

MENDOCINO COAST HEALTH CARE DISTRICT  
RESOLUTION NO. 2023-0x

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REQUESTING FULL REFUND OF INTERGOVERNMENTAL TRANSFER INVESTED IN  
BY THE DISTRICT ON FEBRUARY 24, 2023, IN THE AMOUNT OF \$1,095,395

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WHEREAS an INTERGOVERNMENTAL AGREEMENT REGARDING TRANSFER OF PUBLIC FUNDS (IGT) was entered into between the California Department of Health Care Services (DHCS) and the Mendocino Coast Health Care District (the District), and

WHEREAS this AGREEMENT was memorialized in DHCS CONTRACT # 21-10228, signed on October 6, 2023, by then Treasurer John Redding on behalf of the District and Rafael Davtian, Division Chief, Capitated Rates Development Division, on December 11, 2022, on behalf of DHCS, and

WHEREAS the District Board approved the payment of the full amount of \$1,095,395 on February 23, 2023, and

WHEREAS the District Treasurer wired the full amount of \$1,095,395 to DHCS on February 24, 2023, and

WHEREAS, after taking a 20% service charge from the payment, DHCS delivered the balance of the IGT to Partnership Health, and

WHEREAS, when contacted by the current Treasurer Jade Tippet inquiring about the status of the IGT, the Deputy CFO Jennifer Lopez at Partnership Health stated that they had determined that Partnership Health was not legally permitted to deliver the return on the IGT to the District because the District does not directly deliver health care services, and

WHEREAS the District entered into this agreement in good faith in the expectation of a reasonable return on this Intergovernmental Transfer and has not been able to designate an alternative recipient of the IGT funds,

THEREFORE the District Board authorizes the Chair to request and demand the full refund of the amount of \$1,095,395 from DHCS and Partnership Health, and

FURTHERMORE the District requests that the District be kept fully informed by Partnership Health and DHCS about the progress of the generation of the refund and the expected date that the full refund will be issued.

Approved by the Board of Directors of the Mendocino Coast Health Care District on June 29, 2023

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Lee Finney, Chair of the Board of Directors

ATTEST:

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Susan Savage, Secretary of the Board of Directors

**INTERGOVERNMENTAL AGREEMENT REGARDING  
TRANSFER OF PUBLIC FUNDS**

This Agreement is entered into between the CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES (“DHCS”) and the MENDOCINO COAST HEALTH CARE DISTRICT (“GOVERNMENTAL FUNDING ENTITY”) with respect to the matters set forth below.

The parties agree as follows:

**AGREEMENT**

1. Transfer of Public Funds

1.1 The GOVERNMENTAL FUNDING ENTITY agrees to make a transfer of funds to DHCS pursuant to sections 14164 and 14301.4 of the Welfare and Institutions Code. The amount transferred shall be based on the sum of the applicable rate category per member per month (“PMPM”) contribution increments multiplied by member months, as reflected in Exhibit 1. The GOVERNMENTAL FUNDING ENTITY agrees to initially transfer amounts that are calculated using the Estimated Member Months in Exhibit 1, which will be reconciled to actual enrollment for the service period of January 1, 2021 through December 31, 2021 in accordance with Sub-Section 1.3 of this Agreement. The funds transferred shall be used as described in Sub-Section 2.2 of this Agreement. The funds shall be transferred in accordance with the terms and conditions, including schedule and amount, established by DHCS.

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. 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.

1.3 DHCS shall reconcile the “Estimated Member Months,” in Exhibit 1, to actual enrollment in HEALTH PLAN(S) for the service period of January 1, 2021 through December 31, 2021 using actual enrollment figures taken from DHCS records. Enrollment reconciliation will occur on an ongoing basis as updated enrollment figures become available. Actual enrollment figures will be considered final two years after December 31, 2021. If reconciliation results in an increase to the total amount necessary to fund the nonfederal share of the payments described in Sub-Section 2.2, the GOVERNMENTAL FUNDING ENTITY agrees to transfer any additional funds necessary to cover the difference. If reconciliation results in a decrease to the total amount necessary to fund the nonfederal share of the payments described in Sub-Section 2.2, DHCS agrees to return the unexpended funds to the GOVERNMENTAL FUNDING ENTITY. If DHCS and the GOVERNMENTAL FUNDING ENTITY mutually agree, amounts due to or owed by the GOVERNMENTAL FUNDING ENTITY may be offset against future transfers.

## 2. Acceptance and Use of Transferred Funds

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 IGTs, to use for the purpose set forth in Sub-Section 2.2.

2.2 The funds transferred by the GOVERNMENTAL FUNDING ENTITY pursuant to Section 1 and Exhibit 1 of this Agreement shall be used to fund the non-federal share

of Medi-Cal Managed Care actuarially sound capitation rates described in section 14301.4(b)(4) of the Welfare and Institutions Code as reflected in the contribution PMPM and rate categories reflected in Exhibit 1. The funds transferred shall be paid, together with the related Federal Financial Participation, by DHCS to HEALTH PLAN(S) as part of HEALTH PLAN(S)' capitation rates for the service period of January 1, 2021 through December 31, 2021, in accordance with section 14301.4 of the Welfare and Institutions Code.

2.3 DHCS shall seek Federal Financial Participation for the capitation rates specified in Sub-Section 2.2 to the full extent permitted by federal law.

2.4 The parties acknowledge that DHCS will obtain any necessary approvals from the Centers for Medicare and Medicaid Services.

2.5 DHCS shall not direct HEALTH PLAN(S)' expenditure of the payments received pursuant to Sub-Section 2.2.

3. Assessment Fee

3.1 DHCS shall exercise its authority under section 14301.4 of the Welfare and Institutions Code to assess a 20 percent fee related to the amounts transferred pursuant to Section 1 of this Agreement, except as provided in Sub-Section 3.2. GOVERNMENTAL FUNDING ENTITY agrees to pay the full amount of that assessment in addition to the funds transferred pursuant to Section 1 of this Agreement.

3.2 The 20-percent assessment fee shall not be applied to any portion of funds transferred pursuant to Section 1 that are exempt in accordance with sections 14301.4(d) or 14301.5(b)(4) of the Welfare and Institutions Code. DHCS shall have sole discretion to determine the amount of the funds transferred pursuant to Section 1 that will not be subject to a

20 percent fee. DHCS has determined that \$0.00 of the transfer amounts will not be assessed a 20 percent fee, subject to Sub-Section 3.3.

3.3 The 20-percent assessment fee pursuant to this Agreement is non-refundable and shall be wired to DHCS simultaneously with the transfer amounts made under Section 1 of this Agreement. If at the time of the reconciliation performed pursuant to Sub-Section 1.3 of this Agreement, there is a change in the amount transferred that is subject to the 20-percent assessment in accordance with Sub-Section 3.1, then a proportional adjustment to the assessment fee will be made.

4. Amendments

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

4.2 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.

5. Notices. Any and all notices required, permitted, or desired to be given hereunder by one party to the other shall either be sent via secure email or submitted in writing 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 as set forth below:

\* Any required signature(s) on any documents must be in compliance with California Government Code section 16.5 and any other applicable state or federal regulations.

To the GOVERNMENTAL FUNDING ENTITY:

John Redding, Treasurer  
Mendocino Coast Health Care District  
755 River Drive  
Fort Bragg, CA 95437  
[jredding@mcdh.org](mailto:jredding@mcdh.org)

With copies to:

Norman de Vall, Interim Chair  
Mendocino Coast Health Care District  
755 River Drive  
Fort Bragg, CA 95437  
[ndevall@mcdh.org](mailto:ndevall@mcdh.org)

To DHCS:

Vivian Beeck  
California Department of Health Care Services  
Capitated Rates Development Division  
1501 Capitol Ave., MS 4413  
Sacramento, CA 95814  
[Vivian.Beeck@dhcs.ca.gov](mailto:Vivian.Beeck@dhcs.ca.gov)

6. Other Provisions

6.1 This Agreement contains the entire Agreement between the parties with respect to the Medi-Cal payments described in Sub-Section 2.2 of this Agreement 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 relating to the subject matter of this Agreement. 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. This Agreement shall not modify the terms of any other agreement, existing or entered into in the future, between the parties.

6.2 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.

6.3 Sections 2 and 3 of this Agreement shall survive the expiration or termination of this Agreement.

6.4 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.

6.5 Time is of the essence in this Agreement.

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

7. 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.

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

9. Term. This Agreement shall be effective as of January 1, 2021 and shall expire as of June 30, 2024 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 MENDOCINO COAST HEALTH CARE DISTRICT:

By:  Date: October 6, 2022

John Redding, Treasurer of the Board

THE STATE OF CALIFORNIA, DEPARTMENT OF HEALTH CARE SERVICES:

By:  Date: December 11, 2022

Rafael Davtian, Division Chief, Capitated Rates Development Division



Exhibit 1

<b>Health Plan:</b>	<b>Partnership Health Plan of California</b>		
<b>Rating Region:</b>	<b>All Rating Regions</b>		
<b>Service Period</b>	<b>1/2021 - 12/2021</b>		
Rate Category	Contribution PMPM	Estimated Member Months*	Estimated Contribution (Non-Federal Share)
Child - non MCHIP	\$ 0.06	1,835,590	\$ 110,135
Child - MCHIP	\$ 0.04	817,276	\$ 32,691
Adult - non MCHIP	\$ 0.18	1,045,291	\$ 188,152
Adult - MCHIP	\$ 0.13	28,224	\$ 3,669
ACA Optional Expansion	\$ 0.04	2,202,804	\$ 88,112
SPD	\$ 0.52	490,034	\$ 254,818
SPD/Full-Dual	\$ 0.12	836,710	\$ 100,405
LTC	\$ 2.34	1,763	\$ 4,125
LTC/Full-Dual	\$ 1.47	37,393	\$ 54,968
OBRA	\$ 0.31	1,738	\$ 539
WCM	\$ 0.90	83,465	\$ 75,119
Estimated Total		7,380,288	\$ 912,733

\* Note that Estimated Member Months are subject to variation, and the actual total Contribution (Non-Federal Share) may differ from the amount listed here.

Exhibit 1 - Payment Request Invoice

Mendocino Coast Health Care District  
 Agreement 19-96438

Time Period	Health Plan	County	Category of Aid	Contribution PMPM	Est. MM for BP 7/2020-12/2020 as of 12/2022	Estimated Contribution (Non-Federal Share)
					Final MM for BP 7/2019 - 6/2020 as of 12/2022	
7/2019 - 12/2019	Partnership Health Plan of California	Regional	Child - non MCHIP	\$ 0.03	491,052	\$ 14,732
7/2019 - 12/2019	Partnership Health Plan of California	Regional	Child - MCHIP	\$ 0.01	207,548	\$ 2,075
7/2019 - 12/2019	Partnership Health Plan of California	Regional	Adult - non MCHIP	\$ 0.10	259,994	\$ 25,999
7/2019 - 12/2019	Partnership Health Plan of California	Regional	Adult - MCHIP	\$ 0.04	5,454	\$ 218
7/2019 - 12/2019	Partnership Health Plan of California	Regional	ACA Optional Expansion	\$ 0.01	559,225	\$ 5,592
7/2019 - 12/2019	Partnership Health Plan of California	Regional	SPD	\$ 0.26	139,677	\$ 36,316
7/2019 - 12/2019	Partnership Health Plan of California	Regional	SPD/Full-Dual	\$ 0.05	234,812	\$ 11,741
7/2019 - 12/2019	Partnership Health Plan of California	Regional	LTC (non-dual)	\$ 0.90	368	\$ 331
7/2019 - 12/2019	Partnership Health Plan of California	Regional	LTC/Full-Dual	\$ 0.55	11,044	\$ 6,074
7/2019 - 12/2019	Partnership Health Plan of California	Regional	OBRA	\$ -	-	\$ -
7/2019 - 12/2019	Partnership Health Plan of California	Regional	Whole Child Model	\$ 0.48	26,487	\$ 12,714
7/2019 - 12/2019	Partnership Health Plan of California	Regional	BCCTP	\$ 0.45	924	\$ 416
<b>7/2019 - 12/2019</b>	<b>Partnership Health Plan of California</b>	<b>Regional</b>	<b>Est. FE Total</b>		<b>1,936,585</b>	<b>\$ 116,208</b>
1/2020 - 6/2020	Partnership Health Plan of California	Regional	Child - non MCHIP	\$ 0.03	486,994	\$ 14,610
1/2020 - 6/2020	Partnership Health Plan of California	Regional	Child - MCHIP	\$ 0.01	205,764	\$ 2,058
1/2020 - 6/2020	Partnership Health Plan of California	Regional	Adult - non MCHIP	\$ 0.09	259,058	\$ 23,315
1/2020 - 6/2020	Partnership Health Plan of California	Regional	Adult - MCHIP	\$ 0.04	5,214	\$ 209
1/2020 - 6/2020	Partnership Health Plan of California	Regional	ACA Optional Expansion	\$ 0.02	550,638	\$ 11,013
1/2020 - 6/2020	Partnership Health Plan of California	Regional	SPD	\$ 0.22	138,323	\$ 30,431
1/2020 - 6/2020	Partnership Health Plan of California	Regional	SPD/Full-Dual	\$ 0.04	233,211	\$ 9,328
1/2020 - 6/2020	Partnership Health Plan of California	Regional	LTC (non-dual)	\$ 0.81	392	\$ 318
1/2020 - 6/2020	Partnership Health Plan of California	Regional	LTC/Full-Dual	\$ 0.50	10,901	\$ 5,451
1/2020 - 6/2020	Partnership Health Plan of California	Regional	OBRA	\$ -	-	\$ -
1/2020 - 6/2020	Partnership Health Plan of California	Regional	Whole Child Model	\$ 0.45	26,252	\$ 11,813
1/2020 - 6/2020	Partnership Health Plan of California	Regional	BCCTP	\$ 0.44	843	\$ 371
<b>1/2020 - 6/2020</b>	<b>Partnership Health Plan of California</b>	<b>Regional</b>	<b>Est. FE Total</b>		<b>1,917,590</b>	<b>\$ 108,917</b>
7/2020 - 12/2020	Partnership Health Plan of California	Regional	Child - non MCHIP	\$ 0.03	511,410	\$ 15,342
7/2020 - 12/2020	Partnership Health Plan of California	Regional	Child - MCHIP	\$ 0.02	204,967	\$ 4,099
7/2020 - 12/2020	Partnership Health Plan of California	Regional	Adult - non MCHIP	\$ 0.09	282,391	\$ 25,415
7/2020 - 12/2020	Partnership Health Plan of California	Regional	Adult - MCHIP	\$ 0.05	7,156	\$ 358
7/2020 - 12/2020	Partnership Health Plan of California	Regional	ACA Optional Expansion	\$ 0.01	599,569	\$ 5,996
7/2020 - 12/2020	Partnership Health Plan of California	Regional	SPD	\$ 0.24	136,365	\$ 32,728
7/2020 - 12/2020	Partnership Health Plan of California	Regional	SPD/Full-Dual	\$ 0.04	240,485	\$ 9,619
7/2020 - 12/2020	Partnership Health Plan of California	Regional	LTC (non-dual)	\$ 0.83	351	\$ 291
7/2020 - 12/2020	Partnership Health Plan of California	Regional	LTC/Full-Dual	\$ 0.52	10,492	\$ 5,456
7/2020 - 12/2020	Partnership Health Plan of California	Regional	OBRA	\$ -	-	\$ -
7/2020 - 12/2020	Partnership Health Plan of California	Regional	Whole Child Model	\$ 0.48	27,208	\$ 13,060
7/2020 - 12/2020	Partnership Health Plan of California	Regional	BCCTP	\$ 0.44	859	\$ 378
<b>7/2020 - 12/2020</b>	<b>Partnership Health Plan of California</b>	<b>Regional</b>	<b>Est. FE Total</b>		<b>2,021,253</b>	<b>\$ 112,742</b>

Total Bridge Period (July 2019 - December 2020) Section 1 Amount	\$	337,867
<u>Bridge Period July 2019 - December 2020) Section 3 Amount under the Agreement:</u>		
Total Bridge Period (July 2019-December 2020) Section 1 Amount (above)	\$	337,867
Less amount not subject to fee (Section 3.2)	\$	-
Basis for 20% Assessment Fee	\$	337,867
20% Assessment Fee (Basis * 20%)	\$	67,573
Total Bridge Period Amount (July 2019 - December 2020) as of 12/2022 Estimated, and Final Member Months	\$	405,440
Less: Prior Payment Transfers for July 2019 - June 2020 letter sent (2/18/2021)	\$	270,054
Less: Prior Payment Transfers for July 2019 - June 2020 letter sent (8/19/2021)	\$	135,271
Total Payment Transfer Amount	\$	115

Exhibit 1 - Payment Request Invoice

Mendocino Coast Health Care District  
 Agreement 21-10228

January 2021 -December 2021 Section 1 Amount under the Agreement:

Health Plan	County	Category of Aid	Contribution PMPM	Estimated Member Months*	Estimated Contribution (Non-Federal Share)
All Partnership	Regional	Child - non MCHIP	\$ 0.06	1,835,590	\$ 110,135
All Partnership	Regional	Child - MCHIP	\$ 0.04	817,276	\$ 32,691
All Partnership	Regional	Adult - non MCHIP	\$ 0.18	1,045,291	\$ 188,152
All Partnership	Regional	Adult - MCHIP	\$ 0.13	28,224	\$ 3,669
All Partnership	Regional	ACA Optional Expansion	\$ 0.04	2,202,804	\$ 88,112
All Partnership	Regional	SPD	\$ 0.52	490,034	\$ 254,818
All Partnership	Regional	SPD/Full-Dual	\$ 0.12	836,710	\$ 100,405
All Partnership	Regional	LTC (non-dual)	\$ 2.34	1,763	\$ 4,125
All Partnership	Regional	LTC/Full-Dual	\$ 1.47	37,393	\$ 54,968
All Partnership	Regional	OBRA	\$ 0.31	1,738	\$ 539
All Partnership	Regional	Whole Child Model	\$ 0.90	83,465	\$ 75,119
<b>All Partnership</b>	<b>Regional</b>	<b>Est. FE Total</b>		<b>7,380,288</b>	<b>\$ 912,733</b>

Total CY 2021 (January 2021 - December 2021) Section 1 Amount \$ 912,733

CY 2021 (January 2021 - December 2021) Section 3 Amount under the Agreement:

Total 2021 (January 2021-December 2021) Section 1 Amount (above)	\$	912,733
Less amount not subject to fee (Section 3.2)	\$	-
Basis for 20% Assessment Fee	\$	912,733
20% Assessment Fee (Basis * 20%)	\$	182,547
Total CY 2021 (January 2021 - December 2021) as of 12/2022 Estimated Member Months	\$	1,095,280
Add: Outstanding balance from BP 7/2019 - 12/2020	\$	115
<b>Total Payment Transfer Amount</b>	<b>\$</b>	<b>1,095,395</b>



MICHELLE BAASS  
DIRECTOR

State of California—Health and Human Services Agency  
Department of Health Care Services



GAVIN NEWSOM  
GOVERNOR

December 30, 2022

Norman de Vall  
Interim Chair  
Mendocino Coast Health Care District  
755 River Drive  
Fort Bragg, CA 95437

Dear Norman de Vall:

The Department of Health Care Services (DHCS) has completed its calculation of the following:

1. Rating Period CY 2021 (interim) Voluntary Rate Range Program (service period of January 1, 2021 through December 31, 2021) payment transfer amounts for the Intergovernmental Agreement Regarding Transfer of Public Funds (Agreement), **No. 21-10228**. The executed Agreement is enclosed. As stated in Section 1.3 of the Agreement, the enrollment reconciliations will occur on an ongoing basis as updated enrollment figures become available. Actual enrollment will not be considered final until two years after December 31, 2021.
2. Rating Period 2019-20 Voluntary Rate Range Program (service period of July 1, 2019 through December 31, 2020) payment transfer amounts for the Intergovernmental Agreement Regarding Transfer of Public Funds (Agreement), **No. 19-96438**. The initial payment, which is shown in the enclosed Exhibit 1, was made during the second calendar quarter of 2021. As stated in Section 1.3 of the Agreement, the enrollment reconciliations will occur on an ongoing basis as updated enrollment figures become available. Actual enrollment for the service periods of July 1, 2019 through June 30, 2020, and July 1, 2020 through December 31, 2020 will not be considered final until two years after June 30, 2020 and December 31, 2020, respectively.

Based on the above calculations, and as provided in the above referenced Agreements, DHCS is requesting that Mendocino Coast Health Care District transfer funds in the amount of **\$1,095,395** to DHCS by no later than **February 17, 2023**. Exhibit 1 contains the invoice. Please transfer the above Total Amount to the following:

Norman de Vall  
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**New banking information!**

Union Bank  
350 California Street  
San Francisco, CA 94104


For Credit to State of California Account # [REDACTED]  
Routing # [REDACTED]

For Further Credit to: Department of Health Care Services  
Reference: CY 2021 Voluntary Rate Range Program Invoice

We require Governmental Funding Entity provide a 48-hour advance notice via e-mail prior to wiring any funds over 5 million dollars. As requested by the State Treasurer's Office (STO), all ACH/wires must be transmitted prior to 10:00 a.m. on date of payment. **Please note: STO would prefer Automated Clearing House (ACH) payments, instead of wires.** Once the Governmental Funding Entity has transferred funds to the specified account above, please email Vivian Beeck at [Vivian.Beeck@dhcs.ca.gov](mailto:Vivian.Beeck@dhcs.ca.gov); Kou Khang at [Kou.Khang@dhcs.ca.gov](mailto:Kou.Khang@dhcs.ca.gov); and Michael Ha at [Michael.Ha@dhcs.ca.gov](mailto:Michael.Ha@dhcs.ca.gov) with the completed transaction information.

If you have any questions regarding the Intergovernmental Transfer Agreement, please contact Vivian Beeck via email.

Sincerely,

DocuSigned by:  
  
641B9785907E40F...

Michael Jordan  
Staff Services Manager II  
Financial Management Section C  
Capitated Rates Development Division  
Department of Health Care Services  
P.O. Box 997413, MS 4413  
Sacramento, CA 95899-7413

*Norman de Vall*  
Page 3

Enclosures

cc: John Redding, Treasurer  
Mendocino Coast Health Care District  
755 River Drive  
Fort Bragg, CA 95437

Vivian Beeck  
Staff Services Manager I  
Financial Management Section C  
Capitated Rates Development Division  
Department of Health Care Services  
P.O. Box 997413, MS 4413  
Sacramento, CA 95899-7413

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**From:** Beeck, Vivian@DHCS  
**Sent:** Thursday, February 23, 2023 5:13 PM  
**To:** Jade Tippett  
**Cc:** Lee Finney; Beeck, Vivian@DHCS; Gale, Scott@DHCS  
**Subject:** RE: [External]Payment Request: CY 2021 Voluntary Rate Range Program - Mendocino Coast Health Care District

[Here you go.](#)

Vivian

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**From:** Jade Tippett <jtippett@mcdh.org>  
**Sent:** Thursday, February 23, 2023 4:23 PM  
**To:** Beeck, Vivian@DHCS <Vivian.Beeck@dhcs.ca.gov>  
**Cc:** Lee Finney <lfinney@mcdh.org>  
**Subject:** [External]Payment Request: CY 2021 Voluntary Rate Range Program - Mendocino Coast Health Care District

Vivian,

As the newly minted Treasurer of the Mendocino Coast Health Care District, this is totally new news to me. Tonight, I am presenting a Financial Position Statement to the Board that shows the District \$3.2 million short of where we should be, using the budget figures outlined in the Lease Agreement with Adventist Health to operate the Mendocino Coast Hospital, now Adventist Health Mendocino Coast. I also just received a \$400,000 bill from your Department for, I assume, overpayments. Looming over us is the 2030 Seismic Compliance deadline with a cost of about \$30 million.

Although Norman DeVall has told me he has a recollection of a vote of the prior Board to participate in this program, I need some more information. It appears that the vote was taken sometime in the last few months of 2022. The prior Board left us no Minutes Book to consult. I will need to do some digging to locate minutes if they were taken, or a recording of the meeting where this vote was taken.

Additionally, despite the vote for participation having been taken, I will need to bring this to the current Board for a vote on the actual transfer of funds, which means that I need some really good reasons why we should do this at this point in time. As I remember from the days when the District ran the Hospital, Intergovernmental Transfers were opportunities to leverage local agency funds to secure larger Federal dollars, and tended to return a 2-to-1 gain when those funds were returned to the District. Is this a similar program?

If you have some background information on this program, please send it to me, including any emails with members of the prior Board which would locate the prior Board's decision in time or document it.

I would also appreciate a conversation on the telephone to get a better understanding of the program.

Thank you,

--j

Jade Tippett  
Treasurer  
Mendocino Coast Health Care District Board  
<https://mchcd.org/>  
[jtippett@mcdh.org](mailto:jtippett@mcdh.org)  
Mobile: 707-489-4986

**From:** "Beeck, Vivian@DHCS" <[Vivian.Beeck@dhcs.ca.gov](mailto:Vivian.Beeck@dhcs.ca.gov)>  
**Subject:** FW: Payment Request: CY 2021 Voluntary Rate Range Program - Mendocino Coast Health Care District  
**Date:** February 23, 2023 at 2:34:01 PM PST  
**To:** "[ndv@mcn.org](mailto:ndv@mcn.org)" <[ndv@mcn.org](mailto:ndv@mcn.org)>  
**Cc:** "Beeck, Vivian@DHCS" <[Vivian.Beeck@dhcs.ca.gov](mailto:Vivian.Beeck@dhcs.ca.gov)>

Here you go.

Vivian

**Vivian Beeck** | Staff Services Manager I (Specialist)  
California Department of Health Care Services  
Capitated Rates Development Division  
Email: [Vivian.Beeck@dhcs.ca.gov](mailto:Vivian.Beeck@dhcs.ca.gov)  
Phone: 916-616-0749

**From:** Beeck, Vivian@DHCS  
**Sent:** Friday, February 17, 2023 3:19 PM  
**To:** John Redding <[jredding@mcdh.org](mailto:jredding@mcdh.org)>; [ndevall@mcdh.org](mailto:ndevall@mcdh.org)  
**Cc:** Beeck, Vivian@DHCS <[Vivian.Beeck@dhcs.ca.gov](mailto:Vivian.Beeck@dhcs.ca.gov)>; Gale, Scott@DHCS <[Scott.Gale@dhcs.ca.gov](mailto:Scott.Gale@dhcs.ca.gov)>  
**Subject:** FW: Payment Request: CY 2021 Voluntary Rate Range Program - Mendocino Coast Health Care District  
**Importance:** High

We have not received this payment today, you are now late, please tell us what is happening and when you are going to transfer the invoice amount due?

Vivian

**From:** Khang, Kou@DHCS <[Kou.Khang@dhcs.ca.gov](mailto:Kou.Khang@dhcs.ca.gov)>  
**Sent:** Friday, January 6, 2023 3:32 PM  
**To:** Norman de Vall <[ndevall@mcdh.org](mailto:ndevall@mcdh.org)>; John Redding <[jredding@mcdh.org](mailto:jredding@mcdh.org)>  
**Cc:** Beeck, Vivian@DHCS <[Vivian.Beeck@dhcs.ca.gov](mailto:Vivian.Beeck@dhcs.ca.gov)>; Ha, Michael@DHCS <[Michael.Ha@dhcs.ca.gov](mailto:Michael.Ha@dhcs.ca.gov)>; Gale, Scott@DHCS <[Scott.Gale@dhcs.ca.gov](mailto:Scott.Gale@dhcs.ca.gov)>  
**Subject:** Payment Request: CY 2021 Voluntary Rate Range Program - Mendocino Coast Health Care District



Good afternoon Mendocino Coast Health Care District,

The Department of Health Care Services (DHCS) has completed its calculation of the Rating Period CY 2021 Voluntary Rate Range Program wire/ACH transfer amounts for the period of January 1, 2021 – December 31, 2021. The attached letter contains the following:

Calculation of the wire/ACH transfer amounts (Exhibit 1)

- Initial invoicing for Rating Period CY 2021 (1/2021 to 12/2021)
- 2<sup>nd</sup> invoicing for Rating Period 2020-20 (7/2020 to 12/2020)
- Final invoicing for Bridge Period 2019-20 (7/2019 to 6/2020)

Electronic Payment instructions:

**New banking information!**

Union Bank  
350 California Street  
San Francisco, CA 94104

For Credit to State of California Account # [REDACTED]  
Routing # [REDACTED]

For Further Credit to: Department of Health Care Services  
Reference 2-2023 Rate Range Program Invoice

The governmental fund transfers must be made to DHCS **no later than February 17, 2023**. ***Please note: DHCS would prefer ACH (EFT) payments, instead of wires transfers.*** If you have any questions, please feel free to contact me via e-mail [Kou.Khang@dhcs.ca.gov](mailto:Kou.Khang@dhcs.ca.gov).

Best Regards,

***Kou Khang***

Associate Governmental Program Analyst  
Financial Management Section C  
Capitated Rates Development Division  
Department of Health Care Services  
PH (916) 345-8780

Jade Tippet  
Treasurer  
Mendocino Coast Health Care District Board  
<https://mchcd.org/>  
[jtippet@mcdh.org](mailto:jtippet@mcdh.org)  
Mobile: [707-489-4986](tel:707-489-4986)

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## Jade Tippett

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**From:** Jennifer Lopez <JeLopez@partnershiphp.org>  
**Sent:** Friday, June 9, 2023 12:10 PM  
**To:** Jade Tippett  
**Subject:** Re: Voluntary Rate Range Program IGT  
**Attachments:** image001.jpg; image002.jpg

Good afternoon Jade,

I received your voicemail, I am in an all-day conference today but will send you some times later this evening for you and I to try and connect early next week (hopefully Monday).

Best,  
Jenn

On Jun 6, 2023, at 8:11 PM, Jade Tippett <jtippett@mcdh.org> wrote:

From my perspective, the District distributed to DHCS the sum of \$1,095,395 in good faith, for an Intergovernmental Transfer solicited by DHCS. DHCS retained a fee and forwarded the rest to Partnership, with the understanding that the balance, \$876,316, by my calculation, would return approximately 2-fold.

If the basis of the IGT, that the remitting entity be engaged in delivering health care services, did not apply at the time the contract was solicited and signed by the prior Treasurer, or at the time the money was distributed in good faith, then my major concern as Treasurer is that the District recover the full amount of the initial distribution, \$1,095,395, either in cash or in credit in a transaction with our hospital lessee, Adventist Health.

It sounds like you and I need to talk on the telephone, perhaps with someone from DHCS, to work out how to move forward on this. I will be busy tomorrow preparing a budget presentation for our Board meeting next Tuesday, but I could be available Thursday afternoon.

Please let me know when we could set up a time.

Thank you,

--j

PLEASE NOTE NEW MAILING ADDRESS BELOW. THANKS!

Jade Tippett  
Treasurer  
Mendocino Coast Health Care District  
P.O. Box 579  
Fort Bragg, CA 95437  
<https://mchcd.org><[https://secure-web.cisco.com/1FlurFQN56Px7KSrB0hRCknM6SLSJinXkSiqX-bBEr97CYsOCR1ujOEHhB2ngaCyg-iBLq06EVdw1hA71Gb1C96LJIRFnHp-vNGbO-J-DOs97xByqr5CAK-xHkGic8lrcHMul1cqOcmC-hTnQ9U8J5xry6Gn0JSN5HmMFpQWYFC7iDOc3Ps\\_7PftN79REFTR70QlxKG0M1ta2AuXmuQUYxvTYRSsCvGIDuAVXFVt\\_g55JwX8qAXxy-OOxinxmgUs4D6b6G8kB4rg4dS5ESSwV85qJDB8fRm01L9IwKTEy57s/https%3A%2F%2Fmchcd.org%2F](https://secure-web.cisco.com/1FlurFQN56Px7KSrB0hRCknM6SLSJinXkSiqX-bBEr97CYsOCR1ujOEHhB2ngaCyg-iBLq06EVdw1hA71Gb1C96LJIRFnHp-vNGbO-J-DOs97xByqr5CAK-xHkGic8lrcHMul1cqOcmC-hTnQ9U8J5xry6Gn0JSN5HmMFpQWYFC7iDOc3Ps_7PftN79REFTR70QlxKG0M1ta2AuXmuQUYxvTYRSsCvGIDuAVXFVt_g55JwX8qAXxy-OOxinxmgUs4D6b6G8kB4rg4dS5ESSwV85qJDB8fRm01L9IwKTEy57s/https%3A%2F%2Fmchcd.org%2F)>

jtippett@mcdh.org<mailto:jtippett@mcdh.org>

Mobile: 707-489-4986

From: Jennifer Lopez <JeLopez@partnershiphp.org>

Sent: Tuesday, June 6, 2023 7:33 PM

To: Jade Tippett <jtippett@mcdh.org>

Subject: RE: Voluntary Rate Range Program IGT

Good Evening Jade,

I am following up on your inquiry related to the calendar year (CY) 2021 voluntary rate range program. Based upon our review of our contract with your organization for this program and on the basis that Mendocino Coast Healthcare District did not provide Medi-Cal services during the CY 2021 period we do not believe we have a mechanism to issue payment for the CY 2021 rating period. Our contract requires Medi-Cal services for Partnership's Medi-Cal members to have been rendered during the calendar year 2021 period.

As the transferring entity of the IGT funds, per Welfare and Institutions code Section 14301.4, a transferring entity may designate a Medi-Cal provider who rendered Medi-Cal services to Partnership's members for the period of the program, which in this case is CY 2021. Would your organization like to designate a Medi-Cal provider to receive these funds? If Mendocino Coast Healthcare District would like to select a provider designee, we would need to work through further logistics and next steps.

We look forward to hearing back from you.

Best,

Jennifer

Jennifer M. Lopez (she, her, hers)

Deputy Chief Financial Officer

Partnership HealthPlan of California

4665 Business Center Drive, Fairfield, CA 94534

Phone: (707) 419-7976

E-mail: [jelopez@partnershiphp.org](mailto:jelopez@partnershiphp.org)<mailto:jelopez@partnershiphp.org>

Our website: [www.partnershiphp.org](http://secure-web.cisco.com/1VkiDxStI3JKDLonCW5OI39FeIE3EnBHQ3FN-00EpfRLtNPK-JVyUfeXo5_x3P5-)<http://secure-web.cisco.com/1VkiDxStI3JKDLonCW5OI39FeIE3EnBHQ3FN-00EpfRLtNPK-JVyUfeXo5\_x3P5-

YheYvzdGRSwbLsbo3SkyZd6evpGz0T4WYVfgZchYS1K4IIolehuuBpGNKWEnmoYo40iMiBVgjo\_CJYBApkjG7qs9LICxeJM9nkrTdSSKXOPQQ-

ctB8SBIInZk2\_P3a6xbrpAztIpxo3Jv3eGrQ8FgfNIQkkxLeKmysAZwdeyOtmC8ZOeNg9z9RyUv5\_5NtPzhHq8CGIq66RpQW-IB3frkDj-7r0fuTvHiiYe20mSczLo/http%3A%2F%2Fwww.partnershiphp.org%2F>

PHC Mission: To help our members, and the communities we serve, be healthy

<image001.jpg>

<image002.jpg>

From: Jennifer Lopez

Sent: Monday, June 5, 2023 8:26 PM

To: 'Jade Tippett' <jtippett@mcdh.org<mailto:jtippett@mcdh.org>>

Subject: RE: Voluntary Rate Range Program IGT

Hi Jade,

I wanted to send you a quick note that I plan to follow up with you tomorrow regarding your voluntary rate range inquiry tied to calendar year 2021. Apologies for the slight delay.

Best,  
Jennifer

From: Jade Tippett <jtippett@mcdh.org<mailto:jtippett@mcdh.org>>  
Sent: Wednesday, May 24, 2023 10:53 AM  
To: Jennifer Lopez <JeLopez@partnershiphp.org<mailto:JeLopez@partnershiphp.org>>  
Subject: Voluntary Rate Range Program IGT

Jennifer,

I'm following up on the Intergovernmental Transfer the Mendocino Coast Health Care District made through DHCS on February 24, 2023, of \$1,095,395.

Preparing the District Budget for FYE2024, it would be helpful to know when the return would happen and an estimate of the total amount of the return.

If you could give me some idea of an amount and a date, I would greatly appreciate it.

Also, please note the new mailing address below. Adventist Health took over the old Mendocino Coast District Hospital on July 1 of 2020. Adventist Health also took over the NPI from Mendocino Coast as well. Checks and payments unfortunately seem to get misdirected when sent to the old address at what is now Adventist Health Mendocino Coast Hospital or remitted based on NPI.

Thank you,

--j

PLEASE NOTE NEW MAILING ADDRESS BELOW. THANKS!

Jade Tippett  
Treasurer  
Mendocino Coast Health Care District  
P.O. Box 579  
Fort Bragg, CA 95437  
[https://mchcd.org<https://secure-web.cisco.com/1Et96Jd2Ta8nhlGa4pEYFkGbhMpmbQZDZnPEo1FrnvQB3oLHAFwgl0VLOzo4PWSmGn2lvrHreVsXp9\\_Wkl oC5rKNrd8ea0MI6FK0o5WIPpBv7kAh4lyMWt\\_l-S4dclsJtnf5IXogVNr6AEQU8gyckj0V3qEcxJlqm0int6fGmKHHV3MI689Z-XEO\\_fpntsmzhkhCBSyORYyOG1clOHjnAVZdcfq7nMd5ailehAW3IPU1Ym8\\_XhmQpLTHOZjdvxl-m58r0ouTYLW5aSX22o51uBcBKVvBkc6gyP-xlzx6YO0hsMocU6GMtjGJTJ9qO9ty/https%3A%2F%2Fmchcd.org%2F> jtippett@mcdh.org<mailto:jtippett@mcdh.org>](https://mchcd.org<https://secure-web.cisco.com/1Et96Jd2Ta8nhlGa4pEYFkGbhMpmbQZDZnPEo1FrnvQB3oLHAFwgl0VLOzo4PWSmGn2lvrHreVsXp9_Wkl oC5rKNrd8ea0MI6FK0o5WIPpBv7kAh4lyMWt_l-S4dclsJtnf5IXogVNr6AEQU8gyckj0V3qEcxJlqm0int6fGmKHHV3MI689Z-XEO_fpntsmzhkhCBSyORYyOG1clOHjnAVZdcfq7nMd5ailehAW3IPU1Ym8_XhmQpLTHOZjdvxl-m58r0ouTYLW5aSX22o51uBcBKVvBkc6gyP-xlzx6YO0hsMocU6GMtjGJTJ9qO9ty/https%3A%2F%2Fmchcd.org%2F> jtippett@mcdh.org<mailto:jtippett@mcdh.org>)  
Mobile: 707-489-4986

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