

COUNTY OF SANTA FE)
STATE OF NEW MEXICO) ss



I Hereby Certify That This Instrument Was Filed for
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And Was Duly Recorded as Instrument # 1633526
Of The Records Of Santa Fe County

Deputy Marcella [Signature] Valerie Espinoza
County Clerk, Santa Fe, NM

MINUTES OF THE

SANTA FE COUNTY

INDIGENT HOSPITAL & HEALTH CARE BOARD

March 29, 2011

Commission Vice Chair Liz Stefanics called this meeting of the Indigent Hospital & Health Care Board to order on the above-cited date in the Legal Conference Room at the County Courthouse at approximately 9:10 a.m.

Roll was called and indicated the presence of a quorum with the following County Commissioners present:

Members Present:

Virginia Vigil, Chair
Liz Stefanics, Vice Chair
Robert Anaya
Kathy Holian
Danny Mayfield

Member(s) Excused:

None

Staff Present:

Katherine Miller, County Manager
Penny Ellis-Green, Deputy County Manager
Rachel Brown, Deputy County Attorney
Joseph Gutierrez, Community Services Director
Steve Shepherd, HHS Director
Greg Smith, Health Care Assistance Program Manager
Priscilla Vigil, Indigent Claims Investigator
Chris Barela, Constituent Liaison

Others Present:

Kathy Armijo Etre, Contractor for Christus St. Vincent
Judy Williams, League of Women Voters

HHS Director Steve Shepherd announced that this was Priscilla Vigil's last meeting. She is retiring after 29 years and 11 months.

III. APPROVAL OF AGENDA

Commissioner Holian moved to approve the agenda. Her motion was seconded by Commissioner Mayfield and passed by unanimous [4-0] voice vote. [Chair Vigil was not present for this action.]

SFC CLERK RECORDED BA/27/2011

IV. APPROVAL OF MINUTES: February 22, 2011

Commissioner Holian moved to approve the minutes as published. Her motion was seconded by Commissioner Mayfield. The minutes were unanimously [4-0] approved. [Chair Vigil was not present for this action.]

V. MATTERS OF PUBLIC CONCERN – NON-ACTION ITEMS

None were presented.

VI. MATTERS FROM THE BOARD

Commissioner Anaya expressed his appreciation of Ms. Priscilla Vigil's service having worked with her in the past. He said she was a valuable asset to the County and will be missed. He referred to all the people she assisted to get health care reimbursement.

VII. INFORMATIONAL ITEMS

A. Comparison of FY 2010 to FY 2011 Claims

Mr. Smith said this is presented monthly for informational purposes. He said there was nothing out of the ordinary and stood for questions. Commissioner Stefanics asked if they would run out of their allotment by the end of the year. Mr. Smith said he believed everyone would be at close to a zero balance by the end of the fiscal year. In May or June staff may ask to move funds from those with some remaining balances to those who are stacking claims.

[Chair Vigil joined the meeting.]

B. Sole Community Provider Hospital

Mr. Smith pointed out that Los Alamos Hospital has far exceeded their state allocation and prefer to continue to submit claims in order to show the number of claims. No liability accrues to the County.

C. Contracted Expenditures for FY 10 and FY 11

Mr. Smith highlighted the remaining total balance, noting they are within \$30,000 of the total year's expense, so most of the balances are drawn down.

D. CHRISTUS St. Vincent Regional Medical Center

In the absence of Mr. Valdez there was no report.

E. Update on Prescription Discount Drug Car Program

Mr. Shepherd said they are ready to go to contract with Coast to Coast/Financial Marketing Concepts. The contract has been negotiated and is ready to go forward. He will be working with Ms. Mihelcic and Ms. Watson on publicity.

Commissioner Stefanics asked if a new marketing strategy would be presented to the Commission, and Mr. Shepherd said there would be. Commissioner Stefanics asked if the pharmacies would be cooperating. Mr. Shepherd said they would be and the program will have direct contact with them. Commissioner Stefanics said there were problems in the past with the pharmacists not being familiar with the program. Mr. Shepherd said he was hoping the new company would take care of the marketing. He said everything about the program is free to the County.

F. Discussion of SCP Super Supplemental [Exhibit 1: Fact Sheet; Exhibit 2: Letter from NMHA]

Mr. Smith said last year's left over funds were aggregated and allocated to private hospitals. He explained how the match was planned, with the hospitals that were receiving the "super supplemental" funds paying the match to the counties. For Santa Fe County, the amount was \$1,104,303.32 and would benefit Christus St. Vincent to the tune of about \$5.6 million. For this to happen the Commission will need to approve an MOA, a BAR and a request from Christus St. Vincent for the funding. This must be completed by June 1st. If this does not occur Christus St. Vincent would have to return the monies. There is no cost Santa Fe County.

Commissioner Stefanics asked if CMS had responded, and Assistant Attorney Rachel Brown stated they submitted findings. Mr. Shepherd said CMS found one county had an improper service transaction. The findings had to do with the hospitals rather than the counties and the hospitals are working on responses to those findings. Commissioner Stefanics requested a copy of the audit findings as it is important to decisions made going forward. She asked if Christus St. Vincent would be responsible for returning funds. Mr. Shepherd said they would be as listed in the chart on the back of the findings. He said if it comes to that they would be responsible for returning around \$23.7 million.

Commissioner Stefanics said not seeking written confirmation from CMS constituted a red flag. Mr. Shepherd agreed that didn't sound good. He added no action need be taken today, but if the Commission chooses to act it should be done before June 1st. The County Legal Department is involved and it does not appear the County is at risk financially.

Chair Vigil speculated that an executive session may be required to discuss the matter.

IX. ACTION ITEMS

A. Approval of Indigent Hospital and County Health Care Claims

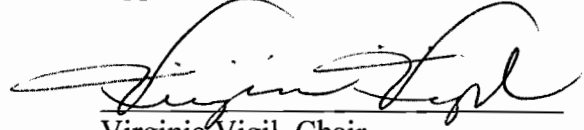
There being no executive session required, Commissioner Holian moved to approve 292 claims totaling \$362,858.26 as recommended by staff, and Commissioner Stefanics seconded.

The motion passed by unanimous [5-0] voice vote.

ADJOURNMENT

This meeting adjourned at approximately 9:30 a.m.

Approved by:



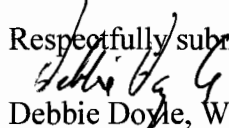
Virginia Vigil, Chair
Board of County Commissioners

ATTEST TO:



VALERIE ESPINOLA
COUNTY CLERK

Respectfully submitted by:



Debbie Doyle, Wordswork



SFC CLERK RECORDED 04/27/2011

Santa Fe County

Super Supplemental

- Last September HSD aggregated the funding left over from the Sole Community Provider Supplemental funding. They allocated it to privately owned hospitals
- They then made a deal with UNMH to pay the state, or local match, that could draw down the federal share. They borrowed general funds from the state to make the transaction before the deadline on September 30, 2010.
- The deal that was made was that UNMH would give the state or local match to the appropriate county. The county would then make a payment in the same amount to NM Human Services Department.
- The hospital that received the “Super Supplemental” funding would then pay UNMH the amount of the state, or local, match that they will pay to the counties.
- In Santa Fe County’s case, this will amount to \$ 1,104,303.32, and will benefit CHRISTUS\St. Vincent Hospital in the amount of \$ 5,660,191.27.
- In order to do this, the SFCO BCC will need to approve the enclosed MOU, a BAR to budget the funding as it is received and paid out, and a request from CHRISTUS\St. Vincent for the funding. We understand that the process needs to be complete on\or around June 1, 2011.
- The consequence for not completing this transaction would be that CHRISTUS\St. Vincent would need to return \$ 4,555,887.95 to NM HSD, and possibly \$ 1,104,303.32 to UNMH.
- I participated in a conference call with NMAC, NMHSD, the NM Hospital Association, and other affected counties. In that phone call, the Acting General Council for NMHSD stated that he thought the arrangement was legal, but NMHSD was not going to pursue written confirmation from the Center for Medicaid Services.
- This action will cost SFCO no cash.



New Mexico
Hospital Association

To: Paul Gutierrez, Executive Director
New Mexico Association of Counties

From: Jeff Dye, President and CEO

Date: March 15, 2011

Your assistance is requested to complete a process to allow Private Sole Community Provider (SCP) Hospitals to retain a State payment they received in September 2010. Please transmit the attached material to the following counties: Chaves, Curry, Eddy, Doña Ana, Lea, Los Alamos, Luna, McKinley, Otero, Rio Arriba, San Miguel, Santa Fe and Socorro.

1. Arrangements have been finalized by the Human Services Department (HSD) and University of New Mexico Hospitals (UNMH) in support of the "Super Supplemental" payments that were made to Private hospitals in their respective counties.
2. To complete the process, the following steps are requested of each county:
 - A, Complete and return the attached Memorandum of Understanding (MOU) to UNMH. The MOU will require Commission action in similar fashion as other SCP approvals.

Return to: Ms. Ella Watt
Chief Financial Officer
University of NM Hospital
2211 Lomas Blvd. NE
Albuquerque, NM 87106

B. Adopt and return to UNMH a resolution authorizing and directing the funding and transfer of the Contribution Amount into the Sole Community Provider Fund, once the County receives the Transfer from UNMH.

C. Encourage your local Private hospital to complete the attached Transfer Agreement between their facility and UNMH. (The New Mexico Hospital Association has also forwarded the Transfer Agreements to each hospital.)

D. Upon receipt of the completed county MOUs, resolution and hospital Transfer Agreements, UNMH will disburse a check to each county.

SPC CLERK RECORDED BA/27/2011

E. In accordance with the MOU, each county will be expected to make a Contribution in the same Amount into the Sole Community Provider Fund. This intergovernmental transfer is handled in the same manner as all other transfers to the SCP Fund and is supported by the same state statute.

Remit to: Medical Assistance Division /
Program Administration Bureau
Attn: Anna Bransford, Financial Manager
P.O. Box 2348
Santa Fe, NM 87504-2348

F. There is no additional funding request being asked of the counties. If a county fails to complete these steps, the previous payment to their local hospital will be recouped by HSD.

Thank you for your support of this important effort. We urge quick completion of these technical details which will allow the local hospitals to retain the much needed Sole Community Provider Super Supplemental payment.

Attachments:

Overview of SCP Super Supplemental prepared by NMHA
(for your reference)

County Memorandum of Understanding
(to be completed by County)

Transfer Agreement Cover Letter
(for your reference)

Transfer Agreement
(to be completed by Hospital)
2 signed originals needed
One retained by Hospital
One returned to UNMH

UNMH Funded Redistribution List
(for your reference)

STC CLERK RECORDED 84/27/2811

**The FY 2011 "Super-Supplemental" Payments
To
Private Sole Community Provider Hospitals**

Background

What: in 1993-94, the SCP program was implemented as a means to maximize indigent funding to hospitals. County indigent funds and other sources of public funding can be sent via "intergovernmental transfers" (IGTs) from counties to the State to satisfy the non-federal share of matched funding that comes back to hospitals as part of their Medicaid remittance. SCP is a layer on top of the pre-existing county indigent fund statutes. Indigent claim payments (on a direct dollar for dollar basis) have become less important over time. Now claims serve as a means to document and certify indigent needs. With the help of the county, SCP payments now come to hospitals from Medicaid with the federal share added in (currently on a 2.3 to 1 basis – the rate was higher last year). Each year in January, counties budget for their share of the program. That budget is then processed on a quarterly basis.

Why: The SCP program maximizes local funding to meet the indigent care needs of local hospitals.

SCP vs. UPL

What: Several years ago, an Upper Payment Level (UPL) component was added as a one time, once a year, supplemental payment. The payment is determined by a complex formula managed by the HSD Medical Assistance Division. It's based on the difference between what Medicaid pays hospitals vs. what Medicare pays hospitals. By the calculation, Medicaid pays less than Medicare so the supplemental payment takes hospital payments "up to" the Medicare level, hence the UPL. The supplemental payment needs to be budgeted and paid by the counties in September as HSD must process the payments to the feds prior to the end of the federal fiscal year.

Why: This is another mechanism to maximize the effectiveness of local funding for hospital indigent funding.

Public vs. Private

What: The SCP program is based on funding streams through 3 different "pools" – Public, Private and Teaching (UNMH). Each pool is operated separately, meaning that any payment adjustments must be made within the respective pools.

Why: The feds define the pool categories and it's particularly important because public hospitals can assist the county with the IGT.

FY 2011 Regular Supplemental

What: Last fall, HSD calculated that the supplemental amount for the Private hospitals would be \$27,217,732. The County share would have been about one-fourth of that. However, counties only funded \$15,359,856 of that, leaving \$11,857,876 unfunded. The non-federal share of that would be \$2,313,472. This funding affects 14 hospitals in 13 counties.

Why: As the SCP program has grown at the same time county tax receipts have slowed, some counties have had a harder time funding their share of the SCP payments.

“Super-Supplemental”

What: After the Private pool under-funding was quantified, HSD approached UNMH to assist in funding the shortfall.

Why: HSD is motivated to maximize the utilization of federal funding.

Payments to Hospitals

What: HSD made super-supplemental payments to Private hospitals on September 29.

Why: HSD is required to draw down federal payments for the UPL supplemental and make payments to hospitals prior to the end of the federal fiscal year.

The County Processing of the Super-Supplemental

What: Unfortunately, due to time constraints, the super-supplemental payment was made prior to county action. HSD, UNMH, New Mexico Hospital Association and NMAOC are working together to create the action steps for counties to follow to support the payments. Counties will be required to pass-through the local share of funds via payments from UNMH and back to HSD. A Memorandum of Agreement will be provided to document the mechanics of the transfers. If these steps are not followed, HSD will ultimately recoup the payments from the hospitals. Finalization of all these details has been complicated by the administration change and final negotiations between HSD and UNMH.

Why: The processing of all payments through the SCP program require county action.

FY 12 SCP Budgeting Implications

What: Meanwhile, all hospitals are approaching their counties with budget requests for the FY 12 cycle. In the case of Private hospitals this year, there are 2 UPL payments built into those requests – the first supplemental and the super-supplemental.

Why: As normally occurs, those budget requests can include the prior years regular SCP payments and the UPL supplemental payments and an inflation factor.

Next Steps

- As usual, to access the fullest possible federal matching funds for indigent care, counties are urged to make their best effort to budget and fund the non-federal share of the FY 12 SCP requests.
- For those counties which have Private hospitals, they are urged to recognize the Super-Supplemental as part of the request.
- Counties will be informed of the mechanical details of county processing of the Super-Supplemental as they become available.

MEMORANDUM OF UNDERSTANDING
RE
ADVANCEMENT OF SOLE COMMUNITY PROVIDER FUNDS
by and between
THE BOARD OF COUNTY COMMISSIONERS OF
SANTA FE COUNTY, NEW MEXICO
and
THE REGENTS OF THE UNIVERSITY
OF NEW MEXICO, FOR THE UNM HOSPITALS

THIS MEMORANDUM OF UNDERSTANDING (this "MOU") is made this __ day of February, 2011, by and between the Board of County Commissioners of Santa Fe County, New Mexico (the "County") and the Regents of the University of New Mexico, a state educational institution named in Article 11, Section 12 of the New Mexico Constitution, for its public operation known as the UNM Health Sciences Center, specifically the UNM Hospitals ("UNM Hospital").

I. RECITALS

- A. From its "County Indigent Hospital Claims Fund" established pursuant to N.M. STAT. ANN. § 27-5-7 (1978), the County contributes funds into the "Sole Community Provider Fund" established pursuant to N.M. STAT. ANN. § 27-5-6.1 (1978), in order to permit the State of New Mexico to receive federal matching funds under Title XIX of the Social Security Act and thereby enable the sole community provider hospital (as defined in 42 C.F.R. § 412.92) within the County to receive an adjustment to its Medicaid reimbursement pursuant to N.M. ADMIN. CODE § 8.311.3.12.F(6) (the "Sole Community Provider Adjustment");
- B. Due to the current economic conditions in the State and nationally, the County is unable for Fiscal Year 2011 to make the necessary contribution of \$1,104,303.32 (the "Contribution Amount") into the Sole Community Provider Fund, thereby jeopardizing the financial viability of the Sole Community Provider Adjustment;
- C. The loss of the Sole Community Provider Adjustment will have a severely deleterious financial effect on the sole community provider hospital in the County and thereby threaten the ability of such sole community provider hospital to provide medical care to the residents of the County;
- D. UNM Hospitals has and is able to transfer funds which are public funds (and are not Federal funds) and which may be used to fund the non-federal share of Medicaid payments pursuant to federal Medicaid regulations at 42 C.F.R. § 433.51 (the "Eligible Operating Funds"); and
- E. Subject to and on the conditions set forth in this MOU, the UNM Hospitals is willing for Fiscal Year 2011 only to make a one time intergovernmental transfer

SFC CLERK RECORDED 06/27/2011

to the County to fund the Contribution Amount and thereby enable the County to pay the Contribution Amount into the Sole Community Provider Fund as contemplated in N.M. STAT. ANN. § 27-5-6.1 (1978).

II. MUTUAL COVENANTS

- A. Subject to the County’s performance of its obligations under this MOU, the UNM Hospital will make an intergovernmental transfer (the “**Transfer**”) to the County of an amount equal to the Contribution Amount from the Eligible Operating Funds. In this connection, the UNM Hospital will make the Transfer to the following address:

- B. On or before the time of the Transfer, the County shall have adopted a resolution authorizing and directing the funding and transfer of the Contribution Amount into the Sole Community Provider Fund, once the County receives the Transfer from the UNM Hospital. The County shall provide UNM Hospital with evidence of such authorization and direction on or before the time of the Transfer.
- C. For purposes of this MOU, the “time of the Transfer” shall mean ten (10) business days following the date this MOU is executed by all of the parties hereto.
- D. In the event that the funds within the Sole Community Provider Fund for Fiscal Year 2011 are remitted back to the County pursuant to N.M. STAT. ANN. § 27-5-6.1C (1978) (due to the fact that federal Medicaid matching funds are not received for Medicaid sole community provider hospital payments), the County agrees that it will forthwith remit to the UNM Hospital an amount equal to the amount remitted back to the County.
- E. As a part of the transactions contemplated under this MOU, the County for Fiscal Year 2011 shall cause each hospital receiving funds under the Sole Community Provider Adjustment to enter into a mutual transfer agreement with UNM Hospital which sets forth the terms and conditions for transfer of patients between such hospital and UNM Hospital and, more particularly, commits such hospitals to accept a transfer back to such hospitals of patients no longer needing care at UNM Hospital. As a part of any such mutual transfer agreement, the parties will agree that nothing contained in such mutual transfer agreement shall constitute an inducement or an attempt to induce referrals as between UNM Hospital and such hospital.
- F. This Transfer contemplated in this MOU is for Fiscal Year 2011 and nothing contained herein shall be construed to mean or intend that UNM Hospital is willing or

is in any way obligated to make an intergovernmental transfer for any year other than Fiscal Year 2011.

III. MISCELLANEOUS

- A. Amendments or modifications to this MOU will be effective only if any such amendment or modification is in writing and signed by an authorized representative of each of the parties hereto.
- B. This MOU may be executed in counterparts, each of which will be deemed an original and which together will constitute one and the same agreement.

**BOARD OF COUNTY COMMISSIONERS OF
SANTA FE COUNTY, NEW MEXICO**

Harry B. Montoya, District 1, Chair

Virginia Vigil, District 2

Mike D. Anaya, District 3

Kathy Holian, District 4

Liz Stefanics, District 5

Approved:

County Attorney Date

Attest:

County Clerk Date

**REGENTS OF THE UNIVERSITY OF NEW MEXICO,
For the UNM Health Sciences Center, specifically
the UNM Hospitals**

By: _____
Printed Name: _____
Its: _____

Approved as to form:

Scot Sauder, Esq., Senior Associate University
Counsel and Health Law Section Lead Attorney



UNM HOSPITALS

February 18, 2011

Mr. Alex Valdez
Chief Executive Officer
CHRISTUS St. Vincent Regional Medical Center
455 St. Michaels Dr.
Santa Fe, NM 87504-2107

Dear Mr. Valdez:

Enclosed you will find two Transfer Agreement attachments for your review and signature. University of New Mexico Hospitals recently has had several neurosurgical patients transferred to our facility. The purpose of the Transfer Agreement is to ensure that all transfers from your facility to the University of New Mexico Hospital are made consistent with EMTALA.

Please sign each Transfer Agreement attachment and return one signed original to the following address:

Crystal Frantz
Executive Director, Care Management
UNM Hospital
2211 Lomas NE
Albuquerque, New Mexico 87105

Please call me if you have any questions (505)272-2121.

Stephen McKernan
Chief Executive Officer
Associate Vice President for Clinical Operations

cc: Crystal Frantz
Executive Director, Care Management

SFC CLERK RECORDED 64/27/2011

TRANSFER AGREEMENT

This Transfer Agreement is entered into effective _____, 2011, by and between the Regents of the University of New Mexico, for its public operation known as the Health Sciences Center ("UNMHSC"), specifically for University of New Mexico Hospital ("UNMH"), and CHRISTUS St. Vincent Regional Medical Center, a New Mexico nonprofit corporation, in Santa Fe, New Mexico.

UNMHSC and Facility agree as follows:

I. RECITALS

A. Facility is duly licensed by the New Mexico Department of Health ("DOH") or Texas Department of Health, and certified to participate in Medicare and Medicaid.

B. UNMH is a general acute care hospital, duly licensed by the DOH, and certified to participate in Medicare and Medicaid.

C. Patients or residents of Facility ("Patients") may require transfer to a general acute care hospital for medical care that is not within the capability and/or capacity of Facility. The purpose of this Agreement is to provide for timely transfer of such Patients by Facility to UNMH when such transfer is medically necessary and "appropriate" as defined in the Emergency Medical Treatment and Labor Act of 1986 ("EMTALA"), and to provide for the timely transfer of Patient from UNMH to Facility or to another facility once Patient's medical condition is stable.

II. OBLIGATIONS OF FACILITY

Facility shall comply with all of the follow terms, conditions and requirements, including the specific EMTALA regulations contained therein:

A. Transfer Patients of Facility to UNMH pursuant to a written order by Facility's medical staff member, or, in emergencies, a written order of other authorized Facility personnel, to the care of a UNMHSC medical staff member (including UNMHSC physicians specializing in emergency medicine) who has agreed to accept the Patient for admission.

1. A transfer of Patient will be initiated by a telephone call from a Facility medical staff member or other authorized Facility personnel to a UNMHSC medical staff member.

2. After the initial communication regarding the transfer of Patient, a Facility staff member will communicate by telephone with a UNMH staff member to provide the following information:

a. The name of the Facility staff member making the call;

- b. Patient's name and other identifying information (medical record number, address, social security number, etc., if known);
- c. Type of injury or illness;
- d. Patient's medical condition;
- e. Name of treating and referring physician(s);
- f. Anticipated time and date of departure from Facility;
- g. Method of transfer (ground or air ambulance);
- h. Anticipated time of arrival at UNMH; and
- i. Patient's third party payer, if information is available.

3. With regard to "appropriate" transfers of Patient of Facility under EMTALA, Facility shall comply with the following requirements:

a. Facility has provided treatment of Patient's "emergency medical condition" (as defined in EMTALA) within its capability and capacity that minimizes the risks to the Patient's health, and, in the case of a woman in labor, the health of the unborn child;

b. Facility shall confirm that UNMH has the capability (i.e. qualified personnel) and capacity (i.e. available space) for the treatment of Patient and that a UNMHSC medical staff member has agreed to accept transfer of Patient from Facility and to provide appropriate medical treatment to stabilize Patient's condition;

c. Facility shall send to UNMH all medical records (or copies) related to Patient's emergency medical condition that are available at the time of transfer, including:

i. Records related to Patient's available history, signs or symptoms, preliminary diagnosis, results of diagnostic studies, test results and treatment provided;

ii. Informed consent of Patient or Patient's representative to transfer Patient to UNMH, or certification of Facility medical staff member that, based upon information available at the time of transfer, the medical benefits reasonably expected from transfer of Patient to UNMH outweigh the increased risks to Patient or, in the case of a woman in labor, to the woman or unborn child, from the transfer, including a summary of the risks and benefits upon which the certification is based;

iii. The name and address of any on-call physician(s) of Facility who has refused or failed to appear at Facility within a reasonable period of time to provide necessary stabilizing treatment of Patient; and

iv. Other records that are not available at the time of transfer must be sent as soon as practicable after transfer;

v. The transfer of Patient is affected through qualified personnel and transportation equipment, as required, including the use of necessary and medically appropriate life support measures during the transfer.

B. As required, coordinate with the appropriate air ambulance transport, such as Lifeguard dispatch for provision of LIFE GUARD Air Emergency Services ("LAES"), for air ambulance transport, if medically necessary and appropriate for continuity of care.

C. Accept transfer of a transferred Patient back to Facility, or shall make arrangements for transfer of Patient to another facility, after UNMH has rendered stabilizing

treatment to Patient and Patient's medical condition is "stable" in the opinion of UNMHSC medical staff members; provided, however, that nothing contained in this Agreement shall be construed to mean or shall constitute an inducement or an attempt to induce referrals as between UNMH and Facility.

D. Either (1) provide necessary outpatient care to the transferred Patient if the transferred Patient is discharged by UNMH after the medically necessity for an acute level of hospitalization at UNMH has ended, or (2) make arrangements for other outpatient care for Patient if such continuing outpatient care is required in order to effectuate a medically appropriate discharge of the Patient from UNMH.

III. OBLIGATIONS OF UNMH

UNMH will accept Patients of Facility without regard to race, color, religion, age, sex, sexual orientation, ancestry, physical or mental disability, or national origin, in accordance with federal and state laws and regulations, provided it has the capability and capacity to render the necessary medical care and treatment to Patients, and further provided that Facility meets all transfer and transfer-back requirements as set forth above as to any or all such transfers of Patients.

IV. MUTUAL RIGHTS AND OBLIGATIONS

A. Neither party will base a decision to transfer or accept Facility Patients on a Patient's financial status.

B. Neither party, by virtue of this Agreement, assumes any liability for any debts or obligations of either a financial or legal nature incurred by the other party to this Agreement.

C. The party rendering services shall be solely responsible for collecting payment for services rendered from third-party payers or other sources in accordance with applicable law and regulations.

V. QUALITY ASSURANCE

A. **Licensure and Certification.** The parties will comply with all laws and regulations relating to performance of their obligations under this Agreement, and will maintain in effect all permits, licenses and governmental approvals that may be necessary for that purpose. The parties will promptly notify each other of any material change in such permits, licenses, or governmental approvals that would adversely affect performance under this Agreement.

B. **Quality Management Compliance.** The parties will comply with any quality management programs required by external accrediting bodies or the federal Centers for Medicare and Medicaid, as well as their respective internal quality assurance programs. Upon reasonable notice, each party will provide to the other copies of all applicable licenses and certifications and will comply with any facility audits mutually agreed upon or required by external accrediting bodies or other regulatory or accreditation organizations.

VI. LIABILITY AND INSURANCE

A. As between the parties, each party acknowledges that it will be responsible for claims or damages arising from personal injury or damage to persons or property to the extent they result from negligence of that party's employees. The liability of UNMHSC will be subject in all cases to the immunities, privileges, and limitations of the New Mexico Constitution and the New Mexico Tort Claims Act, Sections 41-4-1 *et seq.* NMSA 1978, as amended, and to the privileges and immunities of the State of New Mexico under the Eleventh Amendment to the United States Constitution.

B. The parties will maintain professional and general liability coverage adequate to provide coverage for the actions contemplated by this Agreement. The liability coverage for UNMHSC will be as provided under and pursuant to the New Mexico Tort Claims Act. The parties will provide each other with evidence of coverage upon request. Each party will immediately notify the other in writing if its insurance coverage is suspended or canceled or otherwise materially modified in a manner that has an adverse effect upon the party's ability to perform its obligations under this Agreement.

VII. TERM AND TERMINATION

A. **Term.** This Agreement will become effective as of the date first set forth above and shall continue in effect until terminated.

B. Termination.

1. **Termination without Cause.** Either party may terminate this Agreement by delivering written notice to the other party at least 30 days in advance of the proposed date of termination.

2. **Termination with Cause.** Either party may terminate this Agreement for cause based upon a material breach by giving written notice to the other party at least 15 days in advance of the proposed date of termination.

3. **Automatic Termination.** This Agreement will automatically terminate on the date that either party's license or eligibility to participate in Medicare or Medicaid is suspended, revoked or otherwise terminated.

4. **Immediate Termination for Lack of Adequate Insurance Coverage.** Upon receipt of notice of suspension, cancellation or material reduction of insurance coverage, as provided in Section VI-B of this Agreement, the party receiving such notice may elect to immediately terminate this Agreement by written notice of termination to the other party.

5. **Immediate Termination for Failure of Facility to Comply with Return Transfer or Discharge Requirements.** Upon the failure of Facility to comply with the

provisions of Sections II-C and D of this Agreement, UNMHSC may elect to immediately terminate this Agreement by written notice of termination to Facility.

VIII. MISCELLANEOUS

A. Entire Agreement. This Agreement represents the entire understanding between the parties, supersedes any prior agreements or understandings with respect to the subject matter of this Agreement, and shall not be modified or amended except in writing signed by both UNMHSC and Facility.

B. Waiver of Breach. The waiver by either party of a breach or violation of any provision of this Agreement will not operate as or be construed as a waiver of any subsequent breach of this Agreement.

C. Non-Assignability. This Agreement will not be assigned by either party, nor will the duties imposed upon either party by this Agreement be delegated, subcontracted, or transferred by either party, in whole or in part, without the prior written consent of the other party. This Agreement is binding upon, and inures to the benefit of the parties to this Agreement and their respective successors and permitted assigns.

D. Governing Law. This Agreement will be construed, interpreted, governed and enforced in accordance with New Mexico law.

E. Confidentiality. The confidentiality of Patients' medical records will be maintained by the parties in accordance with applicable federal and state laws and regulations.

F. Retention of Records. The parties will maintain all necessary books, documents, and records for a period of at least five years after termination of this Agreement, and will allow access by the Secretary for Health and Human Services, the Comptroller General and the Inspector General to this Agreement and to any and all books, documents and records for the purpose of verifying costs associated with performance under this Agreement.

G. Relationship of Parties. The parties and their respective employees are at all times acting as independent contractors. Neither party has any express or implied authority to assume or create any obligation or responsibility on behalf of or in the name of the other party.

H. Third Parties. Nothing in this Agreement, express or implied, is intended to confer any rights, remedies, claims, or interests upon a person not a party to this Agreement.

I. Eligibility for Participation in Government Programs. Each party represents that neither it, nor any of its management or any other employees or independent contractors who will have any involvement in the services or products supplied under this Agreement, have been excluded from participation in any government healthcare program, debarred from or under any other federal program (including but not limited to debarment under the Generic Drug Enforcement Act), or convicted of any offense defined in 42 U.S.C. Section 1320a-7, and that it, its employees, and independent contractors are not otherwise ineligible for participation in

federal healthcare programs. Further, each party represents that it is not aware of any such pending action(s) (including criminal actions) against it or its employees or independent contractors. Each party shall notify the other party immediately upon becoming aware of any pending or final action in any of these areas.

J. Notices. Any notice required to be given pursuant to the terms and provisions of this Agreement will be in writing and will be sent by certified mail, return receipt requested, postage prepaid, as follows:

To UNMH at: University of New Mexico Hospital
2211 Lomas Boulevard, N.E.
Albuquerque, New Mexico 87106
Attn: Chief Executive Officer

with a copy to: Crystal Frantz, RN, MSN
Executive Director
Care Management Services
2211 Lomas NE
Albuquerque, NM 87106

To Facility at: CHRISTUS St. Vincent Regional Medical Center
455 St. Michaels Dr.
Santa Fe, New Mexico 87504-2107
Attn: Mr. Alex Valdez, CEO

FACILITY:
CHRISTUS St. Vincent Regional Medical Center

By _____ Dated: _____
Printed Name:
Title:

**REGENTS OF THE UNIVERSITY OF NEW MEXICO,
For University of New Mexico Hospital**

By _____ Dated: _____
Stephen McKernan, its Chief Executive
Officer and Vice President for Hospital Operations

*Approved as to form
by Scot Sauder
Senior Associate University Counsel
10/05/2010*

UPL SFY 2011

Privately Owned and Operated Facilities

<u>Provider #</u>	<u>Hospital</u>	<u>County</u>	<u>Amount Per County</u>	<u>Total Per Hospital</u>
B-3186	Carlsbad Med Ctr.	Eddy	\$ 68,879.83	\$ 353,048.83
B-2978	Eastern NM Med. Ctr.	Chaves	\$ 362,926.56	\$ 1,860,207.91
265	Espanola	Rio Arriba	\$ 151,195.39	\$ 774,963.55
18	Gerald Champion	Otero	\$ 97,119.91	\$ 497,795.53
B-3139	Lea Regional Hospital	Lea	\$ 82,124.70	\$ 420,936.47
4924258	Los Alamos Med. Ctr.	Los Alamos	\$ 15,663.13	\$ 80,282.55
B-2113	Mimbres Memorial Hospital	Luna	\$ 45,834.25	\$ 234,926.94
95804528	Mountain View Regional Medical Ctr.	Dona Ana	\$ 24,661.61	\$ 126,404.96
76546	Alta Vista Regional Medical Center	San Miguel	\$ 62,599.61	\$ 320,859.08
224	Plains Regional Med Ctr. - Clovis	Curry	\$ 49,923.84	\$ 255,888.48
331	Rehoboth McKinley Christian Hospital	McKinley	\$ 153,098.25	\$ 784,716.81
	Roswell Regional Hospital	Chaves	\$ 24,661.61	\$ 126,404.96
695	Socorro General Hospital	Socorro	\$ 70,479.68	\$ 361,249.02
547	St. Vincent Hospital	Santa Fe	\$ 1,104,303.32	\$ 5,660,191.27
			\$ 2,313,471.68	\$ 11,857,876.35
				\$ 11,857,876.35