



**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH
SYSTEM GOVERNING BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**Riverside
University
HEALTH SYSTEM**
Public Health

ITEM
3.9
(ID # 6541)

MEETING DATE:
Tuesday, March 20, 2018

FROM : RIVERSIDE UNIVERSITY HEALTH SYSTEM (RUHS):

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM – MEDICAL CENTER: Ratification and Approval of Five Intergovernmental Agreements Regarding Transfer of Public Funds and Two Intergovernmental Transfer Assessment Fee Agreements with the State of California, Department of Health Care Services for Assembly Bill 85 (AB85) and Senate Bill 208 (SB 208) Intergovernmental Transfers; District - All; [\$38,799,059 Total]; Hospital Enterprise Fund.

RECOMMENDED MOTION: That the Board of Supervisors:


1. Ratify and approve the five Intergovernmental Agreements Regarding Transfer of Public Funds (IGT) and two Intergovernmental Transfer Assessment Fee Agreements with the State of California, Department of Health Care Services ("Agreements") listed in Table A below and authorize the RUHS-MC CEO to execute the same on behalf of the County; and
2. Approve payment of Inter-governmental transfers (IGTs) to the State Department of Healthcare Services related to these Agreements.

ACTION: Policy

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: March 20, 2018
xc: RUHS

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: Net Revenue Agreement; Advance made from Hospital Enterprise Fund - 40050			Budget Adjustment: No	
			For Fiscal Year: 16/17	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Riverside University Health System-Medical Center (RUHS-MC) requests ratification and approval of five Intergovernmental Agreements Regarding Transfer of Public Funds and two Intergovernmental Transfer Assessment Fee Agreements with State of California, Department of Health Care Services ("Agreements") that will allow it to take advantage of two programs designed to compensate designated public hospitals for certain Medi-Cal expenses. Under the Agreements, the Medical Center would transfer \$38,799,059 to the State of California and will receive \$106,881,151 back, a net positive return of \$68,082,092.

TABLE A

	Agreement Number	Agreement
1	Contract #16-93786	Intergovernmental Agreement Regarding Transfer of Public Funds Dated 5/22/17
2	Contract #16-73899	Intergovernmental Agreement Regarding Transfer of Public Funds Dated 11/30/17
3	Contract #16-93789	Intergovernmental Agreement Regarding Transfer of Public Funds Dated 5/22/17
4	Contract #16-93908	Intergovernmental Agreement Regarding Transfer of Public Funds Dated 11/30/17
5	Contract #16-93920	Intergovernmental Agreement Regarding Transfer of Public Funds Dated 3/5/18
6	Contract #16-93853	Intergovernmental Transfer Assessment Fee Agreement Dated 5/22/17
7	Contract # 16-93856	Intergovernmental Transfer Assessment Fee Agreement Dated 5/22/17

Assembly Bill 85 and Senate Bill 208 (Chapter 714, Statutes 2010) provide for a voluntary Intergovernmental Transfer (IGT) program relating to Medi-Cal Managed Care services provided by designated public hospitals (DPH). The purpose of the IGT program is to provide funding to preserve and strengthen the availability and quality of services provided by DPHs and

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their affiliated public providers specifically to Medi-Cal enrollees. Each IGT will be made directly from RUHS to the Department of Health Care Services (DHCS). DHCS will use the payments to apply for federal matching funds. Then return payment shall be made, together with the related federal financial participation, by DHCS to Inland Empire Health Plan (IEHP) and Molina Healthcare of California (Molina) in part for capitation rates for the designated fiscal year. Subsequently, RUHS-MC will receive gross payments from IEHP and Molina. IF federal matching funds are not available in whole or in part for some reason DHCS returns the funds directly to RUHS.

To exercise its option to participate in these voluntary IGT programs, the County must submit: 1) the appropriate IGT agreements; and 2) amendments to Health Plan Provider Agreements between each participating health plan and the provider (RUHS Medical Center). The form of these Agreements is the same of all participating DPH's and the typical turn-around time is two weeks or less. For that reason the CEO of RUHS has signed Agreements in the past, subject to ratification by this Board. For the same reason RUHS is seeking authority for the CEO to do the same in the future, relating to these programs.

There are currently five IGT payment opportunities available to RUHS-MC related to Fiscal 2017. Transfer payments are anticipated to be made between April 1, 2018 and June 9, 2018, as established by DHCS:

	IGT Payment	Amount received	Net Revenue
MCE to Cost	\$ 1,492,851	\$ 29,857,020	\$ 28,364,169
MCE Rate Range	\$ 965,861	* \$ 20,616,409	\$ 19,650,548
SPD (A & B)	\$ 12,401,913	\$ 16,510,332	\$ 4,108,419
Traditional Rate Range	\$ 23,938,434	\$ 39,897,390	\$ 15,958,956
TOTAL	\$38,799,059	\$106,881,151	\$68,082,092

** Amount received monthly during FY17*

Impact on Residents and Businesses

This supplemental funding helps RUHS-MC to assure Medi-Cal Managed Care enrollees of Inland Empire Health Plan and Molina Healthcare of California the availability of medical services. Delegating signature authority to RUHS-MC's CEO will expedite the agreement approval process and the ability to meet the deadlines set forth by the California Department of Health Care Services.

Additional Fiscal Information

Participation in programs authorized by Assembly Bill 85 and Senate Bill 208 will add no additional costs to RUHS-MC. Funding for the IGT's and the associated revenues are included in RUHS-MC fiscal year budgets.

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SYSTEM GOVERNING BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

Attachments:

Agreements listed in Table A above

**INTERGOVERNMENTAL AGREEMENT REGARDING
TRANSFER OF PUBLIC FUNDS**

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ("DHCS") and the County of Riverside, California (GOVERNMENTAL FUNDING ENTITY) with respect to the matters set forth below.

RECITALS

A. This Agreement is made pursuant to the authority of Welfare & Institutions Code, sections 14164, 14301.4, and 14301.5.

B. The Inland Empire Health Plan (HEALTH PLAN) is a Local Initiative Health Plan formed pursuant to Welfare and Institutions Code section 6500, through a Joint Powers Agreement (JPA) and Knox-Keene Health Care Services Plan Act of 1975. HEALTH PLAN is a party to a Medi-Cal managed care contract with DHCS, entered into pursuant to Welfare and Institutions Code section 14087.3, under which HEALTH PLAN arranges and pays for the provision of covered Medi-Cal health care services to eligible Medi-Cal members residing in the County.

THEREFORE, the parties agree as follows:

AGREEMENT

1. Transfer of Public Funds

1.1 The GOVERNMENTAL FUNDING ENTITY shall transfer funds to DHCS pursuant to sections 14164, 14301.4 and 14301.5 of the Welfare and Institutions Code, up to a maximum total amount of eleven million, five hundred five thousand, two hundred two dollars (\$11,505,202) for the period of July 1, 2015 through June 30, 2016, and a maximum total amount of eighteen million, nine hundred eighty nine thousand, nine hundred ten dollars (\$18,989,910) for the period of July 1, 2016 through June 30, 2017, to be used solely as a portion of the nonfederal share of actuarially sound Medi-

Cal managed care capitation rate increases for HEALTH PLAN for the periods of July 1, 2015 through June 30, 2016, and July 1, 2016 through June 30, 2017 as described in section 2.2 below. The funds shall be transferred in accordance with a mutually agreed upon schedule between the GOVERNMENTAL FUNDING ENTITY and DHCS, in the amounts specified therein.

1.2 The GOVERNMENTAL FUNDING ENTITY shall certify that the funds transferred qualify for federal financial participation pursuant to 42 C.F.R. part 433 subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, federal money excluded from use as State match, impermissible taxes, and non-bona fide provider-related donations. For transferring units of government that are also direct service providers, impermissible sources do not include patient care or other revenue received from programs such as Medicare or Medicaid to the extent that the program revenue is not obligated to the State as the source of funding.

2. Acceptance and Use of Transferred Funds by DHCS

2.1 DHCS shall exercise its authority under section 14164 of the Welfare and Institutions Code to accept funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to this Agreement as intergovernmental transfers ("IGTs"), to use for the purpose set forth in section 2.2 below.

2.2 The funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to this Agreement shall be used to fund a portion of the nonfederal share of increases in Medi-Cal managed care actuarially sound capitation rates described in paragraph (4) of subdivision (b) of sections 14301.4 and 14301.5 of the Welfare and Institutions Code and shall be paid, together with the related federal financial participation, by DHCS to HEALTH PLAN as part of HEALTH PLAN'S capitation rates for the periods of July 1, 2015 through June 30, 2016 and July 1, 2016 through June 30, 2017. The rate increases paid under section 2.2 shall be used for payments related to Medi-Cal services rendered to Medi-Cal

beneficiaries. The rate increases paid under this section 2.2 shall be in addition to, and shall not replace or supplant, all other amounts paid or payable by DHCS or other State agencies to HEALTH PLAN.

2.3 DHCS shall seek federal financial participation for the rate increases specified in section 2.2 to the full extent permitted by federal law.

2.4 The parties acknowledge the State DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services prior to the payment of any rate increase pursuant to section 2.2.

2.5 The parties agree that none of these funds, either 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 Agreement and their provider agreement constitute patient care revenues.

2.6 Within One Hundred Twenty (120) calendar days of the execution of this Agreement, DHCS shall advise the GOVERNMENTAL FUNDING ENTITY and HEALTH PLAN of the amount of the Medi-Cal managed care capitation rate increases that DHCS paid to HEALTH PLAN during the applicable rate year involving any funding under the terms of this Agreement.

2.7 If any portion of the funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to this Agreement is not expended for the specified rate increases under Section 2.2, DHCS shall return the unexpended funds to the GOVERNMENTAL FUNDING ENTITY.

3. Amendments

3.1 No amendment or modification to this Agreement shall be binding on either party unless made in writing and executed by both parties.

3.2 The parties shall negotiate in good faith to amend this Agreement as necessary and appropriate to implement the requirements set forth in section 2 of this Agreement.

4. Notices. Any and all notices required, permitted or desired to be given hereunder by one party to the other shall be in writing and shall be delivered to the other party personally or by United States first class, certified or registered mail with postage prepaid, addressed to the other party at the address set forth below:

To the GOVERNMENTAL FUNDING ENTITY:

Jennifer Cruikshank, Chief Operating Officer
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
j.cruikshank@ruhealth.org

With copies to:

David A. Santilli, Principal Accountant
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
d.santilli@ruhealth.org

To DHCS:

Sandra Dixon
California Department of Health Care Services
Capitated Rates Development Division
1501 Capitol Ave., Suite 71-4002
MS 4413
Sacramento, CA 95814
Sandra.Dixon@dhcs.ca.gov

5. Other Provisions

5.1 This Agreement contains the entire Agreement between the parties with respect to the Medi-Cal rate increases for HEALTH PLAN described in section 2.2 that are funded by the GOVERNMENTAL FUNDING ENTITY and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements between the GOVERNMENTAL FUNDING ENTITY and DHCS. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. One or more other agreements already exist between the parties regarding such other matters, and other agreements may be entered into in the future. This Agreement shall not modify the terms of any other agreement between the parties.

5.2 The nonenforcement or other waiver of any provision of this Agreement shall not be construed as a continuing waiver or as a waiver of any other provision of this Agreement.

5.3 Section 2 of this Agreement shall survive the expiration or termination of this Agreement.

5.4 Nothing in this Agreement is intended to confer any rights or remedies on any third party, including, without limitation, any provider(s) or groups of providers, or any right to medical services for any individual(s) or groups of individuals; accordingly, there shall be no third party beneficiary of this Agreement.

5.5 Time is of the essence in this Agreement.

5.6 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

6. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify the DHCS' powers, authorities, and duties under federal and state law and regulations.

7. Approval. This Agreement is of no force and effect until signed by the parties.

8. Term. This Agreement shall be effective as of July 1, 2015 and shall expire as of June 30, 2019 unless terminated earlier by mutual agreement of the parties.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date of the last signature below.

THE COUNTY OF RIVERSIDE, RUHS-MC

By: Jennifer Cruikshank

Date: 5/22/17

Jennifer Cruikshank, Chief Operating Officer, RUHS-MC

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: _____

Date: _____

Jennifer Lopez, Acting Division Chief, Capitated Rates Development Division

FORM APPROVED COUNTY COUNSEL
BY: Synthia M. Gunzel 3-8-18
SYNTHIA M. GUNZEL DATE

**INTERGOVERNMENTAL AGREEMENT REGARDING
TRANSFER OF PUBLIC FUNDS**

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ("DHCS") and the County of Riverside, California (GOVERNMENTAL FUNDING ENTITY) with respect to the matters set forth below.

RECITALS

A. This Agreement is made pursuant to the authority of Welfare & Institutions Code, sections 14164, 14301.4, and 14301.5.

B. The Molina Healthcare of California (HEALTH PLAN) is a domestic corporation formed pursuant to California Corporations Code section 200. HEALTH PLAN is a party to a Medi-Cal managed care contract with DHCS, entered into pursuant to Welfare and Institutions Code section 14087.3, under which HEALTH PLAN arranges and pays for the provision of covered Medi-Cal health care services to eligible Medi-Cal members residing in the County.

THEREFORE, the parties agree as follows:

AGREEMENT

1. Transfer of Public Funds

1.1 The GOVERNMENTAL FUNDING ENTITY shall transfer funds to DHCS pursuant to sections 14164, 14301.4 and 14301.5 of the Welfare and Institutions Code, up to a maximum total amount of five hundred forty four thousand, one hundred eighty one dollars (\$544,181) for the period of July 1, 2015 through June 30, 2016, and a maximum total amount of nine hundred fifty eight thousand, seven hundred eighty five dollars (\$958,785) for the period of July 1, 2016 through June 30, 2017, to be used solely as a portion of the nonfederal share of actuarially sound Medi-Cal managed care capitation rate increases for HEALTH PLAN for the periods of July 1, 2015 through June 30, 2016, and

July 1, 2016 through June 30, 2017 as described in section 2.2 below. The funds shall be transferred in accordance with a mutually agreed upon schedule between the GOVERNMENTAL FUNDING ENTITY and DHCS, in the amounts specified therein.

1.2 The GOVERNMENTAL FUNDING ENTITY shall certify that the funds transferred qualify for federal financial participation pursuant to 42 C.F.R. part 433 subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, federal money excluded from use as State match, impermissible taxes, and non-bona fide provider-related donations. For transferring units of government that are also direct service providers, impermissible sources do not include patient care or other revenue received from programs such as Medicare or Medicaid to the extent that the program revenue is not obligated to the State as the source of funding.

2. Acceptance and Use of Transferred Funds by DHCS

2.1 DHCS shall exercise its authority under section 14164 of the Welfare and Institutions Code to accept funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to this Agreement as intergovernmental transfers ("IGTs"), to use for the purpose set forth in section 2.2 below.

2.2 The funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to this Agreement shall be used to fund a portion of the nonfederal share of increases in Medi-Cal managed care actuarially sound capitation rates described in paragraph (4) of subdivision (b) of sections 14301.4 and 14301.5 of the Welfare and Institutions Code and shall be paid, together with the related federal financial participation, by DHCS to HEALTH PLAN as part of HEALTH PLAN'S capitation rates for the periods of July 1, 2015 through June 30, 2016 and July 1, 2016 through June 30, 2017. The rate increases paid under section 2.2 shall be used for payments related to Medi-Cal services rendered to Medi-Cal beneficiaries. The rate increases paid under this section 2.2 shall be in addition to, and shall not

replace or supplant, all other amounts paid or payable by DHCS or other State agencies to HEALTH PLAN.

2.3 DHCS shall seek federal financial participation for the rate increases specified in section 2.2 to the full extent permitted by federal law.

2.4 The parties acknowledge the State DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services prior to the payment of any rate increase pursuant to section 2.2.

2.5 The parties agree that none of these funds, either 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 Agreement and their provider agreement constitute patient care revenues.

2.6 Within One Hundred Twenty (120) calendar days of the execution of this Agreement, DHCS shall advise the GOVERNMENTAL FUNDING ENTITY and HEALTH PLAN of the amount of the Medi-Cal managed care capitation rate increases that DHCS paid to HEALTH PLAN during the applicable rate year involving any funding under the terms of this Agreement.

2.7 If any portion of the funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to this Agreement is not expended for the specified rate increases under Section 2.2, DHCS shall return the unexpended funds to the GOVERNMENTAL FUNDING ENTITY.

3. Amendments

3.1 No amendment or modification to this Agreement shall be binding on either party unless made in writing and executed by both parties.

3.2 The parties shall negotiate in good faith to amend this Agreement as necessary and appropriate to implement the requirements set forth in section 2 of this Agreement.

4. Notices. Any and all notices required, permitted or desired to be given hereunder by one party to the other shall be in writing and shall be delivered to the other party personally or by United States first class, certified or registered mail with postage prepaid, addressed to the other party at the address set forth below:

To the GOVERNMENTAL FUNDING ENTITY:

Jennifer Cruikshank, Chief Operating Officer
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
j.cruikshank@ruhealth.org

With copies to:

David A. Santilli, Principal Accountant
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
d.santilli@ruhealth.org

To DHCS:

Sandra Dixon
California Department of Health Care Services
Capitated Rates Development Division
1501 Capitol Ave., Suite 71-4002
MS 4413
Sacramento, CA 95814
Sandra.Dixon@dhcs.ca.gov

5. Other Provisions

5.1 This Agreement contains the entire Agreement between the parties with respect to the Medi-Cal rate increases for HEALTH PLAN described in section 2.2 that are funded by the

GOVERNMENTAL FUNDING ENTITY and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements between the GOVERNMENTAL FUNDING ENTITY and DHCS. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. One or more other agreements already exist between the parties regarding such other matters, and other agreements may be entered into in the future. This Agreement shall not modify the terms of any other agreement between the parties.

5.2 The nonenforcement or other waiver of any provision of this Agreement shall not be construed as a continuing waiver or as a waiver of any other provision of this Agreement.

5.3 Section 2 of this Agreement shall survive the expiration or termination of this Agreement.

5.4 Nothing in this Agreement is intended to confer any rights or remedies on any third party, including, without limitation, any provider(s) or groups of providers, or any right to medical services for any individual(s) or groups of individuals; accordingly, there shall be no third party beneficiary of this Agreement.

5.5 Time is of the essence in this Agreement.

5.6 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

6. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify the DHCS' powers, authorities, and duties under federal and state law and regulations.

7. Approval. This Agreement is of no force and effect until signed by the parties.

8. Term. This Agreement shall be effective as of July 1, 2015 and shall expire as of

June 30, 2019 unless terminated earlier by mutual agreement of the parties.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date of the last signature below.

THE COUNTY OF RIVERSIDE, RUHS-MC

By: Jennifer Cruikshank

Date: 5/22/17

Jennifer Cruikshank, Chief Operating Officer, RUHS-MC

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: _____

Date: _____

Jennifer Lopez, Acting Division Chief, Capitated Rates Development Division

FORM APPROVED COUNTY COUNSEL
BY: Synthia M. Gunzel 3-8-18
SYNTHIA M. GUNZEL DATE

INTERGOVERNMENTAL TRANSFER ASSESSMENT FEE

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ("State DHCS") and the County of Riverside, California (GOVERNMENTAL FUNDING ENTITY) with respect to the matters set forth below.

RECITALS

A. This Agreement is made pursuant to the authority of Welfare & Institutions Code, section 14301.4 and 14301.5.

THEREFORE, the parties agree as follows:

AGREEMENT

1. Transfer of Public Funds

1.1 GOVERNMENTAL FUNDING ENTITY shall make Intergovernmental Transfer(s) ("IGTs") to State DHCS pursuant to section 14164 of the Welfare and Institutions Code and paragraph 1.1 of the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds contract number 16-93786, to be used as a portion of the non-federal share of actuarially sound Medi-Cal managed care rate range capitation increases ("non-federal share IGT") to HEALTH PLAN (Inland Empire Health Plan) for the periods of July 1, 2015 through June 30, 2016, and July 1, 2016 through June 30, 2017.

1.2 The parties acknowledge that State DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services ("CMS") pertaining to the acceptance of non-federal share IGTs and the payment of non-federal share IGT related rate range capitation increases to HEALTH PLAN.

2. Intergovernmental Transfer Assessment Fee

2.1 The State DHCS shall, upon acceptance of non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement, exercise its authority under section 14301.4 of the Welfare and Institutions Code to assess a 20-percent assessment fee on the amount of the non-federal share IGTs, except as provided under paragraph 2.4 of this Agreement, to reimburse State DHCS for the administrative costs of operating the IGT program pursuant to this section and for the support of the Medi-Cal program.

2.2 The funds subject to the 20-percent assessment fee shall be limited to non-federal share IGTs made by the transferring entity, GOVERNMENTAL FUNDING ENTITY, pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement.

2.3 The 20-percent fee will be assessed on the amount of the non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement, except as provided under paragraph 2.4 of this Agreement, and will be made in addition to, and transferred separately from, the transfer of funds pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds.

2.4 The 20-percent assessment fee shall not be applied to IGT amounts designated for increases to risk-based payments to managed care health plans intended to increase reimbursement in accordance with Welfare and Institutions Code 14301.4(b)(3) or 14301.5(a)(1). For SFY 2016-17, DHCS has determined that \$855,252 of the non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement will not be assessed a 20 percent fee in accordance with Welfare and Institutions Code 14301.4 (d)(3) and/or 14301.5(b)(4).

2.5 The 20-percent assessment fee pursuant to this Agreement is non-refundable and shall be wired to State DHCS separately from, and simultaneous to, the non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement. However, if any portion of the non-federal share IGTs is not expended for the specified rate increases stated in paragraph 2.2 of the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, DHCS shall return a proportionate amount of the 20-percent assessment fee to the GOVERNMENTAL FUNDING ENTITY.

3. Other Provisions

3.1 This Agreement contains the entire Agreement between the parties with respect to the 20-percent assessment fee on non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1, and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements between the GOVERNMENTAL FUNDING ENTITY and State DHCS. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. One or more other agreements may exist between the parties regarding such other matters, and other agreements may be entered into in the future. This Agreement shall not modify the terms of any other agreement between the parties.

3.2 Time is of the essence in this Agreement.

3.3 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

4. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify State DHCS' powers, authorities, and duties under federal and state law and regulations.

5. Approval. This Agreement is of no force and effect until signed by the parties.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date of the last signature below.

COUNTY OF RIVERSIDE, RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER

By: Jennifer Cruikshank Date: 5/22/17

Jennifer Cruikshank, Chief Operating Officer

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: _____ Date: _____

Jennifer Lopez, Acting Division Chief, Capitated Rates Development Division

FORM APPROVED COUNTY COUNSEL
BY: Synthia M. Gunzel 3-8-18
SYNTHIA M. GUNZEL DATE

INTERGOVERNMENTAL TRANSFER ASSESSMENT FEE

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ("State DHCS") and the County of Riverside, California (GOVERNMENTAL FUNDING ENTITY) with respect to the matters set forth below.

RECITALS

A. This Agreement is made pursuant to the authority of Welfare & Institutions Code, sections 14301.4 and 14301.5.

THEREFORE, the parties agree as follows:

AGREEMENT

1. Transfer of Public Funds

1.1 GOVERNMENTAL FUNDING ENTITY shall make Intergovernmental Transfer(s) ("IGTs") to State DHCS pursuant to section 14164 of the Welfare and Institutions Code and paragraph 1.1 of the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds contract number 16-93789, to be used as a portion of the non-federal share of actuarially sound Medi-Cal managed care rate range capitation increases ("non-federal share IGT") to HEALTH PLAN (Molina Healthcare of California) for the periods of July 1, 2015 through June 30, 2016, and July 1, 2016 through June 30, 2017.

1.2 The parties acknowledge that State DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services ("CMS") pertaining to the acceptance of non-federal share IGTs and the payment of non-federal share IGT related rate range capitation increases to HEALTH PLAN.

2. Intergovernmental Transfer Assessment Fee

2.1 The State DHCS shall, upon acceptance of non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement, exercise its authority under section 14301.4 of the Welfare and Institutions Code to assess a 20-percent assessment fee on the amount of the non-federal share IGTs, except as provided under paragraph 2.4 of this Agreement, to reimburse State DHCS for the administrative costs of operating the IGT program pursuant to this section and for the support of the Medi-Cal program.

2.2 The funds subject to the 20-percent assessment fee shall be limited to non-federal share IGTs made by the transferring entity, GOVERNMENTAL FUNDING ENTITY, pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement.

2.3 The 20-percent fee will be assessed on the amount of the non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement, except as provided under paragraph 2.4 of this Agreement, and will be made in addition to, and transferred separately from, the transfer of funds pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds.

2.4 The 20-percent assessment fee shall not be applied to IGT amounts designated for increases to risk-based payments to managed care health plans intended to increase in accordance with Welfare and Institutions Code 14301.4(b)(3) or 14301.5(a)(1). For SFY 2016-17, DHCS has determined that \$110,609 of the non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement will not be assessed a 20 percent fee in accordance with Welfare and Institutions Code 14301.4 (d)(3) and/or 14301.5(b)(4).

2.5 The 20-percent assessment fee pursuant to this Agreement is non-refundable and shall be wired to State DHCS separately from, and simultaneous to, the non-federal share IGTs pursuant to the

Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1 of this Agreement. However, if any portion of the non-federal share IGTs is not expended for the specified rate increases stated in paragraph 2.2 of the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, DHCS shall return a proportionate amount of the 20-percent assessment fee to the GOVERNMENTAL FUNDING ENTITY.

3. Other Provisions

3.1 This Agreement contains the entire Agreement between the parties with respect to the 20-percent assessment fee on non-federal share IGTs pursuant to the Intergovernmental Agreement(s) Regarding the Transfer of Public Funds, and as described in paragraph 1, and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements between the GOVERNMENTAL FUNDING ENTITY and State DHCS. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. One or more other agreements may exist between the parties regarding such other matters, and other agreements may be entered into in the future. This Agreement shall not modify the terms of any other agreement between the parties.

3.2 Time is of the essence in this Agreement.

3.3 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

4. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify State DHCS' powers, authorities, and duties under federal and state law and regulations.

5. Approval. This Agreement is of no force and effect until signed by the parties.

SIGNATURES

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date of the last signature below.

COUNTY OF RIVERSIDE, RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER

By: Jennifer Cruikshank Date: 5/22/17

Jennifer Cruikshank, Chief Operating Officer

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: _____ Date: _____

Jennifer Lopez, Acting Division Chief, Capitated Rates Development Division

FORM APPROVED COUNTY COUNSEL
BY: SYNTHIA M. GUNZEL 38-18
SYNTHIA M. GUNZEL DATE

**INTERGOVERNMENTAL AGREEMENT REGARDING
TRANSFER OF PUBLIC FUNDS**

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ("DHCS") and the County of Riverside, California (the "Governmental Funding Entity") with respect to the matters set forth below.

RECITALS

A. This Agreement is made pursuant to the authority of Section 14182.15 of Chapter 7 of Part 3 of Division 9 of the Welfare & Institutions Code.

B. The Inland Empire Health Plan is a Local Initiative Health Plan formed pursuant to Welfare and Institutions Code section 6500, through a Joint Powers Agreement (JPA) and Knox-Keene Health Care Services Plan Act of 1975. Inland Empire Health Plan is a party to a Medi-Cal managed care contract with DHCS, entered into pursuant to Welfare and Institutions Code Section 14087.3, under which Inland Empire Health Plan arranges and pays for the provision of covered Medi-Cal health care services to eligible Medi-Cal members residing in the County.

C. The Molina Healthcare of California is a domestic corporation formed pursuant to California Corporations Code section 200. Molina Healthcare of California is a party to a Medi-Cal managed care contract with DHCS, entered into pursuant to Welfare and Institutions Code Section 14087.3, under which Molina Healthcare of California arranges and pays for the provision of covered Medi-Cal health care services to eligible Medi-Cal members residing in the County.

THEREFORE, the parties agree as follows:

AGREEMENT

1. Transfer of Public Funds

1.1 The Governmental Funding Entity shall transfer funds to DHCS pursuant to Section 14182.15 of the Welfare and Institutions Code, up to a maximum total amount of four million, one hundred forty six thousand, seven hundred forty seven dollars (\$4,146,747) for the period of July 1, 2016 through June 30, 2017, to be used solely as a portion of the nonfederal share of actuarially sound Medi-Cal managed care capitation rates for Health Plans (Inland Empire Health Plan and Molina Healthcare of California) for the period of July 1, 2016 through June 30, 2017, as described in paragraph 2.2 below. The funds shall be transferred in accordance with a mutually agreed upon schedule between the Governmental Funding Entity and DHCS, in the amounts and components specified therein.

1.2 The Governmental Funding Entity shall certify that the funds transferred qualify for federal financial participation pursuant to 42 C.F.R. part 433 subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, federal money excluded from use as State match, impermissible taxes, and non-bona fide provider-related donations. For transferring units of government that are also direct service providers, impermissible sources do not include patient care or other revenue received from programs such as Medicare or Medicaid to the extent that the program revenue is not obligated to the State as the source of funding.

2. Acceptance and Use of Transferred Funds by DHCS

2.1 DHCS shall exercise its authority under Section 14182.15 of the Welfare and Institutions Code to accept funds transferred by the Governmental Funding Entity pursuant to this Agreement as intergovernmental transfers (IGTs), to use for the purpose set forth in paragraph 2.2 below.

2.2 The funds transferred by the Governmental Funding Entity pursuant to this Agreement shall be used to fund a portion of the nonfederal share of the component of Medi-Cal managed care actuarially sound capitation rates pursuant to paragraph (1) of subdivision (d) of Section 14182.15 of the Welfare and Institutions Code and shall be paid, together with the related federal financial participation, by DHCS to Health Plans as part of Health Plans' capitation rates for the period of July 1, 2016 through June 30, 2017. To the extent that DHCS has made and documented such expenditures, or portion thereof, prior to the necessary funds being transferred by the Governmental Funding Entity, the appropriate amount of subsequently transferred funds shall be deemed to have been used in accordance with the requirements of this paragraph 2.2. The capitation rate amounts paid under this paragraph shall be used for payments related to Medi-Cal services rendered to Medi-Cal beneficiaries. The rate amounts paid under this paragraph shall be in addition to, and shall not replace or supplant, all other amounts paid or payable by DHCS or other State agencies to Health Plans.

2.3 DHCS shall seek federal financial participation for the rate amounts specified in paragraph 2.2 to the full extent permitted by federal law.

2.4 The parties acknowledge that State DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services (CMS) prior to the payment of any rate amounts pursuant to paragraph 2.2.

2.5 The parties agree that none of these funds, from either 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 Plans to providers under the terms of this Agreement and their provider agreement constitute patient care revenues.

2.6 Within One Hundred Twenty (120) calendar days of the execution of this Agreement, and every quarter as applicable thereafter, DHCS shall advise the Governmental Funding Entity and Health Plans of the amount of the Medi-Cal managed care capitation rate amounts that DHCS paid to Health Plans during the applicable rate period specified in paragraph 2.2 involving any funding under the terms of this Agreement.

2.7 If any portion of the funds transferred by the Governmental Funding Entity pursuant to this Agreement is not expended by DHCS for the specified rate amounts under paragraph 2.2, DHCS shall return the unexpended funds to the Governmental Funding Entity.

3. Amendments

3.1 No amendment or modification to this Agreement shall be binding on either party unless made in writing and executed by both parties.

3.2 The parties shall negotiate in good faith to amend this Agreement as necessary and appropriate to implement the requirements set forth in paragraph 2 of this Agreement.

4. Notices. Any and all notices required, permitted or desired to be given hereunder by one party to the other shall be in writing and shall be delivered to the other party personally or by United States first class, certified or registered mail with postage prepaid, addressed to the other party at the address set forth below:

To the Governmental Funding Entity:

Jennifer Cruikshank, CEO
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
j.cruikshank@ruhealth.org

With copies to:

Robert Walsh, Interim CFO
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
r.walsh@ruhealth.org

To DHCS:

Sandra Dixon
California Department of Health Care Services
Capitated Rates Development Division
1501 Capitol Ave., Suite 71-4002
P.O. Box 997413
MS 4413
Sacramento, CA 95899-7413
Sandra.Dixon@dhcs.ca.gov

5. Other Provisions

5.1 This Agreement contains the entire Agreement between the parties with respect to the Medi-Cal rate amounts for Health Plans described in paragraph 2.2 that are funded by the Governmental Funding Entity pursuant to paragraph (1) of subdivision (d) of Section 14182.15 of the Welfare and Institutions Code, and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements regarding such transferred funds between the Governmental Funding Entity and DHCS. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. One or more other agreements already exist between the parties regarding such other matters, and other agreements may be entered into in the future. This Agreement shall not modify the terms of any other agreement between the parties.

5.2 The non-enforcement or other waiver of any provision of this Agreement shall not be construed as a continuing waiver or as a waiver of any other provision of this Agreement.

5.3 Paragraph 2 of this Agreement shall survive the expiration or termination of this Agreement.

5.4 Nothing in this Agreement is intended to confer any rights or remedies on any third party, including, without limitation, any provider(s) or groups of providers, or any right to medical services for any individual(s) or groups of individuals; accordingly, there shall be no third party beneficiary of this Agreement.

5.5 Time is of the essence in this Agreement.

5.6 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

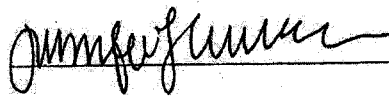
6. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify the DHCS' powers, authorities, and duties under federal and state law and regulations.

7. Approval. This Agreement is of no force and effect until signed by the parties.

8. Term. This Agreement shall be effective as of July 1, 2016 and shall expire as of June 30, 2019 unless terminated earlier by mutual agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on
the date of the last signature below.

THE COUNTY OF RIVERSIDE

By: 

Date: 11/30/17

Jennifer Cruikshank, CEO, RUHS-MC

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: _____

Date: _____

Jennifer Lopez, Acting Division Chief, Capitated Rates Development Division

FORM APPROVED COUNTY COUNSEL
BY: Synthia M. Gunzel 3-8-18
SYNTHIA M. GUNZEL DATE

**INTERGOVERNMENTAL AGREEMENT REGARDING
TRANSFER OF PUBLIC FUNDS**

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ("DHCS") and the County of Riverside, California (the "Governmental Funding Entity") with respect to the matters set forth below.

RECITALS

A. This Agreement is made pursuant to the authority of Section 14182.15 of Chapter 7 of Part 3 of Division 9 of the Welfare & Institutions Code.

B. The Inland Empire Health Plan is a Local Initiative Health Plan formed pursuant to Welfare and Institutions Code section 6500, through a Joint Powers Agreement (JPA) and Knox-Keene Health Care Services Plan Act of 1975. Inland Empire Health Plan is a party to a Medi-Cal managed care contract with DHCS, entered into pursuant to Welfare and Institutions Code Section 14087.3, under which Inland Empire Health Plan arranges and pays for the provision of covered Medi-Cal health care services to eligible Medi-Cal members residing in the County.

C. The Molina Healthcare of California is a domestic corporation formed pursuant to California Corporations Code section 200. Molina Healthcare of California is a party to a Medi-Cal managed care contract with DHCS, entered into pursuant to Welfare and Institutions Code Section 14087.3, under which Molina Healthcare of California arranges and pays for the provision of covered Medi-Cal health care services to eligible Medi-Cal members residing in the County.

THEREFORE, the parties agree as follows:

AGREEMENT

1. Transfer of Public Funds

1.1 The Governmental Funding Entity shall transfer funds to DHCS pursuant to Section 14182.15 of the Welfare and Institutions Code, up to a maximum total amount of eight million, two hundred fifty five thousand, one hundred sixty six dollars (\$8,255,166) for the period of July 1, 2016 through June 30, 2017, to be used solely as a portion of the nonfederal share of actuarially sound Medi-Cal managed care capitation rates for Health Plans (Inland Empire Health Plan and Molina Healthcare of California) for the period of July 1, 2016 through June 30, 2017, as described in paragraph 2.2 below. The funds shall be transferred in accordance with a mutually agreed upon schedule between the Governmental Funding Entity and DHCS, in the amounts and components specified therein.

1.2 The Governmental Funding Entity shall certify that the funds transferred qualify for federal financial participation pursuant to 42 C.F.R. part 433 subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, federal money excluded from use as State match, impermissible taxes, and non-bona fide provider-related donations. For transferring units of government that are also direct service providers, impermissible sources do not include patient care or other revenue received from programs such as Medicare or Medicaid to the extent that the program revenue is not obligated to the State as the source of funding.

2. Acceptance and Use of Transferred Funds by DHCS

2.1 DHCS shall exercise its authority under Section 14182.15 of the Welfare and Institutions Code to accept funds transferred by the Governmental Funding Entity pursuant to this Agreement as intergovernmental transfers (IGTs), to use for the purpose set forth in paragraph 2.2 below.

2.2 The funds transferred by the Governmental Funding Entity pursuant to this Agreement shall be used to fund a portion of the nonfederal share of Medi-Cal managed care actuarially sound capitation rates described in subdivision (b) and (c) of Section 14182.15 of the Welfare and Institutions Code and shall be paid, together with the related federal financial participation, by DHCS to Health Plan as part of Health Plans' capitation rates for the period July 1, 2016 through June 30, 2017. To the extent that DHCS has made and documented such expenditures, or portion thereof, prior to the necessary funds being transferred by the Governmental Funding Entity, the appropriate amount of subsequently transferred funds shall be deemed to have been used in accordance with the requirements of this paragraph 2.2. The capitation rate amounts paid under this paragraph shall be used for payments related to Medi-Cal services rendered to Medi-Cal beneficiaries. The rate amounts paid under this paragraph shall be in addition to, and shall not replace or supplant, all other amounts paid or payable by DHCS or other State agencies to Health Plans.

2.3 DHCS shall seek federal financial participation for the rate amounts specified in paragraph 2.2 to the full extent permitted by federal law.

2.4 The parties acknowledge that State DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services (CMS) prior to the payment of any rate amounts pursuant to paragraph 2.2.

2.5 The parties agree that none of these funds, from either 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 Plans to providers under the terms of this Agreement and their provider agreement constitute patient care revenues.

2.6 Within One Hundred Twenty (120) calendar days of the execution of this Agreement, and every quarter as applicable thereafter, DHCS shall advise the Governmental Funding Entity and Health Plans of the amount of the Medi-Cal managed care capitation rate amounts that DHCS paid to Health Plans during the applicable rate period specified in paragraph 2.2 involving any funding under the terms of this Agreement.

2.7 If any portion of the funds transferred by the Governmental Funding Entity pursuant to this Agreement is not expended by DHCS for the specified rate amounts under paragraph 2.2, DHCS shall return the unexpended funds to the Governmental Funding Entity.

3. Amendments

3.1 No amendment or modification to this Agreement shall be binding on either party unless made in writing and executed by both parties.

3.2 The parties shall negotiate in good faith to amend this Agreement as necessary and appropriate to implement the requirements set forth in paragraph 2 of this Agreement.

4. Notices. Any and all notices required, permitted or desired to be given hereunder by one party to the other shall be in writing and shall be delivered to the other party personally or by United States first class, certified or registered mail with postage prepaid, addressed to the other party at the address set forth below:

To the Governmental Funding Entity:

Jennifer Cruikshank, CEO
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
j.cruikshank@ruhealth.org

With copies to:

Robert Walsh, Interim CFO
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
r.walsh@ruhealth.org

To DHCS:

Sandra Dixon
California Department of Health Care Services
Capitated Rates Development Division
1501 Capitol Ave., Suite 71-4002
P.O. Box 997413
MS 4413
Sacramento, CA 95899-7413
Sandra.Dixon@dhcs.ca.gov

5. Other Provisions

5.1 This Agreement contains the entire Agreement between the parties with respect to the Medi-Cal rate amounts for Health Plans described in paragraph 2.2 that are funded by the Governmental Funding Entity pursuant to paragraph (2) of subdivision (d) of Section 14182.15 of the Welfare and Institutions Code, and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements regarding such transferred funds between the Governmental Funding Entity and DHCS. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. One or more other agreements already exist between the parties regarding such other matters, and other agreements may be entered into in the future. This Agreement shall not modify the terms of any other agreement between the parties.

5.2 The non-enforcement or other waiver of any provision of this Agreement shall not be construed as a continuing waiver or as a waiver of any other provision of this Agreement.

5.3 Paragraph 2 of this Agreement shall survive the expiration or termination of this Agreement.

5.4 Nothing in this Agreement is intended to confer any rights or remedies on any third party, including, without limitation, any provider(s) or groups of providers, or any right to medical services for any individual(s) or groups of individuals; accordingly, there shall be no third party beneficiary of this Agreement.

5.5 Time is of the essence in this Agreement.

5.6 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

6. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify the DHCS' powers, authorities, and duties under federal and state law and regulations.

7. Approval. This Agreement is of no force and effect until signed by the parties.

8. Term. This Agreement shall be effective as of July 1, 2016 and shall expire as of June 30, 2019 unless terminated earlier by mutual agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on
the date of the last signature below.

THE COUNTY OF RIVERSIDE

By: 

Date: 11/30/17


Jennifer Cruikshank, CEO RUHS-MC

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: _____

Date: _____

Jennifer Lopez, Acting Division Chief, Capitated Rates Development Division

FORM APPROVED COUNTY COUNSEL
BY: 
SYNTHIA M. GUNZEL DATE

**INTERGOVERNMENTAL AGREEMENT REGARDING
TRANSFER OF PUBLIC FUNDS**

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ("DHCS") and the County of Riverside, California (the "Governmental Funding Entity") with respect to the matters set forth below.

RECITALS

- A. This Agreement is made pursuant to the authority of Sections 14199.2 and 14301.5 of the Welfare & Institutions Code.
- B. Inland Empire Health Plan is a Local Initiative Health Plan formed pursuant to Welfare and Institutions Code section 6500, through a Joint Powers Agreement (JPA) and Knox-Keene Health Care Services Plan Act of 1975. Inland Empire Health Plan is a party to a Medi-Cal managed care contract with DHCS, entered into pursuant to Welfare and Institutions Code Section 14087.3, under which Inland Empire Health Plan arranges and pays for the provision of covered Medi-Cal health care services to eligible Medi-Cal members residing in the County.
- C. Molina Healthcare of California is a domestic corporation formed pursuant to California Corporations Code section 200. Molina Healthcare of California is a party to a Medi-Cal managed care contract with DHCS, entered into pursuant to Welfare and Institutions Code Section 14087.3, under which Molina Healthcare of California arranges and pays for the provision of covered Medi-Cal health care services to eligible Medi-Cal members residing in the County.

THEREFORE, the parties agree as follows:

AGREEMENT

1. Transfer of Public Funds

1.1 The Governmental Funding Entity shall transfer funds to DHCS pursuant to Sections 14164, 14199.2, and 14301.5 of the Welfare and Institutions Code, up to a maximum total amount of one million, four hundred ninety two thousand, eight hundred fifty one dollars (\$1,492,851) for the period of January 1, 2017 through June 30, 2017, to be used solely as a portion of the nonfederal share of actuarially sound Medi-Cal managed care capitation rates for Health Plans (Inland Empire Health Plan and Molina Healthcare of California) for the period of January 1, 2017 through June 30, 2017, as described in paragraph 2.2 below. The funds shall be transferred in accordance with a mutually agreed upon schedule between the Governmental Funding Entity and DHCS, in the amounts and components specified therein.

1.2 The Governmental Funding Entity shall certify that the funds transferred qualify for federal financial participation pursuant to 42 C.F.R. part 433 subpart B, and are not derived from impermissible sources such as recycled Medicaid payments, federal money excluded from use as State match, impermissible taxes, and non-bona fide provider-related donations. For transferring units of government that are also direct service providers, impermissible sources do not include patient care or other revenue received from programs such as Medicare or Medicaid to the extent that the program revenue is not obligated to the State as the source of funding.

2. Acceptance and Use of Transferred Funds by DHCS

2.1 DHCS shall exercise its authority under Sections 14164, 14199.2, and 14301.5 of the Welfare and Institutions Code to accept funds transferred by the Governmental Funding Entity pursuant to this Agreement as intergovernmental transfers (IGTs), to use for the purpose set forth in paragraph 2.2 below.

2.2 The funds transferred by the Governmental Funding Entity pursuant to this Agreement shall be used to fund a portion of the nonfederal share of Medi-Cal managed care actuarially sound capitation rates described in subdivision (b) of Section 14199.2, and subdivision (a) of Section 14301.5 of the Welfare and Institutions Code and shall be paid, together with the related federal financial participation, by DHCS to Health Plan as part of Health Plans' capitation rates for the period January 1, 2017 through June 30, 2017. To the extent that DHCS has made and documented such expenditures, or portion thereof, prior to the necessary funds being transferred by the Governmental Funding Entity, the appropriate amount of subsequently transferred funds shall be deemed to have been used in accordance with the requirements of this paragraph 2.2. The capitation rate amounts paid under this paragraph shall be used for payments related to Medi-Cal services rendered to Medi-Cal beneficiaries. The rate amounts paid under this paragraph shall be in addition to, and shall not replace or supplant, all other amounts paid or payable by DHCS or other State agencies to Health Plans.

2.3 DHCS shall seek federal financial participation for the rate amounts specified in paragraph 2.2 to the full extent permitted by federal law.

2.4 The parties acknowledge that State DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services (CMS) prior to the payment of any rate amounts pursuant to paragraph 2.2.

2.5 The parties agree that none of these funds, from either 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 Plans to providers under the terms of this Agreement and their provider agreement constitute patient care revenues.

2.6 Within One Hundred Twenty (120) calendar days of the execution of this Agreement, and every quarter as applicable thereafter, DHCS shall advise the Governmental Funding Entity and Health Plans of the amount of the Medi-Cal managed care capitation rate amounts that DHCS paid to Health Plans during the applicable rate period specified in paragraph 2.2 involving any funding under the terms of this Agreement.

2.7 If any portion of the funds transferred by the Governmental Funding Entity pursuant to this Agreement is not expended by DHCS for the specified rate amounts under paragraph 2.2, DHCS shall return the unexpended funds to the Governmental Funding Entity.

3. Amendments

3.1 No amendment or modification to this Agreement shall be binding on either party unless made in writing and executed by both parties.

3.2 The parties shall negotiate in good faith to amend this Agreement as necessary and appropriate to implement the requirements set forth in paragraph 2 of this Agreement.

4. Notices. Any and all notices required, permitted or desired to be given hereunder by one party to the other shall be in writing and shall be delivered to the other party personally or by United States first class, certified or registered mail with postage prepaid, addressed to the other party at the address set forth below:

To the Governmental Funding Entity:

Jennifer Cruikshank, CEO
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
j.cruikshank@ruhealth.org

With copies to:

David Santilli, Fiscal Manager
RUHS-MC
26520 Cactus Avenue
Moreno Valley, CA 92555
d.santilli@ruhealth.org

To DHCS:

Sandra Dixon
California Department of Health Care Services
Capitated Rates Development Division
1501 Capitol Ave., Suite 71-4002
P.O. Box 997413
MS 4413
Sacramento, CA 95899-7413
Sandra.Dixon@dhcs.ca.gov

5. Other Provisions

5.1 This Agreement contains the entire Agreement between the parties with respect to the Medi-Cal rate amounts for Health Plans described in paragraph 2.2 that are funded by the Governmental Funding Entity pursuant to paragraph (1) of subdivision (e) of Section 14199.2, and paragraph (4) of subdivision (b) of Section 14301.5 of the Welfare and Institutions Code, and supersedes any previous or contemporaneous oral or written proposals, statements, discussions, negotiations or other agreements regarding such transferred funds between the Governmental Funding Entity and DHCS. This Agreement is not, however, intended to be the sole agreement between the parties on matters relating to the funding and administration of the Medi-Cal program. One or more other agreements already exist between the parties regarding such other matters, and other agreements may be entered into in the future. This Agreement shall not modify the terms of any other agreement between the parties.

5.2 The non-enforcement or other waiver of any provision of this Agreement shall not be construed as a continuing waiver or as a waiver of any other provision of this Agreement.

5.3 Paragraph 2 of this Agreement shall survive the expiration or termination of this Agreement.

5.4 Nothing in this Agreement is intended to confer any rights or remedies on any third party, including, without limitation, any provider(s) or groups of providers, or any right to medical services for any individual(s) or groups of individuals; accordingly, there shall be no third party beneficiary of this Agreement.

5.5 Time is of the essence in this Agreement.

5.6 Each party hereby represents that the person(s) executing this Agreement on its behalf is duly authorized to do so.

6. State Authority. Except as expressly provided herein, nothing in this Agreement shall be construed to limit, restrict, or modify the DHCS' powers, authorities, and duties under federal and state law and regulations.

7. Approval. This Agreement is of no force and effect until signed by the parties.

8. Term. This Agreement shall be effective as of January 1, 2017 and shall expire as of June 30, 2019 unless terminated earlier by mutual agreement of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on
the date of the last signature below.

THE COUNTY OF RIVERSIDE, RUHS-MC

By: 

Date: 3/5/2018

Jennifer Cruikshank, CEO, RUHS-MC

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By: _____

Date: _____

Jennifer Lopez, Acting Division Chief, Capitated Rates Development Division

FORM APPROVED COUNTY COUNSEL
BY: 
SYNTHIA M. GUNZEL DATE