AMENDMENT TO THE MEDICAL SERVICES AGREEMENT BETWEEN GROUP HEALTH COOPERATIVE AND KITTITAS COUNTY BOARD OF HEALTH

This Amendment dated July 18, 2011, is hereby incorporated into the Agreement between **Group Health Cooperative** (herein referred to as GHC) and **Kittitas County Board of Health** (herein referred to as Contractor) which became effective on December 1, 2009. As provided in Section XIII (K) of the Agreement, this Amendment shall become effective September 15, 2011.

1. **Section II., Definitions, Health Carrier is deleted in its entirety and replaced as follows:**

Health Carrier An insurer, health maintenance organization, health care service contractor, self-insured welfare benefit plan, plan sponsor or other medical plan owned by or under contract with GHC to offer medical coverage to Managed Care Members. GHC is a Health Carrier when providing Covered Services as a health maintenance organization. Use of the terms GHC and Health Carrier herein shall be deemed to include reference to wholly owned subsidiaries of GHC when the context so reasonably requires.

2. **Section III., Services, Subsection A. is deleted in its entirety and replaced as follows:**

A. Contractor shall, within the time period specified on the applicable Authorization Form, when such authorization is required, provide to Managed Care Members at locations approved by GHC, authorized Covered Services appropriate to Contractor's and Consultative Specialist's specialty or expertise in a manner consistent with this Agreement, the Provider Manual, the Member Rights & Responsibilities, and policies and procedures established by GHC. Contractor shall provide services at facilities in accordance with the terms and conditions of applicable agreement between GHC and such facility, if applicable.

1. GHC will notify Contractor at least sixty (60) days prior to implementing any material changes to the Provider Manual, the Member Rights & Responsibilities or policies and procedures if such changes affect Contractor compensation or provision of Covered Services. If such changes are mandated by law or regulation, and GHC does not receive sufficient notice from government to fulfill this notice requirement, GHC shall provide notice of such changes to Contractor as soon as possible. Contractor may terminate this Agreement according to the provisions in Section XII.C. if Contractor does not agree with such changes, but such changes shall apply during the term of this Agreement.

3. **Section VII., Payment for Services, Subsection A., Primary Payment, Item 2. is deleted in its entirety and replaced as follows:**

2. Contractor shall be responsible for collecting from Managed Care Member any applicable Coinsurance, Copayments, and Deductibles in accordance with the terms of the Managed Care Member's Medical Coverage Agreement; provided, however, that any Coinsurance or Deductible amount collected at the time of service must be a good faith estimate of the amount due based on the contracted rate of reimbursement for the service and plan design. Furthermore, once the actual Managed Care Member responsibility is determined, Contractor agrees to refund any overpayments to Managed Care Member within thirty (30) days of the date the Contractor receives an explanation of payment or explanation of benefits. Health Carrier shall be responsible only for the

amount due for Covered Services rendered to a Managed Care Member less the Managed Care Member's Copayment, Coinsurance and Deductible, as applicable, without regard to whether Contractor has actually collected such Copayment, Coinsurance and Deductible. Contractor agrees that it may request, but will not require, payment of any applicable Copayment, Coinsurance or Deductible as a prerequisite to providing Covered Services.

4. **Section VII., Payment for Services, Subsection A., Primary Payment, Item 3. is deleted in its entirety and replaced as follows:**

3. If authorization for Covered Services is required under the terms of the Managed Care Member's Medical Coverage Agreement but not obtained by Contractor, Contractor agrees not to bill Health Carrier or Managed Care Member for such services, except Managed Care Member may be billed in accordance with written agreement obtained pursuant to Section III.D. of this Agreement. In the event the Managed Care Member was not eligible for Covered Services on the date of service, Health Carrier, to the extent required by state law, shall be financially liable only for Covered Services that had prior authorization from the Health Carrier and were not provided or obtained through material misrepresentation.

5. **Section XI., Medicaid and Medicare Contracting Requirements, Subsection D. is deleted in its entirety and replaced as follows:**

D. When Contractor provides services to Medicaid Healthy Options enrollees who are Managed Care Members, Contractor shall comply with all applicable state and federal regulations governing the state Medicaid Healthy Options program, including 42 CFR 438.106(c), 438.6(1), 438.230, and 438.204(a), and WAC 388-502-0160, and as set forth in the Provider Manual, which prohibit Contractor from charging, balance billing or holding liable Medicaid Healthy Options enrollees for covered services.

6. **Section XIII., General Provisions, Subsection U. is added as follows:**

U. E-Verify: Effective September 8, 2009, federal contractors and subcontractors must comply with Federal Acquisition Regulation ("FAR") 22.1800 et. seq., and applicable provisions of the Federal Employees Health Benefits Acquisition Regulation ("FEHBAR"), requiring enrollment in and use of the Federal "E-Verify" system, an internet based employment eligibility verification program jointly operated by the Department of Homeland Security and United States Citizenship and Immigration Service. The E-Verify system is a means for verifying employment eligibility of employees assigned to work on federally funded contracts meeting certain criteria, including minimum dollar thresholds, described with respect to federal subcontractors in FAR 52.222-54(e). Federal contractors are required to include in such subcontracts the Employment Eligibility Verification clause in the form set forth in the Provider Manual. The parties agree that the activities contemplated hereunder require each to comply with such E-Verify regulations.

7. **Section XIV., Prohibitions on Balance Billing and Illegal Collections, Including Provisions Mandated and Approved under WAC 284-43-320 and RCW 48.80.030(5), Subsection D. is deleted in its entirety and replaced as follows:**

D. Contractor may only bill Managed Care Members for Deductibles, Copayments, or Coinsurance associated with Covered Services and agrees not to bill Managed Care Members where Health Carrier denies payments because the provider or facility has failed to comply with the terms or conditions of this Agreement.

Except as specifically amended herein, and as necessary to incorporate the foregoing into the terms of the Agreement, the remaining terms and conditions of the Agreement shall remain in full force and effect.

Group Health Cooperative

By: Michele Anderson

Michele L. Anderson

Title: Director, Provider Contracting & Network Development

Date: July 18, 2011