

Chairman Phil Mendelson
at the request of the Not-for-
Profit Hospital Corporation

A RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency with respect to the need to approve Contract No. NFPHC-2018-436-A Modification 2 between the Not-for-Profit Hospital Corporation, commonly known as United Medical Center (“Hospital”), and George Washington University Medical Faculty Associates, Inc., (“GW MFA”) to provide inpatient hospitalists services to the Hospital, to authorize payment for the services received and to be received under the Contract, and to repeal Council approval of the original version of the contract (CA22-407).

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That

this resolution may be cited as the “Contract No. NFPHC-436-A Modification 2 between the Not-for-Profit Hospital Corporation and GW Medical Faculty Inc Approval and Payment Authorization Emergency Declaration Resolution of 2019”.

Sec. 2. (a) There exists an immediate need to approve Contract No. NFPHC-436-A (“Revised Contract”) between the Not-for-Profit Hospital Corporation (“Hospital”) and GW MFA, to provide inpatient hospitalists services to the Hospital, to authorize payment for the services received and to be received under this Revised Contract.

37 (b) The base year of the Original Contract, in the amount of \$3,141,226.00, was
38 deemed approved by Council on March 2, 2018 (CA22-407).

39 (c) On March 16, 2018, however, GW MFA notified the Hospital that the
40 Original Contract's base year amount was incorrect. After discussing the matter at
41 length, the Parties realized that an error was made during negotiations: instead of an
42 arrangement whereby the Hospital would pay GW MFA, monthly, for the cost of
43 inpatient hospitalists services ("GW MFA Hospitalists Services Cost"), and UMC would
44 in return, receive the net revenue earned by GW MFA up to said cost of services
45 ("Hospitalists Net Revenue"), the Parties *inadvertently* used the Net Revenue as the GW
46 MFA Hospitalists Services Cost. This error was not realized until after Council approval
47 of the Original Contract, and after the new Hospital operators, Mazars, began their
48 engagement at the Hospital.

49 (d) Modification 1 was in FY 19 portion of the base period (October 1, 2018 –
50 June 30, 2019, 9 months) in the amount of \$4,842,684.00.

51 (e) The proposed Contract for inpatient hospitalists services is for three (3)
52 months (July 1 – September 30, 2019) in the amount of \$1,614,226.50. The Parties
53 agreed to address the FY 19 portion of the base year prior to the expiration of the
54 Contract.

55 (f) This Contract has an aggregate value that exceeds \$1 million in a 12-month
56 period, and therefore Council approval is necessary.

57 (g) Emergency approval of this Contract for \$1,614,226.50 is necessary to
58 prevent any impact to the hospital's provision of inpatient hospitalists services.

59 (h) Without this approval, GW MFA cannot be paid for these critical services
60 provided and to be provided in excess of \$999,999.99.

61 Sec. 3. The Council determines that the circumstances enumerated in section 2
62 constitute emergency circumstances making it necessary that Contract No. NFPHC-436-
63 A Modification 2 between the Not-for-Profit Hospital Corporation and GW Medical
64 Faculty Associates, Inc. Approval and Payment Authorization Emergency Act of 2019,
65 be adopted after a single reading.