SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

825



FROM: Riverside County Regional Medical Center

April 21, 2010

SUBJECT: Professional Medical Services Agreement between the County of Riverside and Faculty Physicians & Surgeons of Loma Linda University School of Medicine

RECOMMENDED MOTION:

- 1) Approve the Agreement with Faculty Physicians & Surgeons of Loma Linda University School of Medicine effective October 1, 2010;
- 2) Authorize the Chairperson to sign three (3) copies of the Agreement;
- 3) Retain one (1) copy and return two (2) copies of the executed Agreements to Riverside County Regional Medical Center for distribution.

BACKGROUND: Faculty Physicians & Surgeons of Loma Linda University School of Medicine (LLUSM) has agreed to make available to Riverside County Regional Medical Center (RCRMC) the full range of Pediatric Intensivists, General Pediatric, Neonatology and Pediatric Specialty Care Physicians required to meet the numerous requirements of the Hospital's California Children's Services (CCS) designation for the Pediatric Intensive Care Unit, Neonatology Unit, Pediatric Services and the Newborn Nursery. LLUSM will also provide a full scope of children's critical care and trauma services for the hospital.

Depi	also provide a full scope of children's critical care and trauma services for the hospital.						
	(continued on Page 2)		Donala M. Barlo				
•	DB:cg		Douglas D. Bagley, Hospital Director			tor	
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	FINANCIAL	Current F.Y. Total Cost:	\$1,597,500	In Current Year	Budget:	YES	
<u> </u>	DATA	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustm	ent:	NO	
Ċ		Annual Net County Cost:	\$ 0	For Fiscal Year:		10/11	
Į Į	SOURCE OF FU	JNDS: Enterprise Funds		ļ	Positions Deleted P		
					Requires 4	/5 Vote	
	C.E.O. RECOM	MENDATION:	APPROVE			· .	
Policy		(BY: Le Jucy Courn	over			
7	County Executive Office Signature						
∟ }							
Consent							
П							

Dep't Recomm.: Per Exec. Ofc.:

M

Consent

Prev. Agn. Ref.:

District:
ATTACHMENTS FILED

WITH THE CLERK OF THE BOARD

Agenda Number:

3.46

SUBJECT: Professional Medical Services Agreement between the County of Riverside and Faculty Physicians & Surgeons of Loma Linda University School of Medicine

Page 2

BACKGROUND (Continued):

As well as satisfying the CCS Program requirements, LLUSM will provide outpatient general pediatric and pediatric speciality care clinics for the hospital's outpatient clinical services.

RCRMC is the only hospital within the County of Riverside to provide a Pediatric Intensive Care Unit as part of their hospital's trauma program. In order to fulfill the requirements for the Pediatric Trauma designation, the hospital is required to obtain CCS certification for the hospital's Pediatric Intensive Care Unit.

The current standards of pediatric care in addition to the need to assure a high quality of healthcare is provided to infants, children and adolescents with a wide range of complex, and rapidly changing medical, surgical, and traumatic disorders necessitates a fully integrated delivery service for pediatric care to be implemented to meet the standards of the CCS Program. The specialties provided by LLUSM will include Board Certified Pediatric Intensive Care, Neonatology, General Pediatrics, Neurology, Gastroenterology, Endocrinology, High Risk Development, Cardiology, Infectious Disease, Nephrology, Hematology/Oncology, Pulmonology, Allergy/Immunology, and Nephrology physicians.

All services, including teaching and administrative responsibilities have been incorporated into the Agreement that clearly outlines the duties, obligations and responsibilities of the Contractor.

The Agreement has been approved by County Counsel.

FINANCIAL IMPACT:

- 1) Consistent with other professional service agreements, other services, as payable by non-County payors would be billable by the medical group. The County financial payment would be limited to \$2,130,000 per annum under this risk-sharing formula.
- 2) There are financial penalties associated with lack of performance for the agreement.

AGREEMENT FOR PROFESSIONAL MEDICAL SERVICES

This Agreement is entered into by and between the County of Riverside (COUNTY), a political subdivision of the State of California, on behalf of the Riverside County Regional Medical Center (HOSPITAL) and Faculty Physicians and Surgeons of Loma Linda University School of Medicine (LLUSM) (CONTRACTOR).

WHEREAS, Government Code Section 31000 authorizes the COUNTY to contract for professional services to be provided by persons who are specially trained, experienced and competent to perform the services required;

WHEREAS, COUNTY desires to obtain Pediatric, Pediatric Specialty, Pediatric Intensive and Neonatal Intensive Care services for the purpose of improving patient care and complying with requirements of Title 22 for acute care hospitals and Title 10 for managed care; and

WHEREAS, CONTRACTOR has the expertise, special skills, knowledge, and experience to perform the duties set out herein;

NOW THEREFORE the parties hereto enter into this Organized Health Care Arrangement (ORCA) under the terms of this Agreement, as a full statement of their respective responsibilities during the term of this Agreement, and in consideration of the representations made above and the covenants and conditions set forth herein, the parties agree as follows:

1.0 <u>DEFINITIONS</u>

- 1.1 "COUNTY" shall mean County of Riverside.
- 1.2 "HOSPITAL" shall mean Riverside County Regional Medical Center.
- 1.3 "JCAHO" shall mean the Joint Commission on Accreditation for Healthcare Organizations.
- 1.4 "Medical Staff Bylaws, Rules, and Regulations" shall mean HOSPITAL's Medical staff bylaws, rules and regulations, as amended from time to time.
 - 1.5 "Department" shall mean the HOSPITAL Department of Pediatrics.

1.6 "COUNTY Patients" shall mean patients treated by the CONTRACTOR IN ACCORDANCE WITH THIS agreement, and for the benefit of COUNTY, if: (1) the patients receive professional services from CONTRACTOR in HOSPITAL or any COUNTY owned or leased facility, regardless of the patients' payment source and whether or not CONTRACTOR bills, collects and retains the charges for services rendered, or (2) the patients are Uninsured/COUNTY Responsible Patients receiving professional services from CONTRACTOR per this Agreement on behalf on COUNTY, regardless of where the services are provided, or (3) the patients receive professional services from a COUNTY intern or resident working for CONTRACTOR or under CONTRACTOR's supervision, on COUNTY's behalf, in any facility, regardless of the patients' payment source and whether or not CONTRACTOR bills, collects and retains the charges for services rendered

2.0 <u>DESCRIPTION OF SERVICES</u>

2.1 COMPLIANCE WITH HOSPITAL MISSION, VISION, AND VALUES

Pediatric, Pediatric Specialty, Pediatric Intensive Care and Neonatal Intensive Care services shall be provided by CONTRACTOR in compliance with the HOSPITAL Mission, Vision, and Values which reflect COUNTY's and Contractor's commitment to providing quality health services to patients, regardless of their ability to pay, as well as quality education and training programs to resident physicians and other students of the HOSPITAL's teaching programs.

2.2 CONTRACTOR STAFFING

CONTRACTOR shall:

A. Provide adequate staffing to assume medical care responsibilities for pediatric, pediatric specialty care, pediatric intensive care and neonatal intensive care services under the direction of the Chair of the HOSPITAL Department of Pediatrics (DEPARTMENT) and the HOSPITAL Medical Director. CONTRACTOR shall (i) maintain a minimum of six (6) full-time CCS – paneled faculty physicians and allied health professionals who shall assume the medical care responsibilities for Pediatric Services for the Pediatric Department and

ensure there are qualified physicians available for consultations on a twenty-four (24) hours per day basis, seven (7) days per week to ensure proper operation of all units of responsibility on an inpatient basis and to provide outpatient pediatric clinic services five (5) full days per week; and (ii) CONTRACTOR shall maintain a minimum of five (5) CCS - paneled neonatal physicians and an adequate number of neonatal nurse practitioners, to augment the neonatal nurse practitioner services provided by the HOSPITAL, to assume the administrative and medical care responsibilities for the Neonatal Intensive Care Unit for patients admitted to the Neonatal Intensive Care Unit by CONTRACTOR medical staff along with the Neonatal High Risk Development Outpatient Clinic for four (4) half-day clinics per month; and (iii) CONTRACTOR shall provide an adequate number of board certified pediatric intensive care professionals to assume the administrative and medical care responsibilities for the Pediatric Intensive Care Unit for patients admitted to the Pediatric Intensive Care Unit by CONTRACTOR medical staff; and (iv) CONTRACTOR shall ensure that there are adequate numbers of qualified Pediatric Specialty care neurology, cardiology, endocrinology, pulmonary, and gastroenterology physicians to provide Pediatric Specialty care outpatient services at the HOSPITAL for fourteen (14) half-day pediatric specialty care clinics per month; and, (v) CONTRACTOR shall staff to adequately perform diagnostic procedures, inpatient and outpatient consultations, clinic services and on-call availability as specified in Section 2.6 of this Agreement. CONTRACTOR agrees to maintain compliance with applicable CCS physician standards for trauma services, neonatology services, pediatric intensive care services and pediatric services to ensure HOSPITAL retains CCS Program approval for all its pediatric services. This shall include ensuring that there are adequate numbers of qualified pediatric, pediatric specialty, neonatology and pediatric intensivist physicians to provide inpatient and outpatient services at the HOSPITAL. All administrative issues shall be directed to the HOSPITAL Medical Director for resolution.

B. Provide or recruit and maintain American Board of Medical Specialties (ABMS) or American Osteopathic Association (AOA) board-certified or active candidate

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- C. Provide suitable staff replacement coverage for any CONTRACTOR pediatrician, neonatologist, pediatric intensivist or any pediatric specialist physician absent due to extended illness, vacation, seminar attendance, or termination of employment with CONTRACTOR, who was assigned at HOSPITAL under the terms of this Agreement.
- D. Ensure that CONTRACTOR pediatric, neonatology, pediatric intensivist, or pediatric specialty physician professionals have verifiable pediatric, neonatology, pediatric intensivist, or pediatric specialty care experience and training and must obtain and remain credentialed at all times under the Term of this Agreement. Such providers also shall be required by CONTRACTOR to meet HOSPITAL teaching faculty credentialing requirements established in conjunction with HOSPITAL teaching programs and affiliation agreements with teaching institutions.

2.3 CONTRACT COORDINATOR

CONTRACTOR agrees to provide the services of a physician who is acceptable to HOSPITAL to serve as the CONTRACTOR contract coordinator (COORDINATOR) for purposes of negotiation, implementation, and coordination of the fulfillment of responsibilities under this Agreement. CONTRACTOR shall not replace the approved CONTRACTOR physician COORDINATOR without the prior approval of the

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HOSPITAL. Ricardo Peverini, M.D. shall serve as COORDINATOR for all pediatric, neonatology, pediatric intensivist, and pediatric specialty Professional services in this capacity until such time as mutually agreeable.

2.4 STAFF REMOVAL

- 2.4.1 COUNTY shall reserve the right, exercisable in its discretion after consultation with CONTRACTOR, to exclude any CONTRACTOR physician or other CONTRACTOR staff from its premises in the event such person's conduct or state of health is deemed objectionable or detrimental, having in mind the proper administration of COUNTY facilities and according to HOSPITAL Medical Staff Bylaws, Rules, and Regulations as may be amended from time to time.
- 2.4.2 Not withstanding any other provision of the Agreement, CONTRACTOR will ensure that any CONTRACTOR physician or healthcare professional assigned to COUNTY, if charged with a felony, will be removed from COUNTY premises until said matter is fully resolved to the satisfaction of COUNTY.
- 2.4.3 The professional services of CONTRACTOR shall be subject to the HOSPITAL Medical Staff Appeals Provision of the Medical Staff Bylaws, Rules, and Regulations, or other appropriate rule or regulation of HOSPITAL as may be amended from time to time.

2.5 <u>PEDIATRIC, NEONATOLOGY, PEDIATRIC INTENSIVE CARE, AND</u> <u>PEDIATRIC SPECIALTY SERVICES</u>

2.5.1 Services to be provided for will include, but not be limited to, neonatal services to the Neonatal Intensive Care Unit (NICU), pediatric intensive care services to the Pediatric Intensive Care Unit (PICU), pediatric services for the general Pediatric Unit, pediatric services for the Newborn Nursery, transport of neonatal patients, general and specialty care pediatric outpatient clinical services, development of treatment protocols, and supervision of diagnostic testing (as applicable).

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2.5.2 CONTRACTOR will provide inpatient and outpatients consultation on a routine and emergency basis, including trauma, and in accordance with CCS guidelines, rules and regulations.

2.6 ON-CALL COVERAGE

CONTRACTOR will provide on-call coverage fifty-two (52) weeks per year, twenty-four (24) hours per day, seven (7) days per week as coordinated by the Chief of the Department of Pediatrics. Physicians who are on-call shall have a response time to HOSPITAL, by telephone, within thirty (30) minutes, and CCS-paneled physician(s) shall have a response time in compliance with CCS guidelines at all times.

This shall include ensuring that there are adequate numbers of qualified pediatric critical care physicians or pediatric critical care nurse practitioners to provide full-time service at HOSPITAL on a twenty-four (24) hour basis, seven (7) days per week, with an on-call response time to HOSPITAL within thirty (30) minutes of the attempt to contact Pediatric Intensivist to ensure proper operation of all areas Pediatric Critical Care responsibilities for inpatient and transport services.

In addition to the above, at a minimum, a CCS qualified Neonatology Physician, or Neonatal Nurse Practitioner shall be available on-site to the Neonatal Intensive Care Unit (NICU), in compliance with CCS guidelines, at HOSPTIAL on a twenty-four (24) hour basis, seven (7) days per week. CONTRACTOR staff shall provide services to the NICU, in compliance with CCS guidelines at all times.

At least one (1) pediatric intensivist physician will respond to all Pediatric Level A trauma activations, to be on-call on-site at HOSPITAL, within thirty (30) minutes, on average, of a trauma arrival to the HOSPITAL Emergency Department.

3.0 RESPONSIBILITIES

3.1 CONTRACTOR AND COUNTY

Each party agrees to maintain an environment which is conducive to quality

medical care provision and training as it pertains to pediatric, neonatology, pediatric intensivist and pediatric specialty care services by providing facilities to properly care for patients and by encouraging critical dialogue between teaching staff and trainees through rounds, conferences, and patient care procedures. 3.2 CONTRACTOR 3.2.1 CONTRACTOR agrees to provide Pediatric, Neonatology, and Pediatric Intensivist Professional services and to provide pediatric and pediatric specialty half-day clinic(s) as described in Section 2.2 above. In addition, CONTRACTOR will provide inpatient and outpatient consultations and diagnostic procedures on a routine and emergency basis. 3.2.2 CONTRACTOR shall be obligated to: Respond by phone consultation and/or on-site at HOSPITAL for Α. pediatric, neonatology, pediatric intensivist and pediatric specialty care services in accordance with CCS guidelines, HOSPITAL Medical Staff Bylaws, Rules, and Regulations, and related HOSPITAL policies and procedures. Assume responsibility for the professional operation and B. Professional services of the Department of Pediatrics. Any esoteric, unusual, or other patient care procedures that cannot be reasonably performed through the DEPARTMENT will be sent to an outside provider mutually agreeable to the patient and parties hereto. C. Include charting the progress of patients and updating the care plan as needed in a timely fashion. D. Provide complete medical records for all patients cared for no later than fourteen (14) days after patient discharge in compliance with COUNTY Medical Staff Bylaws, Rules and Regulations. CONTRACTOR agrees to dictate reports immediately after completion of procedures. **Employer Obligations** 3.2.3 CONTRACTOR agrees to all employer obligations for CONTRACTOR

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staff. COUNTY shall not be, or be construed to be, the employer of CONTRACTOR physicians for any purpose whatsoever. CONTRACTOR shall be solely liable and responsible for all employer obligations, if any, with respect to such physicians. Such obligations shall include, but are not limited to, any payment of salary and all other compensation and fringe benefits; responsibility for federal and State withholding taxes and Social Security taxes; compliance with and responsibility for all applicable federal and State wage/hour obligations; unemployment benefits; disability benefits; and all other applicable taxes, benefits, and contributions to employment-related insurance and similar programs. In the event that COUNTY is for any reason required to pay any such obligations, CONTRACTOR shall reimburse COUNTY for any and all amounts paid by COUNTY to meet such obligations.

3.2.4 Administrative Obligations

CONTRACTOR shall:

A. Assist to establish rules and regulations along with the compliance standards of CCS guidelines for the operation of pediatric, neonatology, pediatric intensive care and pediatric specialty care services with its appropriate areas including, but not limited to, Pediatric Clinic, Neonatal Intensive Care Unit (NICU), High Risk Development Clinic, Newborn Nursery, Pediatric Intensive Care Unit (PICU), Pediatric Specialty Care Clinics, Emergency Department, Transport Services and inpatient and outpatient consultative services.

- B. Assist to establish criteria for issuing Pediatric, Neonatology, Pediatric Specialty, and Pediatric Intensivist clinical and practice privileges and assist when requested to review the credentials of all physicians applying for clinical privileges in the DEPARTMENT in all of its areas of service for making appropriate recommendations for approval by the Chair of the DEPARTMENT, HOSPITAL Medical Staff Credentials Committee for physicians, and by the Medical Executive Committee for all.
- C. Provide proctoring and review on a regular basis for the clinical and educational performances of all Pediatric, Pediatric specialty, Neonatology and Pediatric

Intensivist healthcare professionals working on-site at HOSPITAL in accordance with any applicable HOSPITAL Medical Staff Bylaws, Rules, and Regulations, and HOSPITAL policies and procedures, as well as Accreditation Council for Graduate Medical Education (ACGME), American Board of Osteopathic Medicine, and Joint Commission on Accreditation for Healthcare Organizations (JCAHO) standards, as applicable.

- D. Provide HOSPITAL with annual performance objectives and evaluations to include age-specific competency and job skills on each of its non-physician employees who may work at HOSPITAL under this Agreement in accordance with JCAHO standards and applicable HOSPITAL policies and procedures.
- E. Establish and implement, in conjunction with HOSPITAL and HOSPITAL affiliated medical schools or other teaching institutions, clinical training programs at HOSPITAL designed to meet the educational requirements for the teaching of physician residents, other medical staff, paramedical trainees, and medical students receiving training at HOSPITAL. CONTRACTOR will ensure that such training programs are established and presented on an ongoing basis and updated annually or more frequently as needed and that all pertinent requirements are met and duties performed which are necessary to meet the terms of affiliation agreements established between the HOSPITAL and medical schools, universities, colleges, and other institutions or agencies in regard to training in General Pediatrics, Pediatric Specialty, Neonatolgy and Pediatric Intensivist Professional services. CONTRACTOR's development of affiliation agreements shall be coordinated and approved by HOSPITAL Administration.
- F. Require each physician or other CONTRACTOR staff who reports on-site at HOSPITAL to comply with COUNTY and HOSPITAL requirements for health screening tests determined appropriate by COUNTY, to conform to all applicable HOSPITAL Medical Staff Bylaws, Rules, and Regulations, COUNTY policies, procedures, and regulations, and to all additional requirements and restrictions agreed upon by representatives of COUNTY and CONTRACTOR.

1	G. Participate and cooperate in the HOSPITAL Performance							
2	Improvement and Safety Programs.							
3	H. Report to HOSPITAL the following information about each							
4	physician or other staff or trainee at least two (2) weeks before start of work onsite:							
5	1. Name, address, and telephone number.							
6	2. Health care providers and/or health insurance.							
7	3. All other reasonable information about the physicians, other							
8	staff, or trainees as requested by COUNTY.							
9	4. An "Application for Professional Liability Insurance for							
10	Employed/Contract Physicians and Surgeons Affiliated with the Following Institutions" form							
11	completed by each Physician assigned to work at HOSPITAL under the requirements of this							
12	Agreement, submitted to the HOSPITAL Medical Director for review and signature prior to							
13	submittal to County Risk Management forapproval.							
14	Cover any other appropriate administrative area of responsibility							
15	as requested by the Chair of the DEPARTMENT and/or the HOSPITAL Medical Director and							
16	accepted by CONTRACTOR.							
17	J. Participate in all managed care programs contracted by,							
18	sponsored by, or approved by HOSPITAL and all appropriate practice activities of the							
19	HOSPITAL Medical Staff.							
20	K. Require CONTRACTOR physicians and other healthcare staff							
21	to attend any orientation program presented for them by HOSPITAL.							
22	L. Provide residents and student trainee(s) with orientation							
23	information about COUNTY facilities and operations in accord with any orientation presented							
24	by HOSPITAL to CONTRACTOR physicians and/or other staff.							
25	M. In coordination with the Chair of the Department Pediatrics,							
26	provide monthly schedules for physicians.							
27	3.2.5 Additional Supervisory/Management Responsibilities							

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3.2.5.1 CONTRACTOR shall ensure that:

Those physicians designated by CONTRACTOR Α. pursuant to this Agreement shall be responsible for supervising and monitoring all inpatient and outpatient Pediatric, Pediatric Specialty, Pediatric Intensivist Professional services provided by the Department of Pediatrics, and Neonatology Professional services provided by the Division of Neonatology, as coordinated with the Chair of the Department of Pediatrics.

The clinical and educational activities of trainees on site B. from HOSPITAL residency training programs and affiliated teaching institutions shall be supervised according to the requirements of the training program and the terms of any associated affiliation agreement, and in accordance with Medicare requirements.

3.2.5.2 CONTRACTOR agrees:

A. That responsibility for direct patient care and supervision of Pediatric, Pediatric Specialty, Neonatology and Pediatric Intensivist Professional services includes attendance and participation in committee meetings and ongoing quality improvement activities in accordance with the HOSPITAL Performance Improvement and Patient Safety Plan, as approved by the Riverside County Board of Supervisors.

- B. To timely attendance at clinics and to cancel clinics only with advanced written notice and approval of the HOSPITAL Medical Director, and Hospital Director/Chief Executive Officer (CEO).
- To serve as provider(s) of specialty services under the C. provisions of managed care contracts and other contracts entered into by HOSPITAL.

3.2.6 Projection of Needs

CONTRACTOR agrees to assist in projection of space, personnel, and equipment needs annually for the areas of responsibility by this Agreement for each County fiscal year and project needs for future years as required by HOSPITAL. Such evaluations and projections will be submitted in writing to HOSPITAL Medical Director.

3.2.7 Use of Premises

CONTRACTOR shall use the HOSPITAL premises solely for the provision of the services specified herein. No part of the premises of HOSPITAL shall be used at any time by CONTRACTOR as an office for the practice of medicine or for any purpose(s) other than as expressed in this Agreement.

3.2.8 Clinic Budget

CONTRACTORat all times shall conduct the Department in a cost efficient and effective manner, subject to budgetary systems and constraints established by the HOSPITAL in consultation with the HOSPITAL Medical Director.

3.2.9 License and/or Certification

3.2.9.1 CONTRACTOR verifies upon execution of this Agreement possession of a current and valid license in compliance with any local, State, and federal laws and regulations relative to the scope of services to be performed under this Agreement.

3.2.9.2 CONTRACTOR verifies that services shall be performed at all times by qualified, properly trained, and licensed or certificated staff in the field(s) of Pediatrics, Pediatric Specialty, Neonatology and PediatricIntensive Care.

3.2.10 Infectious Disease Certification

CONTRACTOR shall, within ten (10) days of signing this Agreement, and annually thereafter, provide HOSPITAL Administration, a current written report, signed by the properly qualified party performing the examination, verifying that CONTRACTOR personnel are able to perform the assigned duties and are free from symptoms indicating the presence of infectious disease. Said report shall initially contain the results of a skin test for tuberculosis using Purified Protein Derivative intermediate strength or a chest x-ray. CONTRACTOR personnel shall not perform any services hereunder if the personnel evidence symptoms of any infectious disease.

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1	3.2.11 Miscellaneous					
2	CONTRACTOR will:					
3	A. Take no steps to recruit HOSPITAL staff for employment during					
4	the course of this Agreement or during the three-month period after termination of this					
5	Agreement.					
6	B. Comply with all local, State, and federal ordinances, statutes,					
7	laws, rules, or regulations applicable to the employment of the personnel assigned to					
8	HOSPITAL.					
9	C. Be accountable for being in compliance with all billing					
10	regulations and laws regarding provision of Pediatric, Pediatric Specialty, Neonatology and					
11	Pediatric Intensivist Professional services and physician consultations as well as in					
12	conjunction with residency supervision.					
13	D. Follow protocols and procedures for inmates being served by					
14	the HOSPITAL and requiring Pediatric, Pediatric Specialty, Neonatology and Pediatric					
15	Intensivist Professional services, as applicable.					
16	E. Carry out all additional duties and functions of the HOSPITAL					
17	as delineated in the HOSPITAL Medical Staff Bylaws, Rules, and Regulations as appropriate.					
18	F. CONTRACTOR agrees to assist HOSPITAL, upon request, in					
19	planning, developing, and establishing specialty care clinics for the effective management of					
20	Pediatric, Pediatric Specialty, Neonatology and Pediatric Intensivistpatients care.					
21	G. CONTRACTOR acknowledges that no investigational use of					
22	equipment, pharmaceuticals, or conduct of research may be undertaken at HOSPITAL without					
23	HOSPITAL Investigation Review Board approval according to requirements contained in the					
24	Medical Staff Bylaws and HOSPITAL Policies and Procedures.					
25	4.0 COUNTY					

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It is mutually agreed and understood that the Hospital receives funds from the

COUNTY, which, in aggregate, are used to support the clinical operations of HOSPITAL. In						
the event the COUNTY ceases to provide the Hospital with funding to support clinical						
operations, this Agreement shall be deemed terminated and of no further force and effect						
immediately in receipt of COUNTY"S notification to CONTRACTOR. The parties understand						
that such event would require the complete withdrawal of all COUNTY funding to Hospital.						
Should termination of this Agreement, occur due to non-availability of COUNTY funds, any						
existing inpatient services being provided by CONTRACTOR at HOSPITAL shall continue until						
patient discharge. In the event of such termination, CONTRACTOR shall be entitled to						
reimbursement of costs in accordance with Section 3, Compensation, of this Agreement.						
4.2 COUNTY agrees to:						
A. Maintain State licensure through the California Department of						
Health Services and accreditation status with the Joint Commission on Accreditation of						
Healthcare Organizations.						
B. Provide sufficient information about its specific needs so that						
CONTRACTOR may provide the appropriate staff with the necessary skills and experience.						
C. Assist CONTRACTOR, on a continuing basis, with the						
evaluation of CONTRACTOR staff by providing performance information to the						
CONTRACTOR COORDINATOR.						
D. Immediately notify CONTRACTOR of any particular problems						

D. Immediately notify CONTRACTOR of any particular problem regarding staff.

E. Provide necessary emergency health care or first aid required by an accident occurring at COUNTY facilities.

F. Retain ultimate professional and administrative accountability for all patient care.

G. Take no steps to recruit CONTRACTOR staff for employment during the Term of this Agreement or for ninety days thereafter.

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4.3 COUNTY shall be responsible for the:

A. Hiring, scheduling, promotion, compensation, discipline, and termination of all COUNTY personnel at COUNTY facilities. COUNTY shall consult with CONTRACTOR to the extent practicable regarding any necessary reductions, expansions, or changes in such staffing, although the parties recognize COUNTY's right to make all final decisions with respect to such reductions, expansions, or changes.

B. Discipline of COUNTY personnel, and COUNTY shall investigate complaints by CONTRACTOR regarding COUNTY personnel to determine the necessity for specific action. Whenever such complaint provides reasonable grounds to believe that the safety of any person or property in COUNTY facilities may be at risk, COUNTY shall make reasonable efforts consistent with COUNTY's established procedures, to reassign such personnel pending resolution of the complaint.

C. Compensation of COUNTY personnel who provide Pediatric, Pediatric Specialty, Neonatology and Pediatric Intensivist Professional services at HOSPITAL and who are not providers of CONTRACTOR.

4.4 Provisions by HOSPITAL

HOSPITAL shall consult with CONTRACTOR as to the elements HOSPITAL deems necessary for the proper operation of the clinic(s), and Pediatric, Pediatric Specialty, Neonatology and Pediatric Intensivist Professional services and shall furnish, at its expense, for the use of CONTRACTOR, all such elements, including but not limited to the following:

4.4.1 Space

HOSPITAIshall furnish and make available to CONTRACTOR space presently designated for the Department, together with such other space as may be mutually agreed upon by the parties; provided that HOSPTIAL shall have the right to withdraw, relocate, or modify such space as it deems reasonably necessary, provided, however, HOSPITAL shall at all times furnish and make available space reasonably required by

CONTRACTOR to provide the professional services for which it is obligated under this Agreement.

4.4.2 Office Space and Support Staff

HOSPITAL shall provide to CONTRACTOR office space and the services of clerical staff to insure appropriate clerical support for the Chair of the Department.

4.4.3 Utilities and Ancillary Departments

(including hazardous, infectious, medical and radioactive waste disposal), mail and HOSPITAL courier service, and utilities including gas, water, heat electricity and all other types of utility services reasonably necessary for the proper operation of the Clinic(s), the Department and the HOSPITAL. HOSPITAL shall also provide the services of its administrative and other support departments, including administration, accounting, engineering, medical transcription, and purchasing, as reasonably necessary for the proper operation of the Clinic(s), the Department and the HOSPITAL. HOSPITAL Administration shall assist the CONTRACTOR in the administrative management of the Department by (i) providing HOSPITAL policies and procedures, Medical Staff Bylaws, and the House Staff Manual to CONTRACTOR, and (ii) informing the CONTRACTOR of plans of HOSPITAL which pertains to the operation of the Pediatric Clinic(s), Pediatric Specialty Clinic(s) and the High Risk Developmentclinic.

4.4.4 Equipment

HOSPITAL shall furnish equipment as HOSPITAL and medical staff, including the HOSPITAL projects and Priorities Committee and the HOSPITAL Product Evaluation Committee, mutually agree is necessary for the proper operation of the Department, Clinic(s) and HOSPITAL. HOSPITAL shall keep and maintain said equipment in good order and repair and shall replace and upgrade such equipment as it may become worn or obsolete.

4.4.5 Supplies

HOSPITAL shall furnish all expendable and non-expendable

supplies, such as drugs, chemicals, stationary, and similar supplies reasonably necessary for the proper operation of the Department.

4.4.6 Other Personnel

All other personnel, including but not limited to physician, nursing, administrative or other non-medical personnel as HOSPITAL deems necessary for the proper operation of the Department shall be either employed or contracted outside the Agreement as separate contractors, and compensated by HOSPITAL in consultation with the Medical Director of the Hospital. Furthermore, HOSPITAL shall give due consideration to removing any such person from the Clinic(s) upon request by the CONTRACTOR. In the performance of their duties in the Clinic(s), such personnel shall be subject to the supervision of the HOSPITAL Administrators, HOSPITAL Administration, or the Hospital Medical Director, as appropriate.

5.0 COMPENSATION

- 5.1 CONTRACTOR shall bill HOSPITAL for its services in accordance with the Fee Schedule in Exhibit A, attached hereto and thereby incorporated herein. All billings of CONTRACTOR shall clearly reflect the services for which the billing is made, including the physicians who rendered services, the date services were rendered, the rates charged, and the hours worked.
- 5.2 The rates contained in the Fee Schedule shall remain in effect for the Term of this Agreement.
- 5.3 Invoices shall be submitted monthly. Payment shall be due thirty (30) working days from the date of receipt of the invoice.
- 5.4 Such payment by HOSPITAL shall be deemed to be made for, as provided by this Agreement, services only, and HOSPITAL shall not make, nor shall CONTRACTOR claim, any reimbursement for time and expense in any manner connected with transportation to or from the site at which CONTRACTOR shall or may render services hereunder.
 - 5.5 HOSPITAL reserves the right to correct errors on invoices, after prior

notification and discussion with CONTRACTOR, and pay to CONTRACTOR the corrected amounts.

5.6 Maximum payments by HOSPITAL to CONTRACTOR shall be as specified in Exhibit A, attached hereto.

6.0 TERM/TERMINATION

- 6.1 This Agreement will be effective for an "Initial Term" from October 1, 2010, through June 30, 2011 and automatically continue on a year-to-year basis. Either party may terminate this Agreement, without cause, at the end of the Initial Term by giving one hundred eighty days (180) days prior written notice to the other party, unless otherwise terminated in accordance to the provisions of Section 11 of the Agreement, or as otherwise specified herein. Either party may terminate this Agreement immediately for a breach of this Agreement, by giving written notice to the other parties. Failure to abide by the agreed terms and conditions may result in immediate termination of the Agreement.
- 6.2 Either party may terminate this Agreement, after the Initial Term of the Agreement, at any time, without cause, by giving one hundred eighty (180) days prior written notice to the other party.
- 6.3 Notwithstanding any of the provisions of this Agreement, CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon CONTRACTOR's closure; i.e., failure to continue in business, or in the event of fraud, dishonesty, or a willful or material breach of this Agreement by CONTRACTOR, or, at HOSPITAL's election, in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the duties hereunder. In such event, CONTRACTOR shall be entitled to no further compensation under this Agreement, it being the intent that CONTRACTOR shall be paid as specified in Exhibit A only during such period that CONTRACTOR shall, in fact, be performing the duties hereunder.
- 6.4 In the event that there shall be a change in the Medicare or Medi-Cal Acts, regulations, or general instructions (or application thereof), the adoption of new regulation(s),

or a change in any third-party payer reimbursement system, any of which materially affects the reimbursement which CONTRACTOR or COUNTY may receive for services furnished to patients through this Agreement, either party may by notice propose a new basis for compensation for the services furnished pursuant to this Agreement. If such notice of new basis is given and if CONTRACTOR and COUNTY are unable within thirty (30) days thereafter to agree upon a new basis for compensation, either party may terminate this Agreement by sixty (60) days notice to the other on any future date specified in such notice.

6.5 In the event of non-availability of COUNTY funds, this Agreement shall be deemed terminated and of no further force and effect immediately on receipt of COUNTY's notification to CONTRACTOR. In the event of such termination, CONTRACTOR shall be entitled to reimbursement of costs in accordance with Section 5, Compensation.

7.0 **INDEMNIFICATION**

CONTRACTOR agrees to indemnify and hold harmless the COUNTY of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, agents, employees, and representatives from any and all liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives resulting from this Agreement, including but not limited to, property damage, bodily injury, or death or any other element of any kind or nature whatsoever resulting from the performance of CONTRACTOR, its officers, agents, employees, subcontractors, or representatives from this Agreement. CONTRACTOR shall defend, at its sole expense, all costs and fees including, but not limited to, attorney fees, cost of investigation, defense and settlements or awards, the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives in any claim or action based upon such alleged liability.

With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of

their own choice and shall have the right to adjust, settle, or compromise any such action of claim without the prior consent of COUNTY; provided however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR's indemnification to COUNTY as set forth herein.

CONTRACTOR's obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR's obligation to indemnify and hold harmless the COUNTY herein from third party claims.

In the event there is a conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the COUNTY to the fullest extent allowed by law.

Liability resulting from Professional acts of the CONTRACTOR shall be subject to the terms of Exhibit C, attached hereto.

8.0 <u>INSURANCE</u>

Without omitting or diminishing the CONTRACTOR 's obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Agreement.

8.1 WORKERS' COMPENSATION INSURANCE AND EMPLOYERS' LIABILITY

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) and/or program of self-insurance as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. This policy shall be endorsed to waive

subrogation in favor of The County of Riverside, and if applicable to provide a Borrowed Servant/Alternate Employer Endorsement.

8.2 COMMERCIAL GENERAL LIABILITY INSURANCE

Commercial General Liability Insurance and/or program of self-insurance coverage including, but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury covering claims which result from or out of CONTRACTOR's performance of its obligations hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit.

8.3 VEHICLE LIABILITY

8.3.1 If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain vehicle liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, elected officials, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

8.4 GENERAL INSURANCE PROVISIONS

8.4.1 Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A.M. BEST rating of not less than an A:VIII (A:8) unless the requirements are waived, in writing, by the County Risk Manager. If the

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County's Risk Manager waivers a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

8.4.2 The CONTRACTOR's Insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles and retentions exceed \$500,000 per occurrence such deductibles or self-insured retentions shall have the prior written consent from the County Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self-insured retentions unacceptable to COUNTY, and at the election of the County Risk Manager, CONTRACTOR's carriers shall either; 1) reduce or eliminate such deductibles or self-insured retentions as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, and defense costs and expenses.

8.4.3 CONTRACTOR shall cause CONTRACTOR's insurance carrier(s) to furnish the County of Riverside with either; 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements affecting coverage as required herein, or 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the County of Riverside has been furnished original Certificate(s) of Insurance and certified original copies of endorsements and if requested,

certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

- 8.4.4 It is understood and agreed to by the parties hereto and the insurance company(s) that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and COUNTY's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.
- 8.4.5 The COUNTY's Reserved Rights-Insurance. If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or, the term of this Agreement, including any extensions thereof, exceeds five (5) years the COUNTY reserves the right to adjust the types of insurance required under this Agreement and the monetary limits of liability for the insurance coverage's currently required herein, if; in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.
- 8.4.6 CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement
- 8.4.7 The insurance requirements described herein may be met with a program of self-insurance or a combination of insurance and self-insurance.
- 8.4.8 CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

9.0 OSHA REGULATION

CONTRACTOR certifies awareness of the Occupational Safety and Health Administration (OSHA) of the U.S. Department of Labor regulations, the derivative Cal/OSHA

standards, and laws and regulations relating thereto, and shall comply therewith as to all relative elements under this Agreement.

10.0 JCAHO STANDARDS

CONTRACTOR certifies awareness of the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) Standards for Acute Care Hospitals and Ambulatory Care Clinics and shall comply therewith as to all relative elements, including competency requirements under this Agreement.

11.0 WORK PRODUCT

All reports, preliminary findings, or data assembled or compiled by CONTRACTOR under this Agreement become the property of the COUNTY. The COUNTY reserves the right to authorize others to use or reproduce such materials. Therefore, such materials may not be circulated in whole or in part, nor released, to the public without the direct authorization of the Hospital Director or an authorized designee.

12.0 RESEARCH/INVESTIGATIONAL STUDIES

CONTRACTOR agrees, in compliance with COUNTY Medical Staff Bylaws, Rules and Regulations, that any investigational study protocols or planned research to be done at Riverside County Regional Medical Center (RCRMC) will be submitted to the RCRMC Institutional Review Board (IRB) for approval and coordination of final approval from the RCRMC Medical Executive Committee (MEC) prior to implementation of any part of the protocol or research at RCRMC. CONTRACTOR agrees that no patients enrolled in research studies will be admitted to, or registered as an outpatient at, RCRMC for provision of care under the procedures of the research protocol or study design until final IRB and MEC approvals of the research have been granted.

13.0 ASSIGNMENT/DELEGATION

13.1 This Agreement shall not be delegated or assigned by CONTRACTOR, either in whole or in part, without prior written consent of COUNTY, provided, however, obligations undertaken by CONTRACTOR pursuant to this Agreement may be carried out by means of

subcontracts if approved by COUNTY. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY pursuant to this Agreement. CONTRACTOR agrees that subcontracts developed to provide services or perform any investigational studies or research at RCRMC shall contain the same obligations contained in this Agreement regarding the performance of patient care services at RCRMC. Any attempted assignment or delegation in derogation of this paragraph shall be void. It is acknowledged and agreed that this paragraph is not intended to limit the use of independent contractors by CONTRACTOR under this Agreement.

- 13.2 CONTRACTOR shall indemnify and hold harmless COUNTY from the acts of any subcontractor in accordance with Section 7, Indemnification.
- 13.3 CONTRACTOR agrees that each of its subcontracts or agreements with all of the physicians and health professionals providing services at HOSPITAL must contain a clause whereby said physicians and health professionals who jeopardize the license or accreditation of HOSPITAL may be removed from HOSPITAL by CONTRACTOR and/or HOSPITAL.
- 13.4 CONTRACTOR agrees that any development of physician residency training agreements wherein the resident(s) will be placed at RCRMC must be submitted at least sixty (60) days in advance to RCRMC Administration for review and processing prior to making any commitment to the resident(s) regarding such placement.
- 13.5 A change in the business structure of CONTRACTOR, including but not limited to a change in the majority ownership, change in the form of CONTRACTOR's business organization, management of CONTRACTOR, CONTRACTOR's business organization, CONTRACTOR's ownership of other businesses dealing with CONTRACTOR under this Agreement, or filing reorganization or bankruptcy by CONTRACTOR shall be deemed an assignment for purposes of this Section.

14.0 COVENANTS NOT TO COMPETE

14.1 During the term of this Agreement, CONTRACTOR shall not for any reason

enter into an agreement with any entity or person to serve as director of, or otherwise perform services in any facility within the County of Riverside and extending for a ten (10) mile radius from HOSPITAL. COUNTY acknowledges CONTRACTORs current participation with sites and various hospital facilities in existence prior to this Agreement that does not conflict with the performance of services required under this Agreement

- 14.2 Any exceptions to the above can only be permitted upon the prior written approval of the Hospital Director/CEO.
- 14.2 In the event of any breach or threatened breach of this provision,
 HOSPITAL shall be entitled to injunctive or other equitable relief. Such relief shall be in
 addition to, but not in lieu of, any other remedies that may be available to HOSPTAL,
 including an action for the recovery of damages. If a court of competent jurisdiction
 determines that the scope of this provision is too broad in any respect, the scope shall be
 deemed to be reduced and/or narrowed to such scope as is found lawful and reasonable
 by such court. However, the parties acknowledge that this provision has been negotiated
 by the parties and that the geographical limitations as well as the limitation on activities are
 reasonable in light of the circumstances surrounding this Agreement.

15.0 WAIVER OF PERFORMANCE

Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term thereof. Failure on the part of the COUNTY to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or stopping COUNTY from enforcement hereof.

16.0 RECORDS AND REPORTS

- 16.1 CONTRACTOR agrees to provide to COUNTY such reports as may be required by the Hospital Director, or designee, with respect to the services set forth under this Agreement.
 - 16.2 To the extent necessary to prevent disallowance of reimbursement under42

 U.S.C. 1395x(v)(I)(1), and regulations promulgated pursuant thereto, until the expiration of five (5) years after the furnishing of services under this Agreement, CONTRACTOR shall make available, upon written request to the Comptroller General of the U.S. General Accounting Office, or any of their duly authorized representatives, a copy of this Agreement and such books, documents, and records as are necessary to certify the nature and extent of the cost of the services provided by CONTRACTOR.

16.3 COUNTY agrees to provide CONTRACTOR with access to all reports, records and other applicable patient information as may be needed by CONTRACTOR to provide and (if applicable) bill for patient care services.

17.0 PERFORMANCE EVALUATION

CONTRACTOR hereby agrees to permit an appropriate official of the HOSPITAL, State or federal government to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement. Monitoring shall include a quarterly assessment of the performance requirements listed in Exhibit A, Section 1.2 Performance Requirements, attached hereto, and is hereby incorporated herein. The quarterly assessment reports shall be reviewed jointly by HOSPITAL and CONTRACTOR to evaluate CONTRACTOR's performance under this Agreement.

18.0 CONFIDENTIALITY

- 18.1 CONTRACTOR shall maintain the confidentiality of any and all patient records and information which may be reviewed under the terms and intent of this Agreement, including protection of names and other identifying information from unauthorized disclosure, except for statistical information which shall not identify any patient and which shall be used only for carrying out the obligations of CONTRACTOR under this Agreement.
- 18.2 CONTRACTOR shall not disclose, except as specifically permitted by this Agreement, or as authorized by the patient(s), any oral or written communication, information, or effort of cooperation between HOSPITAL and CONTRACTOR, or between HOSPITAL and CONTRACTOR and any other party.

18.3 CONTRACTOR shall observe all Federal, State, and COUNTY laws and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 and any subsequent revisions thereto, concerning the security and privacy of patient records and information.

19.0 INDEPENDENT CONTRACTOR

19.1 The CONTRACTOR is, for purposes arising out of this Agreement, an Independent Contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR shall in no event, as a result of this Agreement, be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, Workers' Compensation benefits and injury leave or other leave benefits. CONTRACTOR hereby holds COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement. Notwithstanding the foregoing, if COUNTY determines that pursuant to federal and State law CONTRACTOR is an employee for purposes of income tax withholding, COUNTY shall upon two (2) weeks notice to CONTRACTOR withhold from the payments hereunder to CONTRACTOR, federal and State income taxes and pay said sums over to the federal and State Governments.

19.2 It is further understood and agreed by the parties hereto that CONTRACTOR in the performance of its obligations hereunder is subject to the control or direction of HOSPITAL merely as to the result to be accomplished by the services hereunder agreed to be rendered and performed and not as to the means and methods for accomplishing the results, provided always that the services to be performed hereunder by CONTRACTOR shall be provided in a manner consistent with all regulatory, including federal, State, and local agencies, accrediting and licensing agencies, HOSPITAL Medical Staff Bylaws, Rules, and Regulations, and policies and procedures, as may be amended from time to time, as well as community standards governing such services and the provisions of this Agreement.

20.0 NONDISCRIMINATION

- 20.1 To the extent prohibited by applicable law, CONTRACTOR shall not unlawfully discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel, on the basis of ethnic group identification, race, color, creed, ancestry, religion, national origin, sexual preference, sex, age (over 40), marital status, medical condition, or physical or mental handicap, and shall comply with all other applicable requirements of law regarding nondiscrimination and equal opportunity employment including those laws pertaining to the prohibition of discrimination against qualified handicapped persons in all programs or activities, and to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment Practices Act (commencing with Section 12990 et seq. of the Government Code) and Federal Civil Rights Act of 1962 (P.L. 88-352).
- 20.2 For the purpose of this Agreement, distinctions on the grounds of race, religion, color, sex, nationality, age, or physical or mental handicap include, but are not limited to, the following:
- A. Denying an eligible person or providing to an eligible person any services or benefit which is different, or is provided in a different manner or at a different time from that provided to other eligible persons under this Agreement.
- B. Subjecting an eligible person to segregation or separate treatment in any matter related to receipt of any service, except when necessary for infection control.
- C. Restricting an eligible person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving a similar service or benefit.
- D. Treating an eligible person differently from others in determining whether he/she satisfied any eligibility, membership, or other requirement or condition which individuals must meet in order to be provided a similar service or benefit.
- E. The assignment of times or places for the provision of services on the basis of race, religion, color, sex, national origin, age, or physical or mental handicap of the

eligible person to be served.

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21.0 CONFLICT OF INTEREST

The parties hereto and their respective employees or agents shall have no interest, and shall not acquire any interest, direct or indirect, which will conflict in any manner or degree with the performance of services required under this Agreement. CONTRACTOR shall submit an annual statement of economic conflict of interest disclosure form as designated by the HOSPITAL.

22.0 SEVERABILITY

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.0 ADMINISTRATION

The Hospital Director/CEO (or designee) shall administer this Agreement on behalf of the COUNTY.

24.0 HOSPITAL ACCREDITATION/LICENSE

- 24.1 Any action or failure to act on the part of CONTRACTOR that results in the threatened loss of accreditation or licensure of the HOSPITAL will be considered a material breach of this Agreement.
- 24.2 In the event of breach of Agreement pursuant to this Section, COUNTY may terminate this Agreement upon the basis of cause as set forth in Section 6, TERM/TERMINATION.

25.0 JURISDICTION, VENUE, AND ATTORNEY FEES

This Agreement is to be construed under the laws of the State of California. The parties agree to the jurisdiction and venue of the appropriate courts in the County of Riverside, State of California. Should action be brought to enforce or interpret the provisions of the Agreement, the prevailing party shall be entitled to attorney's fees in addition to whatever other relief is granted.

26.0 PROHIBITION OF PAYMENT OF FUNDS TO INFLUENCE LEGISLATION

CONTRACTOR shall not use any funds provided hereunder to pay the salary or expenses of any person or entity who, while on the job, is engagingin activities designed to influence legislation or appropriations pending before Congress of the United States, California State Legislature, or Riverside County Board of Supervisors.

27.0 FORCE MAJEURE

Neither party shall be liable nor deemed to be in default for any delay or failure in performance under this Agreement or other interruption of service or employment deemed resulting, directly or indirectly, from acts of God.

28.0 ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and all prior or contemporaneous agreements of any kind or nature relating to the same shall be deemed to be merged herein. Any modifications to the terms of this Agreement must be in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto.

29.0 NOTICES

Any notice required or authorized under this Agreement shall be in writing. If notice is given by United States mail, it shall be sent registered or certified mail, return receipt requested, addressed as follows:

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CONTRACTOR:

Faculty Physicians and Surgeons of LLUSM Faculty Medical Offices 11175 Campus Street

Coleman Pavilion, Room 11120 Loma Linda, CA 92354

Attn: Ricardo Peverini, M.D., President FP & S

COUNTY:

Riverside County Regional Medical Center 26520 Cactus Avenue Moreno Valley, CA 92555

Attention: Hospital Director/CEO

1 2	Notice delivered personally is effective upon delivery. Notice given by mail is effective upon date of mailing.							
3	30.0 HEADING							
4	Headings are for the purpose of convenience and easy reference only and shall not							
5	limit or otherwise affect the meaning of a provision.							
6	31.0 COUNTERPARTS							
7	This Agreement may be executed simultaneously in two or more counterparts, each of							
8	which shall be an original, but all of which together shall constitute one and the same							
9	Agreement.							
10								
11	IN WITNESS WHEREOF, THE UNDERSIGNED HAVE EXECUTED THIS AGREEMENT							
12	EFFECTIVE AS OF October 1, 2010.							
13	COUNTY: CONTRACTOR:							
14	Approved:							
15	County of Riverside							
16								
17	By: By: President							
18	Chairman, Board of Supervisors							
19	Date: $04/08/200$							
20								
21	1 M . L							
22	By: Douglas/Bagrey FORM APPROVED COUNTY COUNSEL (-)	11.						
23	Hospital Director/CEO BY: NEAL R. KIPNIS DATE) (
24	Date: 4/26/10							
25								
26								

EXHIBIT A

TO

AGREEMENT BETWEEN RIVERSIDE COUNTY AND

FACULTY PHYSICIANS AND SURGEONS OF LLUSM (CONTRACTOR)

PAYMENT PROVISIONS

In consideration of services provided by CONTRACTOR, pursuant to this Agreement, CONTRACTOR shall be entitled to receive payment by HOSPITAL in accordance with HOSPITAL policy and procedures as follows:

1.0 Subject to the conditions set forth below, HOSPITAL shall pay CONTRACTOR a total of two million, one hundred thirty thousand dollars (\$2,130,000) per year for the services of an adequate number of full-time physicians, nurse practitioners and allied health professionals from the CONTRACTOR'S Medical Group to provide outpatient general pediatric clinical services, pediatric specialty care services, neonatology services, pediatric intensivist services, surgical procedures, administrative duties, supervisory duties, teaching services, inpatient care, inpatient and outpatient consultations, coordination of response to Level A Pediatric Trauma activation by pediatric intensivist physicians, development of treatment protocols and supervision of all pediatric professional services provided at HOSPITAL. Payments to CONTRACTOR shall be made on a monthly basis during the Term of this Agreement. HOSPITAL shall pay CONTRACTOR payments by the invoice method specified below:

1.1 Compensation for Direct Patient Care

1.1.1 Inpatient Care

Except as otherwise noted in this Agreement, HOSPITAL shall not compensate CONTRACTOR for the rendering of direct inpatient careto hospitalized patients. CONTRACTOR shall be entitled to obtain payment for said inpatient care, emergency room care, outpatient care, or outpatient/inpatient diagnostic professional services from the patient receiving the care and/or any third party pager in accordance with

the laws and regulations of the State of California, the United States, and any appropriate governmental agency. Non-compensated care (including but not limited to any COUNTY financial obligation for patient care as identified in Section 1.3, below) shall be considered covered under the payment from HOSPITAL to CONTRACTOR. CONTRACTOR shall be responsible at its own expense for billing and collecting amounts owed for direct patient care. CONTRACTOR shall not bill patients or HOSPITAL for services and responsibilities rendered by CONTRACTOR as specified in Section 1.3, below. HOSPITAL shall use its best efforts to provide CONTRACTOR or its billing agents with all records and data necessary to accomplish inpatient billing in an efficient and timely manner.

1.1.2 Outpatient Care

CONTRACTOR shall bill Medicare, Medi-Cal and all other thirty party payers for the professional fees for outpatient services performed in the HOSPITAL Outpatient Clinic(s), using the appropriate place of service code, on such billed item as required by federal regulation to designate that the service is being provided in an "outpatient hospital based clinic."

1.2 Performance Requirements

1.2.1 CONTRACTOR shall meet patient care performance requirements (including but not limited to, providing patient and family education in accordance with JCAHO standards, timely completion of medical records, Medi-Cal managed care patient-access standards, and on-time attendance for scheduled Pediatric and Pediatric Specialty Care Clinic services). The following performance requirements will have penalties deducted as indicated for failure to perform:

1.2.1.1 HOSPITAL may deduct five percent (5%) of the monthly amount owed to CONTRACTOR if more than ten percent(10%) of diagnostic services are cancelled because of inadequate work-up or lack or signed medical releases ninety-five percent (95%) of the time per month.

1.2.1.2 HOSPITAL may deduct five percent (5%) of the monthly amount owed to CONTRACTOR if CONTRACTOR provider is more than fifteen (15) minutes late to scheduled appointment/procedure, greater than ninety-five percent (95%) of the time per month.

- 1.2.1.3 Full compliance with Medi-Cal managed care access requirements for availability of specialist care services to Medi-Cal managed care members.
- 1.2.1.4 CONTRACTOR agrees to dictate reports immediately after completion of procedures and to sign the dictated report no later than fourteen (14) days after patient discharge.

On a weekly basis each attending will go to medical records for completion of all the records pending under his or her name. This will include signatures or dictation not completed by residents. This will avoid having to call residents from other hospitals to come back and complete the charts. CONTRACTOR agrees to complete medical records for all patient cared for no later than fourteen (14) days after patient discharge in compliance with COUNTY Medical Staff Bylaws, Rules and Regulations. CONTRACTOR agrees to dictate reports immediately after completion of procedures.

HOSPITAL may deduct five (5%) percent of the monthly amount owed to CONTRACTOR if more than five (5%) percent of Medical Records completion and dictation of reports is not maintained during the month.

1.2.2 CONTRACTOR and HOSPITAL agree to review and discuss quarterly reports of Performance Standards data as monitored by HOSPITAL before deduction in the monthly amount of reimbursement occurs. Report format and data collection will be mutually agreed by the parties hereto.

1.3 Exclusion Billing

CONTRACTOR shall not be entitled to bill or be reimbursed separately for any COUNTY patient care (inpatient or outpatient) for Juvenile Hall patients, Riverside County jail

patients, or patients of the Medically Indigent Services Program (MISP) of County. Such claims shall be considered paid in full from the HOSPITAL monthly payment to CONTRACTOR, specified in Section 1.0, above.

2.0 Billing Cycle

No later than the fourteenth (14th) working day of each month during the Term hereof, CONTRACTOR shall submit to HOSPITAL a monthly billing, in arrears of completion of each month/unit of service. Any bill not timely submitted shall be deemed submitted with the next billing cycle for payment by HOSPITAL.

3.0 Maximum Annual Compensation

Maximum annual compensation payable under this Agreement shall not exceed two million, one hundred thirty thousand dollars (\$2,130,000).

EXHIBIT C TO AGREEMENT BETWEEN RIVERSIDE COUNTY AND FACULTY PHYSICIANS AND SURGEONS OF LLUSM (CONTRACTOR)

PROFESSIONAL LIABILITY INDEMNITY

- 1.0 As an additional element of compensation to the CONTRACTOR, the COUNTY shall indemnify the CONTRACTOR and provide Professional Liability insurance to the CONTRACTOR (upon approval of County Risk Management) as provided hereunder solely and exclusively to the extent that it pertains to the professional medical services performed under this Agreement on behalf of COUNTY, in so long as the CONTRACTOR follows and does not intentionally ignore COUNTY policies and procedures and other regulatory agencies' rules, laws, and standards of care or commit willful or wanton acts of negligence.
- 2.0 For purposes of this Exhibit, the term "CONTRACTOR" shall include:
 - 2.1 The CONTRACTOR itself:
- 2.2 The CONTRACTOR's physician employees and independent physician contractors; and
 - 2.3 Physician extenders employed under this Agreement.
- 3.0 The COUNTY shall, subject to the terms, limitations, exclusions, and conditions of this Agreement, including this Exhibit, indemnify, defend, and hold harmless the CONTRACTOR for any and all sums which the CONTRACTOR shall by law be held liable to pay for damages arising out of any demand for money or services by any patient or anyone claiming damages on account of bodily injury or mental injury to or death of any patient caused by or alleged to have been caused by error, omission, or negligence, active or passive, so long as it is not deemed a willful or wanton omission, error, or negligence, nor for punitive damage awards in

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25 26 professional services rendered or that should have been rendered by CONTRACTOR exclusively at HOSPITAL or on behalf of COUNTY, provided always that:

- 3.1 Such malpractice results in a claim being made or legal action commenced against the CONTRACTOR, and notice of such claim or action has been given in accordance with the provisions contained in Section 8 of this Exhibit.
- 3.2 There shall be no liability coverage provided hereunder for any claim or action against the CONTRACTOR for malpractice committed or alleged to have been committed prior to the effective date of the Agreement nor following termination of this Agreement except for services provided during the Term of the Agreement and/or for the CONTRACTOR or physician rendering service hereunder as described in Section 2 of this Exhibit.
- 4.0 The indemnification promised hereby shall include all theories of liability against the CONTRACTOR regardless of whether said liability is founded on negligence or strict liability or any other rule or law attributing liability to the CONTRACTOR. Such indemnification as is afforded by this Agreement is extended to include the CONTRACTOR only while it is acting within the scope of duty pursuant to the terms of this Agreement and shall not apply to acts or omissions by or at the direction of the CONTRACTOR or if intentionally committed or committed with malice. In addition, the indemnification promised hereby shall not include any exemplary or punitive damages levied against the CONTRACTOR, any act committed in violation of any laws or ordinances resulting in a criminal conviction, professional services rendered while under the influence of intoxicants or narcotics, or any practice orservice not required by the terms of this Agreement.
- 5.0 In providing for such indemnification, it is not the intent of either party to waive any applicable statutory or other immunity from liability or any of claims requirements of the Government Code. Such indemnification shall not exceed one million dollars (\$1,000,000) for any single act or omission indemnifiable hereunder, or the sum of three milion dollars (\$3,000,000) aggregate for all acts or omissions indemnifiable hereunder per each physician member which occur in any single year of this Agreement. CONTRACTOR acknowledges

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and agrees that for any claims that exceed one million dollars (\$1,000,000) or three million dollars (\$3,000,000) in the aggregate, CONTRACTOR shall not seek indemnification from COUNTY, and CONTRACTOR shall assume all financial responsibility for such claims. For purposes of this Exhibit, said operating year shall begin with the date on which this Agreement is executed by the COUNTY Board of Supervisors and shall conclude on June 30 of that fiscal year; thereafter, each operating year shall run from July 1 to June 30.

- 6.0 The COUNTY may provide the indemnification referred to above through a program of self-insurance. The CONTRACTOR shall follow the guidelines and procedures contained in any risk management and HOSPITAL plan, which may be established by COUNTY, and applicable federal and State law.
- 7.0 As respects the indemnity afforded by this Agreement, the COUNTY shall, in the name of and on behalf of the CONTRACTOR, diligently investigate and defend any and all claims or suits made or brought against CONTRACTOR, shall retain legal counsel (attorney[ies]) skilled in investigation, defense, and settlement of medical malpractice claims, and shall pay all costs and expenses incurred in any such investigation and defense, including, but not limited to, attorney's fees, expert witness fees, and court costs. In addition to, and not inconsistent with any other provision of this Exhibit, the CONTRACTOR shall cooperate at the discretion of the COUNTY in the investigation, settlement, or defense of any claim or suit against the CONTRACTOR. If the CONTRACTOR in any such claim or suit refuses to consent to any settlement recommended in writing by the COUNTY and elects to contest or continue any legal proceedings, the liability of the COUNTY shall not exceed the amount for which the claim or suit could have been so settled, plus reasonable costs with its consent up to the date of such refusal. Any judgment rendered against the CONTRACTOR in excess of the settlement amount recommended in writing by the COUNTY shall be the sole responsibility of the CONTRACTOR, including all costs and all attorneys' fees relating to such excess amount. 8.0 The following are conditions precedent to the right of the CONTRACTOR to be

defended and/or indemnified under this Exhibit, provided that the COUNTY may not disclaim