

# HEALTH MANAGEMENT ASSOCIATES

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January 15, 2025

Katharine Wylie  
Agency Administrator  
Mendocino Coast Health Care District  
PO Box 579  
Fort Bragg, CA 95437-0579

Re: Assistance with the Voluntary Rate Range Program (VRRP)

Dear Katharine:

On behalf of Health Management Associates, Inc. (HMA), thank you for the opportunity to submit our proposal to provide consultative services to Mendocino Coast Health Care District (MCHCD). Based on MCHCD's request for assistance with the Voluntary Rate Range Program (VRRP), HMA has developed this agreement for your review.

HMA has successfully tackled a wide variety of health care issues, working directly with federal, state, and local government agencies, health systems, health plans, providers, foundations, investors, community organizations, and associations to effect change. We stand ready to assist MCHCD with this work.

## SCOPE OF SERVICES

HMA will provide the following services and any other tasks, as requested:

- Investigate why MCHCD did not receive matching funds for Rating Period CY 2021 (interim) and Rating Period 2019-20 Voluntary Rate Range Program (VRRP) and determine how MCHCD can reenter the VRRP.
- Provide assistance and support to MCHCD with participation in the in the CY 2024 VRRP with Partnership Health Plan of California. This work will include the following:
  - Provide initial information and education to MCHCD regarding participation in the VRRP process; this may take the form of conference calls and the provision of written materials. As necessary, HMA will work with executive managers, elected officials, attorneys, and others throughout the VRRP process.
  - Assist MCHCD to identify and submit its costs for the provision of plan services to plan patients during the reporting year to which the VRRP pertains. This involves understanding the California Department of Health Care Services (DHCS) requirements for calculating unreimbursed costs, etc.
  - Provide financial calculations to MCHCD regarding the dollar amounts involved in their VRRP at each step of the process.
  - Communicate with DHCS and/or Partnership Health Plan of California (PHP) regarding any issue related to the VRRP including but not limited to the VRRP timelines, document language, etc.
  - Provide MCHCD with drafts for their approval of any VRRP documents required by DHCS, including the Health Plan-Provider Agreement and the Intergovernmental Agreement with DHCS. These drafts will be based on the latest document templates

provided by DHCS, modified to include information specific to the County Partnership Health Plan of California.

- Provide instruction and support to MCHCD regarding the timely execution and transmittal of the final signed documents to DHCS.
- Assist MCHCD with any issues regarding the wiring of funds to DHCS and the payment of the VRRP-funded proceeds by the plan.
- Perform other activities as required to support the efficient and prompt implementation of the VRRP process.
- Provide other services as requested.

## DELIVERABLES

Pursuant to the Scope of Services discussed above, we will provide the following deliverables:

	Deliverable	Description	Date
<b>1.</b>	Investigate why MCHCD did not receive matching funds for previous rating periods	HMA will: <ul style="list-style-type: none"> <li>■ Learn from MCHCD the background on not receiving matching funds for previous VRRP rating periods.</li> <li>■ Inquire with the Department of Health Care Services and Partnership Health Plan as to why MCHCD was discontinued from the VRRP.</li> </ul>	By February 14, 2025
<b>2.</b>	Inform PHP of MCHCD Interest in CY 2024 VRRP	HMA will: <ul style="list-style-type: none"> <li>■ Confirm with PHP the availability of Mendocino County rate range funding for MCHCD to participate in the CY 2024 VRRP.</li> <li>■ Prepare a Letter of Intent (LOI) for MCHCD to submit to PHP and DHCS confirming desire to participate in CY 2024 VRRP process.</li> </ul>	By February 21, 2025
<b>3.</b>	Assist MCHCD with CY 2024 VRRP process	HMA will: <ul style="list-style-type: none"> <li>■ Provide information and education to MCHCD regarding participation in the VRRP process</li> <li>■ Assist MCHCD to identify and submit its costs for the provision of plan services</li> <li>■ Communicate with DHCS and or Partnership Health Plan of California</li> <li>■ Provide MCHCD with drafts for their approval of any VRRP documents required by DHCS</li> <li>■ Provide instruction and support to MCHCD regarding the timely execution and</li> </ul>	Ongoing from February 2025 through December 2025

	Deliverable	Description	Date
		transmittal of the final signed documents to DHCS <ul style="list-style-type: none"> <li>■ Assist MCHCD with any issues regarding the wiring of funds to DHCS and the payment of the VRRP-funded proceeds by the plan; and</li> <li>■ Perform other activities as required to support the efficient and prompt implementation of the VRRP process</li> </ul>	
4.	Provide financial calculations to MCHCD regarding the dollar amounts involved in their CY 2024 VRRP	HMA will provide estimates of what MCHCD will need to wire to DHCS, as well, as the estimates for what MCHCD will receiving in matching funds.	TBD based on release of information from DHCS

## STAFFING

Associate Principal Jason Silva will serve as the project manager and will ensure timely completion of deliverables, coordinate team activities, and provide consistent communication with MCHCD. In addition to Mr. Silva, Managing Principal Steve Soto will be assigned to this project. Additional HMA staff will provide services for the project as appropriate.

Short biographies for the individuals who will be providing services on this project are provided at the end of this letter.

## TERM OF AGREEMENT

This Agreement will begin on February 3, 2025, and continue in effect until either party gives the other party thirty (30) days written notice of termination. If this Agreement is terminated by a party's written notice of termination, you agree to compensate HMA for all services rendered prior to HMA's actual knowledge of termination and for all out-of-pocket expenses incurred to date.

## PROJECT FEES

The services described above will be provided on a time-and-materials basis. In addition, all out-of-pocket expenses will be reimbursed. Professional hourly rates and travel time will be billed as indicated in the table below. We will establish a limit on professional fees and travel time of \$30,000, including expenses. Project fees will not be incurred beyond this amount without your prior approval and a written amendment to this agreement signed by both parties. Finally, we will submit invoices monthly for services provided in the previous month. These invoices will be payable upon receipt.

Title	2025 Professional Hourly Rates
Physician Principal	\$605
Managing Principal/Director	\$525
Principal	\$515

Title	2025 Professional Hourly Rates
Associate Principal	\$465
Senior Consultant	\$420
Consultant	\$290
Research Associate	\$225
Administrative, Clerical, and Support Staff	\$125

HMA billing rates increase on January 1 of each calendar year unless agreed otherwise in writing.

## CONFIDENTIALITY, NON-DISCLOSURE, CONFLICTS AND GENERAL TERMS

HMA often serves multiple clients within a certain industry or market, including those with potentially opposing interests, and HMA's relationship with you will not be an exclusive relationship. Accordingly, HMA may have served, may currently be serving, or may in the future serve, other companies whose interests may be adverse to yours. In all such situations, HMA is committed to maintaining the confidentiality of each client's information, and ensuring that your interests, proprietary and otherwise, are protected. To that end, HMA strictly adheres to our Policy and Guidelines Related to Conflicts of Interest and Proprietary Information which contain nondisclosure procedures (such as firewall protocols and other safeguards) for the purpose of maintaining each client's confidential information and ensuring that your interests are protected.

HMA is not a lobbying firm and does not provide lobbying services. The scope of services and tasks identified above will not include any lobbying activities or advocacy on your behalf.

While HMA uses commercially reasonable efforts and best judgment to conform work as closely as possible to the expected assumptions of the CMS, Congressional Budget Office, and other organizations as appropriate, HMA cannot warrant that these organizations will adopt identical assumptions or reach the same conclusions. HMA will perform all work under this contract in a manner consistent with all applicable professional standards and will make all commercially reasonable efforts to ensure the accuracy and quality of the work.

Both parties acknowledge that, in the course of performing work under this Agreement, a party may learn of or receive confidential, trade secret, or other proprietary information concerning the other party or third parties to whom the party has an obligation of confidentiality (Confidential Information). Each party agrees to take at least such reasonable precautions to protect the other party's Confidential Information as it takes to protect its own Confidential Information and agrees to not disclose to any third party any Confidential Information belonging to the other party.

All services will be performed by HMA as an independent contractor. This Agreement does not create a relationship between the parties of employment, joint venture, or agency. You agree that, for a period of two (2) years from the date of termination of this Agreement, neither you nor any of your representatives will entice away, solicit for employment, or employ any current or former employee of HMA without the express written consent of HMA. With prior notice, HMA may change the staff assigned to provide the Consulting Services with staff of equal abilities and qualifications. HMA may enter into subcontractor agreements for the performance of the services. The parties agree that neither party will be liable to the other for consequential, punitive, special, incidental, and exemplary loss, damage or expenses. These General Terms will survive any termination of this Letter Agreement.

This Letter Agreement will constitute the entire agreement between HMA and Mendocino Coast Health Care District related to the project described above. We are happy to discuss the proposed services with you, the format and terms of the Letter Agreement, or provide any additional information you may require. The proposed services, staffing arrangements, and this Letter Agreement are valid for sixty days from the date of HMA's signature, after which the project fees and staff availability may be subject to change.

If this Letter Agreement is acceptable to you, please sign and return to HMA's contracts senior director, Jeff DeVries via email, fax, or mail to the following address.

Jeff DeVries  
Health Management Associates  
2501 Woodlake Cir, Ste 100  
Okemos, MI 48864  
contracts@healthmanagement.com  
517-482-0920 (fax)

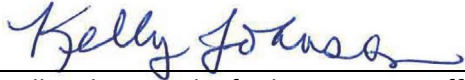
Questions can be directed to me at (916) 329-8228 or ssoto@healthmanagement.com.

Sincerely,



Steve Soto  
Managing Principal

Approved by:



Kelly Johnson, Chief Administrative Officer  
Health Management Associates, Inc.

January 15, 2025

Date

For Mendocino Coast Health Care District

Date

Please complete for invoicing purposes:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail: \_\_\_\_\_

Phone: \_\_\_\_\_

PO Number \_\_\_\_\_

Receive invoices via e-mail

## STAFF EXPERIENCE

### Jason Silva, JD, PMP, Associate Principal

Jason Silva is a compliance expert and is experienced in managed care and dual eligible populations. His background includes direct work in the industries of healthcare, insurance, and investment management.

He joined HMA after serving as a senior compliance analyst with Health Net, Inc., one of the Medicare-Medicaid plans selected by California for the state's dual eligible demonstration known as Cal MediConnect in both Los Angeles and San Diego counties. Mr. Silva served as the lead contact for the demonstration's federal and state regulators, and primarily worked on Medicare and Medicaid compliance, specifically focusing on dual eligible demonstrations, dual eligible special needs plans, and managed long-term services and supports. He served as the lead Health Net dual eligible compliance resource and was involved with all of the workgroups, including the state and federal regulators of the demonstrations. Mr. Silva is an expert in this area of healthcare and has provided presentations at various conferences.

Mr. Silva earned his juris doctorate degree from the University of Wisconsin Law School, and his bachelor's degree from the University of California, San Diego. He is a project management professional.

### Steve Soto, Managing Principal

Steve Soto is a public healthcare leader with experience in public and managed care programs, including Medi-Cal, Medicaid, Medicare, and the Affordable Care Act (ACA). He has worked to develop and implement health programs for low-income populations, mental health, substance use, and multicounty provider networks. He has experience working in government relations and correctional healthcare as well.

A seasoned negotiator, he facilitated more than 50 contracts between the State of California and hospital systems and managed care organizations on behalf of the governor's office. He served California's Medicaid managed care program and oversaw dozens of health plan contracts worth billions of dollars covering millions of beneficiaries. He also analyzed the regulatory and operational impacts of new federal and state initiatives and has worked with federal, state, and local government officials on the operation and implementation of existing and new healthcare initiatives.

While a regional director and regional market leader at Molina Healthcare, Mr. Soto developed and maintained multicounty provider networks and led the implementation of California's efforts through Medi-Cal and Covered California. These established coverage programs under the ACA, including fully integrated medical, mental health, substance use, and social services programs with county and city governments, health plans, and provider networks, including federally qualified health centers.

Mr. Soto earned a bachelor's degree in public administration from California State University, Sacramento.

## ACCESS TO HMA INFORMATION SERVICES

As an HMA consulting client, you may be eligible for a 30-day free trial to HMA Information Services (HMAIS), an online, subscription database that provides competitive information on the structure of Medicaid and Medicare by state. For additional information and to activate your free trial, [click here](#).