

**APPENDIX G
HOSPITAL ADDENDUM
INPATIENT/OUTPATIENT**

CONTRACTOR NAME

1. WAIVER OF SOVEREIGN IMMUNITY:

LME/PIHP, only in the manner and to the extent permitted by North Carolina law, including but not limited to N.C.G.S. 122C-152 and N.C.G.S. 122C-210.1, waives the defense of sovereign immunity as to both suit and liability as to all claims and counterclaims between the parties arising from this agreement. This provision shall continue following termination of this Contract for any reason.

2. LICENSES, ACCREDITATIONS, CREDENTIALING AND QUALIFICATIONS:

Facilities and/or Programs that are accredited by accrediting agencies accepted by the Centers for Medicare and Medicaid Services shall be considered in compliance with Quality Assurance/Quality Improvement requirements. Contractor, upon written request by the LME/PIHP shall provide a copy of its QA/QI Plan. Contractor shall meet all Certificate of Need requirements and further agrees and understands that rates are based on a midnight census.

3. DOCUMENT REQUESTS

The Contractor shall provide the LME/PIHP with all necessary clinical information for the LME/PIHP's utilization management process. Contractor shall provide specifically denominated clinical or encounter information required by the LME/PIHP to meet State and Federal monitoring requirements within thirty (30) days of the request, except that LME/PIHP may grant additional time to respond for good cause shown and depending upon the size and scope of the request.

4. INSURANCE REQUIREMENTS:

The Contractor shall purchase and maintain insurance as listed below from a company, or a self-insurance program which is licensed and authorized to do business in the State of North Carolina by the North Carolina Department of Insurance. Self-insurance policies shall not be eliminated or reduced in coverage or limits below the stated minimums without thirty (30) days prior notice to the LME/PIHP.

- A. Professional Liability: The Contractor shall purchase and maintain professional liability insurance protecting the Contractor and any employee performing work under the Contract for an amount of not less than \$1,000,000.00 per occurrence and proof of coverage at or exceeding \$3,000,000.00 in the annual aggregate.
- B. Comprehensive General Liability: Bodily Injury and Property Damage Liability Insurance shall protect the Contractor and any employee performing work under the Contract from claims of Bodily Injury or Property Damage, which may arise from operations under the Contract. The amounts of such insurance shall not be less than \$1,000,000.00 per Occurrence/\$3,000,000.00 per Aggregate/\$1,000,000.00 Personal and Advertising Injury/\$50,000.00 Fire Damage. The insurance shall not include exclusion for contractual liability.
- C. Automobile Liability: Automobile Bodily Injury and Property Damage Liability Insurance covering all owned, non-owned, and hired automobiles for limits of not less than \$1,000,000.00 each person and \$1,000,000.00 each occurrence of Bodily Injury Liability and \$1,000,000.00 each occurrence of Property Damage Liability. Policies written on a combined single limit basis should have a limit of not less than \$1,000,000.00.
- D. Workers' Compensation and Occupational Disease Insurance: Insurance Coverage must meet the statutory requirements of the State of North Carolina; and Employer's Liability Insurance for an amount of not less than: Bodily Injury by Accident \$100,000.00 each

Accident, Bodily Injury by Disease \$100,000.00 each Employee, and Bodily Injury by Disease \$500,000.00 Policy Limit.

- E. Certificate of Coverage: Contractor shall permit the LME/PIHP to inspect Certificates of Insurance Coverage consistent with the Contract upon advance written request. Notwithstanding anything to the contrary herein, the Contractor shall have the right to self-insure so long as the Contractor's self-insurance program is licensed by the Department of Insurance of the State of North Carolina and is actuarially determined sufficient to pay the insurance limits required in this paragraph.

5. REFERRAL STATUS:

Acceptance of referrals for inpatient admission is contingent upon the approval and signed order of a physician authorized to admit Members to the inpatient unit.

6. OBLIGATION TO SERVE:

Contractor shall serve only those Members for which it has capacity or staff appropriate to treat the Member at the time the Member presents for treatment.

7. SUBMISSION OF CLAIMS:

Contractor may submit claims subsequent to the 90 day limits in certain instances, for good cause shown and agreed to by the LME/PIHP.

8. AUTHORIZATION OF SERVICES:

In those cases for services requiring prior authorization for inpatient hospitalization, LME/PIHP shall issue a decision to approve or deny a service within twenty-four (24) hours after it receives the request for services, provided that the deadline may be extended for twenty-four (24) hours if:

- A. The Member requests the extension; or
- B. The Contractor requests the extension; and,
- C. The LME/PIHP justifies to the Department upon request:
 - i. A need for additional information; and
 - ii. How the extension is in the Member's interest.

9. THIRD PARTY REIMBURSEMENT-INSURANCE & MEDICARE:

If Member has third party insurance and/or Medicare, Contractor shall bill the Member's third party insurance and/or Medicare. Third party insurance and/or Medicare reimbursement or denial information must be indicated on the claim submitted to the LME/PIHP. Claims submitted without third party insurance or Medicare information will be denied.

10. PHYSICIAN BILLING:

All hospital billing by any physician is covered by the LME/PIHP in the following settings: Emergency Department, Inpatient, and Outpatient.

11. ADDITIONAL CONTROLLING AUTHORITY:

In addition to the Controlling Authority specified in the General Terms and Conditions, Contractor understands and agrees that this Contract shall be governed by Chapter 131E of the North Carolina General Statutes, including any subsequent revisions or amendments thereto.