

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 3 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 3 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 MOD 3 (“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 Contract.

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

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

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

50 (e) Modification 2 was for three (3) months (July 1 – September 30, 2019) in the
51 amount of \$1,614,226.50. The Parties agreed to address the FY 19 portion of the base
52 year prior to the expiration of the Contract.

53 (f) The proposed Contract (Modification 3) is for inpatient hospitalists services
54 for twelve (12) months (October 1, 2019 – September 30, 2020) in the amount of
55 \$6,456,906.00.

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

58 (h) Emergency approval of this Contract for \$6,456,906.00 is necessary to
59 prevent any impact to the hospital's provision of inpatient hospitalists services.

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

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