

LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS

POLICY MANUAL

no. 10.26C

category: General Operations

title: Arrangement with Large Commercial User of System Services

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07/26/02

supersedes no. 10.26B

PURPOSE:

To provide for competitive negotiations with large volume users.

POLICY:

The Board of Directors authorizes the President or designee to negotiate and conclude arrangements with third party payors of services, including but not limited to Health Maintenance Organizations (HMO's) and Preferred Provider Organizations (PPO's). The Board will be provided with a schedule of such arrangements annually.

Any arrangement with third parties which could have a material affect on the approved Hospital budget should be reviewed by the System Treasurer and the Hospital Board.