UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
BOARD OF HOSPITAL TRUSTEES
AGENDA ITEM

Issue: Amendment One to Agreement for Physician Medical Directorship and Physician Professional Services with Nevada Cancer Institute.

Petitioner: Kathleen Silver, Chief Executive Officer, University Medical Center

Recommendation:

That the Board of Hospital Trustees approve Amendment One to Agreement for Physician Medical Directorship and Physician Professional Services between University Medical Center of Southern Nevada and Nevada Cancer Institute for Oncology Services; and authorize the Chief Executive Officer to sign the amendment.

FISCAL IMPACT:

Fund #: 5420.000
Fund Name: UMC Operating Fund
Fund Center: 3000608300
Amount:
$150 per treatment – outpatient infusion services with a minimum of $30,000 per month
8% of billed charges – pharmacy, drug administration, medication management, laboratory and radiology billing services
$100 per patient account – registration, coding, eligibility services and billing for the Clark County Social Service patient population
Radiation oncology services billed at Medicaid or % of Medicare rates depending on classification of Patient
All other charges remain the same.

BACKGROUND:

On June 16, 2009, UMC and NVCI signed a Memorandum of Understanding (MOU) to re-establish cancer treatment services at UMC. As a part of the MOU, NVCI will provide outpatient cancer services including medical oncology, malignant hematology, and radiation oncology; and certain inpatient cancer services including patient consults and inpatient cancer coverage. On January 20, 2010, the Board of Hospital Trustees approved the Lease Agreement with NVCI (the first of the agreements covered by the MOU) wherein UMC will lease to NVCI approximately 13,500 square feet for an outpatient clinic. The initial lease term is 5 years with the option for 5 additional 5-year terms. On March 17, 2010, the Board then approved the Agreement for Physician Medical Directorship and Physician Professional Services wherein Nevada Cancer Institute will provide medical oncology, radiation oncology and malignant hematology services to UMC inpatients and...
outpatients, including on-call services, resident and fellow education, outpatient patient registration services, outpatient infusion services, and pharmacy, drug administration and medication management billing services.

This Amendment One, effective March 1, 2011, requests to amend the following:

- Update Section 5.9 – compensate Provider for outpatient drug administration of chemotherapy services at a rate of $150 per infusion patient per day with a minimum payment of $30,000 per month.
- Update Section 5.10 – pharmacy, drug administration, medication management, laboratory and radiology charges for outpatient services will be billed at 8% of net collections (previously 5% of billings).
- Update Section 5.11 – UMC and NVCI will meet quarterly to review and discuss operational results, patient volume and payor mix to assess compensation sustainability of inpatient and outpatient cancer services at Hospital.
- Add Section 5.12 – registration, coding, eligibility services and billing for the Clark County Social Service patient population will be compensated at $100 per patient account per calendar month.

Staff has negotiated the agreement and costs associated, and found them equitable for the work to be performed, and recommends approval of the Agreement. The Hospital Advisory Board recommended approval of the Amendment One of the Agreement at their March 9, 2011 meeting.

NVCI currently holds a Clark County business license.

Respectfully submitted,

Kathleen Silver
Chief Executive Officer