terminated in accordance with the terms and conditions of this Agreement herein."

- B. Notwithstanding the date of execution, unless otherwise referenced, this Fifteenth Amendment shall be effective April 1, 2015.
- C. Except as amended hereby, all of the other terms and conditions of the Agreement are to remain in full force and effect.
- D. HOSPITAL certifies that the individual signing herein has authority to execute this Amendment on behalf of HOSPITAL, and may legally bind HOSPITAL to the terms and conditions of this Amendment, and any attachments hereto.

IN WITNESS WHEREOF, the parties hereby execute this Fifteenth Amendment as set forth below.

ATTEST: MAY 12 2015

KECIA HARPER-IHEM, Clerk

By [Signature]  
DEPUTY

TIN: 95-6000930

FORM APPROVED COUNTY COUNSEL

BY: [Signature] 4/22/15  
NEAL R. KIPNIS DATE

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER**

By: [Signature]

Name and Title: **MARION ASHLEY**

**CHAIRMAN, BOARD OF SUPERVISORS**

Date: MAY 12 2015

**IEHP HEALTH ACCESS**

By: \_\_\_\_\_  
Bradley P. Gilbert, M.D.  
Chief Executive Officer

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Chairperson  
IEHP Health Access  
Governing Board

Date: \_\_\_\_\_

Attest: \_\_\_\_\_  
Secretary  
Inland Empire Health Plan for  
IEHP Health Access

Date: \_\_\_\_\_

Approved as to Form and Content:  
Gregory P. Priamos  
County Counsel

By: \_\_\_\_\_  
Anna W. Wang  
Deputy County Counsel  
Attorneys for IEHP Health Access

Date: \_\_\_\_\_

**INLAND EMPIRE HEALTH PLAN**

By: \_\_\_\_\_  
Bradley P. Gilbert, M.D.  
Chief Executive Officer

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Chairperson  
Inland Empire Health Plan  
Governing Board

Date: \_\_\_\_\_

Attest: \_\_\_\_\_  
Secretary  
Inland Empire Health Plan

Date: \_\_\_\_\_

Approved as to Form and Content:  
Gregory P. Priamos  
County Counsel

By: \_\_\_\_\_  
Anna W. Wang  
Deputy County Counsel  
Attorneys for Inland Empire Health Plan

Date: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereby execute this Fifteenth Amendment as set forth below.

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER**

By: \_\_\_\_\_

TIN: 95-6000930

Name and Title: \_\_\_\_\_

FORM APPROVED COUNTY COUNSEL  
BY NEAL R KIPNIS DATE 6/2/15

Date: \_\_\_\_\_

**IEHP HEALTH ACCESS**

**INLAND EMPIRE HEALTH PLAN**

By: Bradley P. Gilbert  
Bradley P. Gilbert, M.D.  
Chief Executive Officer

By: Bradley P. Gilbert  
Bradley P. Gilbert, M.D.  
Chief Executive Officer

Date: 6/3/15

Date: 6/3/15

By: Mauris Ashley  
Chairperson  
IEHP Health Access  
Governing Board

By: Mauris Ashley  
Chairperson  
Inland Empire Health Plan  
Governing Board

Date: 6/9/15

Date: 6/9/15

Attest: Rennette M Taylor  
Secretary  
Inland Empire Health Plan for  
IEHP Health Access

Attest: Rennette M Taylor  
Secretary  
Inland Empire Health Plan

Date: 6/9/15

Date: 6/9/15

Approved as to Form and Content:  
Gregory P. Priamos  
County Counsel

Approved as to Form and Content:  
Gregory P. Priamos  
County Counsel

By: Anna W. Wang  
Anna W. Wang  
Deputy County Counsel  
Attorneys for IEHP Health Access

By: Anna W. Wang  
Anna W. Wang  
Deputy County Counsel  
Attorneys for Inland Empire Health Plan

Date: 6/8/15

Date: 6/8/15

FOURTEENTH AMENDMENT  
TO THE HOSPITAL PER DIEM AGREEMENT  
BETWEEN  
INLAND EMPIRE HEALTH PLAN AND IEHP HEALTH ACCESS  
AND  
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER

WHEREAS, Inland Empire Health Plan (“IEHP”), and IEHP Health Access (“Health Access”), (known collectively as “IEHP Health Plan”), and Riverside County Regional Medical Center (“HOSPITAL”) agree to further amend the Hospital Per Diem Agreement (the “Agreement”), as amended between them dated April 1, 2007.

NOW THEREFORE, the parties agree as follows:

- A. The language on Section 9.01 TERM is hereby deleted in its entirety and replaced by the following language:  
  
“9.01 TERM – “The term of this Agreement shall commence on April 1, 2014 and shall continue for one (1) year terminating on March 31, 2015, unless sooner terminated in accordance with the terms and conditions of this Agreement herein.”
- B. The language of ATTACHMENT C, COMPENSATION RATES, is hereby deleted in its entirety and is replaced as attached hereto (see amended ATTACHMENT C, COMPENSATION RATES).
- C. Notwithstanding the date of execution, unless otherwise referenced, this Fourteenth Amendment shall be effective April 1, 2014.
- D. Except as amended hereby, all of the other terms and conditions of the Agreement are to remain in full force and effect.
- E. HOSPITAL certifies that the individual signing herein has authority to execute this Amendment on behalf of HOSPITAL, and may legally bind HOSPITAL to the terms and conditions of this Amendment, and any attachments hereto.

IN WITNESS WHEREOF, the parties hereby execute this Fourteenth Amendment as set forth below.

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER**

By: *Lowell Johnson*

TIN: 95-6000930

Name and Title: Lowell Johnson

FORM APPROVED COUNTY COUNSEL  
BY: *Neal R. Kipnis* 7/1/14  
NEAL R. KIPNIS DATE

Chief Executive Officer

Date: \_\_\_\_\_

**IEHP HEALTH ACCESS**

**INLAND EMPIRE HEALTH PLAN**

By: *Bradley P. Gilbert*

By: *Bradley P. Gilbert*

Bradley P. Gilbert, M.D.  
Chief Executive Officer

Bradley P. Gilbert, M.D.  
Chief Executive Officer

Date: 6/2/14

Date: 6/2/14

By: *Marian Alley*

By: *Marian Alley*

Chairperson  
IEHP Health Access  
Governing Board

Chairperson  
Inland Empire Health Plan  
Governing Board

Date: 6-9-14

Date: 6-9-14

Attest: *Dulcie Hargrove*  
Secretary  
Inland Empire Health Plan for  
IEHP Health Access

Attest: *Dulcie Hargrove*  
Secretary  
Inland Empire Health Plan

Date: 6-10-14

Date: 6-10-14

Approved as to Form

Approved as to Form

By: *Jinny R. Yang*

By: *Jinny R. Yang*

Jinny R. Yang  
Staff Counsel for IEHP Health Access

Jinny R. Yang  
Staff Counsel for Inland Empire Health Plan

Date: 6/10/14

Date: 6/10/14

**ATTACHMENT C**

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER**

**COMPENSATION RATES**

The following all-inclusive Rates shall be paid to HOSPITAL when IEHP HEALTH PLAN is the payor for authorized Hospital Services, including medical services and supplies provided to Members during the course of such visit or admission, pursuant to this Agreement. HOSPITAL shall accept such reimbursement, less applicable Member co-payment, as payment in full for those authorized Hospital Services provided to Members. Reimbursement shall not exceed billed charges. Revenue Codes, CPT, HCPCs, and ICD-9 Codes used in this document are for reference and clarification purposes only.

<b>INPATIENT HOSPITAL SERVICES:</b>	<b>Medi-Cal Per Diem Rate</b>	<b>Healthy Kids</b>
<b>Medical/Surgical/Pediatrics</b> (Rev. Codes 100, 101, 110, 111, 113, 117, 119, 120, 121,123, 127, 129, 130, 131, 133, 139, 140, 141, 143, 147, 149, 150, 151, 153, 157, 159, 160, 164, 167, 169)	<b>\$1,582</b>	<b>\$1,300</b>
<b>Definitive Observation/Telemetry</b> (Rev Code 206, 214)	<b>\$1,582</b>	<b>\$1,375</b>
<b>ICU</b> (Rev. Code 200,201,202,203,207,208, 209) <b>CCU</b> (Rev. Code 210,211,212, 213, 214, 219)	<b>\$1,582</b>	<b>\$1,825</b>
<b>Acute Rehab Per Diem</b> (Rev. Code 190)	<b>\$800</b>	<b>\$950</b>
<b>Boarder Baby</b> (Rev. Code 170,179)	<b>\$375</b>	<b>\$500</b>
<b>Nursery Newborn Level 1</b> (Rev. 171)	<b>\$1,582</b>	<b>\$2,350</b>
<b>Nursery Newborn Level 2</b> (Rev. 172)	<b>\$1,582</b>	<b>\$2,350</b>
<b>Nursery Newborn Level 3</b> (Rev 173)	<b>\$1,582</b>	<b>\$2,350</b>
<b>Nursery Newborn Level 4</b> (Rev. 174, 175)	<b>\$1,582</b>	<b>\$2,350</b>
<b>OB Normal Delivery</b> (Rev. Code 112, 122, 132, 142, 152, ICD9 Codes 72.0-73.99)	<b>\$1,582 Per Diem</b>	<b>\$2,100 Case Rate</b>
<b>OB C-Section</b> (Rev. Code 112, 122, 132, 142, 152, ICD9 Codes 74.0-74.99)	<b>\$1,582 Per Diem</b>	<b>\$4,000 Case Rate</b>
<b>Additional OB Normal and C-Section Days</b>	<b>LOC</b>	<b>LOC</b>
<b>Trauma Services</b> (Rate valid for all days that the Trauma Team is actively providing Care; applicable LOC thereafter)	<b>\$2,500</b>	<b>\$3,150</b>



**ATTACHMENT C**

**(Cont.)**

**COMPENSATION RATES**

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER**

<b><u>EMERGENCY ROOM (Rev Code 450, 451, 452, 456, 459)</u></b> (CPT Codes must be used below)	<b>Medi-Cal</b>	<b>Healthy Kids</b>
<b>Emergency HCFA Level I Case Rate (CPT Code Z7502 or 99281 as applicable)</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>35% billed charges NTE \$700</b>
<b>Emergency HCFA Level II Case Rate (CPT Code Z7502 or 99282 as applicable)</b>	<b>100% Med-Cal Fee Schedule For Hospitals</b>	<b>35% billed charges NTE \$700</b>
<b>Emergency HCFA Level III Case Rate (CPT Code Z7502 or 99283 as applicable)</b>	<b>100% Med-Cal Fee Schedule For Hospitals</b>	<b>35% billed charges NTE \$1,700</b>
<b>Emergency HCFA Level IV Case Rate (CPT Code Z7502 or 99284 as applicable)</b>	<b>100% Med-Cal Fee Schedule For Hospitals</b>	<b>35% billed charges NTE \$2,250</b>
<b>Emergency HCFA Level V Case Rate (CPT Code Z7502 or 99285 as applicable)</b>	<b>100% Med-Cal Fee Schedule For Hospitals</b>	<b>35% billed charges NTE \$2,250</b>

<b>OUTPATIENT SURGICAL SERVICES*:</b>	<b>Medi-Cal</b>	<b>Healthy Kids</b>
<b>Outpatient Surgery</b>	<b>100% Med-Cal Fee Schedule For Hospitals</b>	<b>100% Medicare OPPS</b>

<b>OUTPATIENT DIAGNOSTIC AND THERAPEUTIC SERVICES:</b>	<b>Medi-Cal</b>	<b>Healthy Kids</b>
<b>Outpatient Laboratory (Rev Codes 300, 301, 302, 303, 304, 305, 306, 307 921, 923, 925) CPT Codes must be used in billing</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>
<b>Outpatient Pathology (Rev Codes 310, 311, 312, 314) <u>CPT Codes must be used in billing</u></b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>
<b>Outpatient Magnetic Resonance Imaging (includes contrast) (Rev Codes 610, 611, 612, 614, 615, 616, 618)</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>
<b>Outpatient Computerized Tomography (includes contrast) (Rev Codes 350-352)</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>
<b>Ultrasound Imaging (Rev Code 402)</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>
<b>Diagnostic and Screening Mammography (Rev Code 401, 403)</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>

**ATTACHMENT C**

**(Cont.)**

**COMPENSATION RATES**

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER**

<b>Other Diagnostic Radiology (Rev Codes 320-324)</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>
<b>Observation Case Rate (payable up to 23 hours and 59 minutes –includes OB Observation) (Rev Codes 760, 762)</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>\$975</b>
<b>Lithotripsy, CPT Codes 52353, 50590 (includes 3 attempts)</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>
<b>All other Outpatient Services not listed above</b>	<b>100% Med-Cal Fee Schedule for Hospitals</b>	<b>125% Medicare OPPS</b>

Exclusions: The following items are excluded from all Inpatient Hospital Services and shall be reimbursed if authorized as indicated.

- Implants and Prosthetics over \$1,000.00 reimbursed at Invoice amount plus 5%. (Revenue Codes 274-278 exceeding \$1,000.00 invoice cost per item)

**Outpatient Hospital Services Provided to RCRMC affiliated PCPs – All Lines of Business**

RCRMC may provide outpatient hospital services to IEHP Direct Members assigned to RCRMC PCPs. Such services shall include but not be limited to: x-ray, diagnostic radiology and physical therapy. Specific to Medi-Cal Members, the Medi-Cal reimbursement rates augmented by the Orthopedic Hospital Settlement (“OHS”) will not apply. Reimbursement will be at 100% of Medi-Cal excluding the OHS augmentation. For all lines of business, the Outpatient Hospital Clinic (or room charge) is not payable for the above service.

**Diabetic Retina Exams – All Lines of Business**

RCRMC may provide diabetic retina exams CPT Code 92250. Reimbursement for CPT Code 92250 will be \$18.

**ATTACHMENT C**

**(Cont.)**

**COMPENSATION RATES – MEDICARE ADVANTAGE PROGRAM**

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER**

Center of Excellence for the Treatment of Hepatitis B and C – All Lines of Business

**A. Pharmacist Medication Therapy Management Program (MTM)**

CPT Code	Description	Rate
99605	Initial Consult	\$40.00
99606	Established	\$40.00

Scope of Work:

1. Counseling regarding treatment adherence and treatment compliance
2. Medication dispensing, refilling, monitoring, drug-drug interaction, and dose adjustment
3. Report to IEHP if other care coordination is needed

Reporting:

1. Adherence/Compliance
2. Clinical data: Genotype, viral load, biopsy
3. Drug data: Type of drugs used, Qty, dosage
4. Quarterly Reports

**B. Pharmaceuticals related to HBV and HCV COE Program**

- All branded drugs: WAC – 22%
- All Generic drugs: IEHP Contracted PBM MAC rate

ATTACHMENT C

(Cont.)

COMPENSATION RATES – MEDICARE ADVANTAGE PROGRAM

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER**

The following all inclusive rates shall be paid to Hospital when IEHP is the payor for authorized Hospital Services, including medical services and supplies provided to Members during the course of such visit or admission, pursuant to this Agreement. Hospital shall accept such reimbursement, less applicable Member co-payments, as payment in full for those authorized Hospital Services provided to members. Reimbursement shall not exceed billed charges.

<u>Services</u>	<u>Reimbursement</u>
Inpatient Hospital Services, all inclusive Group	Applicable Hospital Medicare Diagnosis Related (DRG)
Outpatient Hospital Services	100% of prevailing Medicare allowable as Updated annually by CMS

Medicare Allowable shall be based upon the applicable Hospital's Medicare Inpatient and Outpatient Prospective Payment System (IPPS/OPPS) to include both operating and capital payment adjustments and all applicable add-on payment adjustments (e.g. outliers, disproportionate share and indirect medical education) and all applicable pass-through payments (e.g. direct medical education and organ acquisition cost).