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

**FROM:** Human Resources Department

**SUBMITTAL DATE:**  
January 19, 2010

**SUBJECT:** Exclusive Care - EPO Hospital Agreement Renewal with Eisenhower Medical Center.

**RECOMMENDED MOTION:** 1) Ratify and approve the attached Hospital Agreement from October 1, 2009 until December 31, 2012, with Eisenhower Medical Center located in Rancho Mirage; 2) authorize the Chairperson to sign four (4) copies of the attached Agreement and; 3) retain one (1) copy of the signed Agreement and return three (3) copies to Human Resources for distribution.

**BACKGROUND:** In 1999, the Board of Supervisors established the County's self-funded Exclusive Provider Option (EPO) health plan, Exclusive Care, to provide a value health plan option to the employees of Riverside County and their families. To provide services to its enrolled members, Exclusive Care has contracted with a variety of healthcare providers. This agreement continues participation in the Exclusive Care Provider Network under terms similar to other comparable providers under contract.

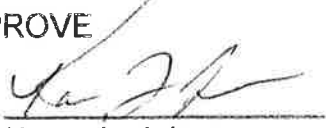
  
Ronald W. Komers  
Asst. County Executive Officer/Human Resources Dir.

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$ 0	<b>In Current Year Budget:</b>	No
	<b>Current F.Y. Net County Cost:</b>	\$ 0	<b>Budget Adjustment:</b>	No
	<b>Annual Net County Cost:</b>	\$ to be determined by claims	<b>For Fiscal Year:</b>	2009/10

<b>SOURCE OF FUNDS:</b> Premiums paid by members	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY:   
Karen L. Johnson

**County Executive Office Signature**

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Stone, seconded by Supervisor Benoit and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

**Ayes:** Buster, Stone, Benoit and Ashley

**Nays:** None

**Absent:** Tavaglione

**Date:** February 23, 2010

**xc:** HR

Kecia Harper-Ihem

Clerk of the Board


By:   
Deputy

**Prev. Agn. Ref.:**

**District:**

**Agenda Number:**

3.36

FORM APPROVED COUNTY COUNSEL  
BY:   
TAMMY V. LIEU  
DATE: 2/3/10  
Departmental Concurrence

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

**RIVERSIDE COUNTY - EXCLUSIVE CARE  
EXCLUSIVE PROVIDER ORGANIZATION  
HOSPITAL AGREEMENT  
(Riverside County EPO – Eisenhower Medical Center)**

This Agreement is made by and between the County of Riverside, State of California (hereafter "County"), a political subdivision of the State of California, and Eisenhower Medical Center, (hereafter "Hospital"), with reference to the following facts:

**WHEREAS**, County has developed an Exclusive Provider Organization (EPO) to provide health care services to employees of Riverside County and employees of other covered governmental entities within Riverside County; and,

**WHEREAS**, Hospital is licensed by the State of California to operate an inpatient facility and is certified as a Hospital Provider under Title XVIII and Title XIX of the Social Security Act, a health care provider capable of providing services for the EPO; and,

**WHEREAS**, the parties wish to make a full statement of their respective rights and responsibilities in connection with the provision of Health Care Services and/or Hospital Services as utilized by County during the term of this Agreement; now, therefore,

IN CONSIDERATION of their mutual promises and covenants, the parties agree as follows:

1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meaning described below:

- 1.1 Agreement means this Hospital Agreement for the provision of services for the EPO of County, and all attachments, addendums and amendments hereto.
- 1.2 Co-payment or Deductible means any nominal fee, approved by EPO that may be charged to Members at the time of service for designated Health Care Services and/or Hospital Services.
- 1.3 Director means the Employee Health Medical Director of Riverside County, or his or her designee.
- 1.5 Emergency Medical Conditions means a medical condition which is manifested by acute symptoms of sufficient severity (including severe pain) such that a prudent lay person, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in one or more of the following conditions: placing the health or the individual or unborn child in serious jeopardy; serious impairment to bodily function; or serious dysfunction of any bodily organ or part.
- 1.6 Emergency Services means those health services needed to evaluate or stabilize an Emergency Medical Condition.
- 1.7 Exclusive Provider Organization (EPO) means the health care plan developed, and implemented by the County for the provision of health care services to County employees and other governmental entity employees - to be known as Exclusive Care.
- 1.8 Health Care Services means all Medically Necessary services to which Members are entitled under the EPO, including medical, hospital, preventive, ancillary, emergency, and health education services.

1.9 Hospital Services means those hospital inpatient and outpatient services covered under the EPO, which Hospital agrees herein to make available to Member.

1.10 Inpatient Day means any period greater than 23 hours and 59 minutes during which a

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member occupies a hospital bed and receives hospital services or a time period less than 24 hours in which a member is officially admitted to the hospital by a physician.

1.11 Medically Necessary means all services which are reasonable and necessary to protect life, to prevent significant illness or significant disability or to alleviate severe pain and the diagnosis or treatment of disease, illness or injury.

1.12 Member means any eligible subscriber or eligible dependent who has enrolled in the County EPO for whom the County, by and through the EPO, provides Health Care Services.

1.13 Member Non-Physician Medical Practitioner means nurse practitioner, physician assistants or certified nurse midwives licensed to practice in the State of California and who are employees, subcontractors or who have written agreements with Hospital and/or Riverside County EPO to provide medical services to Members.

1.14 Member Physicians means physicians, surgeons and osteopaths licensed to practice medicine in the State of California and who have an ownership interest in, are employed by, or have written agreements with Hospital to provide medical services to Members.

1.15 Outside Providers means licensed physicians, surgeons, osteopaths, paramedics, hospitals and other licensed health care facilities which provide Health Care Services to Members eligible to receive benefits under the EPO but do not have written agreements with Hospital and/or Riverside County EPO.

1.16 PCP means a physician who is the Primary Care Physician responsible for supervising, coordinating and providing initial, primary and preventive care to Members, for initiating referrals, maintaining continuity of Member care, and providing health counseling and education. This may include physicians who are in Family Practice, Pediatrics, Internal Medicine, Obstetrics, or General Practice.

1.17 Prior Authorization – As applicable, Provider shall obtain advanced authorization from EPO prior to non-emergent Health Care Services provided to a Member.

1.17 Quality Assessment and Improvement Program (QAIP) means a program established by the EPO to oversee quality assessment and quality improvement reviews of services provided to Members.

1.18 State means the State of California.

## 2.0 DUTIES OF HOSPITAL

2.1 Hospital Responsibilities - Hospital shall provide to Members those Health Care Services and/or Hospital Services when such services are authorized by EPO, and in accordance with this Agreement. Hospital is responsible for coordinating the provision of Health Care Services and/or Hospital Services with the Members PCP or EPO.

The services covered by this Agreement are services that have been authorized and provided in accordance with policies and procedures established by County for the EPO. When appropriate, Hospital shall be responsible for determining whether Members are eligible for services. All EPO and County operating procedures shall apply, including eligibility verification, pre-certification, and prior authorization, if required.

2.2 Accessibility Of Services - Hospital shall provide timely access to Health Care Services and/or Hospital Services, and provide for reasonable hours of operations in compliance with EPO established standards for access and availability. Hospital shall render Covered Services to Member's of EPO in the same manner as provided to any other Hospital patient. Hospital further agrees to make emergency services available twenty-four (24) hours per day, seven (7) days a week.

2.3 Prior Authorization - Hospital shall obtain advance authorization from EPO prior to any non-emergent hospital admission of a Member for Health Care Services and/or Hospital Services. In the case of an emergency, Hospital agrees to notify EPO, either orally or in writing during normal business hours on the day of admission of the Member, or on the first working day following the admission of Member on weekends, holidays, or after hours.

2.4 Hospital Transfers - Hospital agrees to notify EPO immediately and to assist in facilitating the transfer of Members requiring Health Care Services and/or Hospital Services that are not offered or available at Hospital. Hospital agrees to cooperate and comply with EPO standards with respect to required referral systems for services to ensure continuity of care between EPO and other entities to which the Member is referred.

2.5 Protection Of Members - Hospital may not impose any limitations on the acceptance of Members for care or treatment that it does not impose on other patients of the Hospital. Hospital shall not request, demand, require or seek directly or indirectly the transfer, discharge or removal of any Member for reasons of Members need for or utilization of Health Care Services and/or Hospital Services. Hospital shall not refuse or fail to provide Health Care Services and/or Hospital Services to any Member.

2.6 Standards - Hospital agrees to perform its duties under this Agreement in a manner consistent with the reasonable administrative guidelines developed by EPO and all applicable state and federal laws and regulations relating to the delivery of Health Care Services and/or Hospital Services, and in accordance with community standards. Health Care Services and/or Hospital Services shall be rendered by qualified medical providers. All Health Care Services and/or Hospital Services shall be provided by professional personnel in a facility maintained in accordance with generally accepted industry standards in compliance with the standards developed by EPO. Hospital agrees to maintain and demonstrate to EPO, upon written request, throughout the term of this Agreement, compliance with the following:

- A. Licensure under California Health and Safety Code section 1200 et. seq.
- B. Accreditation by JCAHO.
- C. Reasonable evidence that all nurses and other ancillary and paramedical personnel who are employed by and contract with Hospital are properly credentialed to practice in the State of California.

2.7 Assurance of Member Care - Health Care Services and/or Hospital Services shall be rendered by qualified medical providers. Hospitals fiscal and administrative concerns or any dispute with EPO and Hospital concerning their respective obligations under this Agreement or otherwise shall not influence nor cause any delay in services provided by Hospital to Members.

2.8 Pharmaceutical Services - Hospital shall not be required to provide a supply of medications upon discharge from Hospital.

2.9 Laboratory Testing Sites - All laboratory testing sites must have either a Clinical Laboratory Improvement Amendment (CLIA) certificate of waiver or a certificate of registration along with a CLIA identification number and a current state license.

2.10 Inspection Of Facilities - Facilities used by Hospital to provide Health Care Services and/or Hospital Services shall comply with applicable state and/or federal law, and regulations. Hospital agrees that it shall cooperate with inspections of Hospital facilities, which are required to assure compliance with required facility standards.

2.11 Citations - Hospital shall notify EPO in writing of each and every report of JCAHO, which contains any citation of Hospital for failure to meet any required standard; any legal or government action against any of its licenses, accreditations, or certifications; or any other situation that will materially impair the ability of Hospital to carry out the duties and obligations under this Agreement. The parties shall meet within thirty (30) days and shall, in good faith, attempt to negotiate a modification to this Agreement that minimizes the adverse effect.

If the parties meet and fail to reach a negotiated modification concerning the adverse action, then the affected party may terminate this Agreement by giving at least one hundred eighty (180) days notice or may terminate sooner if agreed to by both parties.

2.12 Staff Privileges - Hospital shall use its best efforts to enable physicians seeking to participate in EPO to apply for, obtain and maintain membership on the Hospitals Medical Staff with clinical privileges in the appropriate area of practice at Hospital, provided such physicians meet Hospital standards.

2.13 Utilization Review (UR) - Hospital agrees to participate in the UR program developed by EPO, and to abide by decisions resulting from that review, subject to any rights of reconsideration that may be available under EPO's UR program and subject to the provisions of paragraph 3.6. Hospital agrees to provide access to EPO utilization review and case management personnel for the purpose of conducting concurrent review and case management on Members who are receiving Health Care Services and/or Hospital Services at Hospital.

2.14 Quality Assurance (QA) Program - Hospital agrees to cooperate in the EPO's QA program, with regular EPO monitoring and evaluation of compliance with the QA standards and EPO policies and procedures, including participation in Member grievance resolutions and quality of care studies. Hospital shall also implement its own ongoing quality assurance program which shall develop procedures for ensuring that the quality of care provided by Hospital conforms to generally accepted hospital practices. Hospital shall develop written procedures for remedial action whenever, as determined by the quality assurance program, inappropriate or substandard services have been furnished or services that should have been furnished have not been furnished.

2.15 Member Grievance Resolution - Hospital shall forward, via facsimile or overnight mail all formal and written complaints to EPO within 24 hours of receipt. The EPO grievance system shall make its best efforts to resolve the dispute to the satisfaction of the Member within thirty (30) days of receipt of dispute resolution, or upon the time frame required by applicable law, whichever is less. Hospital agrees to cooperate with EPO in resolving Member grievances related to the provision of

services at Hospital and agrees to participate in the grievance review procedures of EPO. At no time shall a Member's medical condition be permitted to deteriorate because of delay in provision of care that Hospital disputes. Fiscal and/or administrative concerns shall not influence the independence of the medical decision making process to resolve any medical disputes between Member and the provider of service.

2.16 Subcontracts - Hospital shall ensure that subcontracting providers used to provide Health Care Services and/or Hospital Services to Members meet the standards set by EPO, and are consistent with community standards.

Hospital shall ensure that all subcontractors are bound by the provisions of this Agreement, and shall to ensure that all subcontractors have not been excluded from participation in any state or federal program.

2.17 Other Contractual Commitments - Hospital represents and assures EPO and County that contractual commitments to other HMOs, competitive medical plans and/or other related entities do not restrict or impair Hospital from performing its duties under this Agreement and do not constitute a conflict of interest with the provision of Health Care Services and/or Hospital Services to Members.

2.18 Nondiscrimination - Hospital represents and assures that Hospital Services are provided to Members in the same manner and quality as such services are provided to Hospitals other patients. Members shall not be subject to any discrimination whatsoever by Hospital in regard to access to Health Care Services and/or Hospital Services. Hospital agrees to comply with the provisions of Title 2, CCR, Section 8107 et. seq., as may be amended from time to time, as incorporated by reference herein. Hospital agrees to include this Nondiscrimination Clause in any and all subcontracts to perform services under this Agreement. The provisions of subsection (b) of Title 2, CCR, Section 8107 shall be applicable for this Agreement.

2.19 Conformance To Other Law - Hospital certifies compliance with the Americans with Disabilities Act of 1990 (42 USC, Section 12100 et. seq.) and the Drug Free Workplace Act of 1990 (Government Code Section 8355 et. seq.), Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104191, enacted August 21, 1996 and the Drug Free Workplace Act of 1990 (Government Code Section 8355 et. seq.). Hospital certifies awareness of the Occupational Safety and Health Administration (OSHA) of the Department of Labor, the derivative cal/OSHA standard and laws and regulations relating thereto and shall comply therewith as to all relative elements under this Agreement.

2.20 Occupational Safety And Health Administration (OSHA) - Hospital certifies awareness of the Occupational Safety and Health Administration (OSHA) of the U.S. Department of Labor, the derivative Cal/OSHA standard and laws and regulations relating thereto and shall comply therewith as to all relative elements under this Agreement.

2.21 Identification Of Officers, Owners, Stockholders, Creditors – Upon the effective date of this agreement and on an annual basis, Hospital shall identify the names of the following persons by listing them on Attachment 2 of this Agreement, attached hereto and incorporated herein by this reference.:

- A. Hospital officers;
- B. Hospital owners, including parent corporation(s);
- C. Stockholders owning greater than 10% of any stock issued by Hospital;
- D. Major creditors holding more than 10% of any debts owed by Hospital.

In addition, Hospital shall notify EPO in writing on annual basis of any changes in the information in Attachment 2.

2.22 Availability Of Services - Hospital agrees to provide EPO with current information regarding services, programs and benefits available at Hospital which shall include, but not be limited to, the identification of deletions and additions from time to time of services, programs and benefits available at Hospital.

2.23 Capacity Reporting - Hospital shall provide to EPO a sixty (60) day prior written notice in the event Hospital closes one of it's service units.

2.24 Provision Of Information - Hospital shall provide EPO and/or governmental agencies with such data and other information regarding the rendition of services as may be reasonably requested or as may be otherwise required for compliance with applicable regulatory and disclosure requirements. Hospital shall execute such additional verifications or documents as may be required by law or regulation.

2.25 Other Reporting - Hospital agrees to submit all information or reports, in a timely manner, as may be required to enable EPO to fulfill its reporting and other obligations under the Agreement.

2.26 Administrative Guidelines - Hospital agrees to perform its duties under this Agreement in a manner consistent with the reasonable administrative guidelines provided by Exclusive Care in its provider manuals. Exclusive Care manuals serve an administrative purpose in implementing the relationship between the parties and that it is not the mutual intent of the parties that any term of the manuals will contradict, modify, or otherwise affect the terms of the contract.

2.27 Pharmacy And Formulary Compliance - Hospital shall comply with applicable law, and community standards for the appropriate use, storage and handling of pharmaceutical items. Member Physicians shall be required to use best efforts to provide the appropriate information, including, but not limited to, the diagnosis, medical condition and circumstance for Code 1 drugs and other pharmaceutical products requiring prior authorization.

### 3.0 DUTIES OF COUNTY AND EPO

3.1 Use of Hospital - Except upon the sole determination of County that the safety, health and/or welfare of the public or the medical needs of Member require otherwise, EPO agrees to use Hospital for the provision of Health Care Services and/or Hospital Services as set forth herein.

3.2 Administration - County agrees to perform all necessary administrative, accounting and reporting requirements and other functions to state and federal regulators consistent with the administration of EPO and this Agreement.

3.3 Member Services - EPO agrees to provide Member Services, including, but not limited to, processing Member complaints and grievances, informing Members of EPO policies and procedures, providing Members with information about EPO and its network of hospitals and other health care providers.

3.4 Benefit Information - EPO agrees to apprise all Members concerning the type, scope and duration of benefits and services to which such Members are entitled under the EPO. This includes, but it not limited to, written notification to Members of Health Care Services and/or Hospital

Services available, and changes in the availability or location of Health Care Services and/or Hospital Services being provided by Hospital, and issuance of an identification card to each Member upon enrollment.

3.5 Hospital Assistance - County agrees to assist and cooperate with Hospital in the development and implementation of procedures necessary to carry out the intent of this Agreement. EPO shall provide necessary training regarding EPO policies and procedures.

3.6 Utilization Review (UR) Program - EPO shall establish a UR program which shall seek to avoid unnecessary or unduly costly hospital and medical services while ensuring the delivery of Health Care Services and/or Hospital Services to Members is Medically Necessary. The UR program will include, but will not be limited to: admission certification, concurrent and continuing stay review, retrospective review, discharge planning and case management. EPO shall provide prior authorization to Hospital for treatment and hospitalization of Members. Prior authorizations shall provide the number of days anticipated for any hospitalization, and any extension of Hospital Days shall require authorization by EPO prior or during the hospital stay, in accordance with EPO UR standards. EPO shall not retrospectively deny any Health Care Services and/or Hospital Services approved as Medically Necessary provided that the information given by Hospital to EPO is reasonably true and accurate regarding the medical condition of the Member.

3.7 Administration Of Payments - County agrees to pay Hospital in accordance with the terms and procedures set forth in this Agreement.

3.8 Retroactive Change in Eligibility After Claims Payment. Should EPO authorize and subsequently pay for services that are later found to be the Member's financial responsibility, EPO shall seek reimbursement from the Member and not attempt to recoup funds paid to Hospital. If Hospital complies with EPO's authorization procedures and services are authorized by EPO, EPO shall pay Hospital for any such Hospital Services provided according to the terms of this Agreement. Under no circumstances shall payment for such previously authorized services be denied retroactively.

3.9 Verification of Eligibility - If there is any error by EPO in verification of eligibility which results in Hospital providing Hospital Services to ineligible patients, then EPO shall be obligated to pay Hospital for any such services rendered to ineligible patients.

#### 4.0 BILLING AND COMPENSATION

4.1 Claims - In order to receive payment for services rendered, Hospital shall bill EPO on the Universal Billing Form UB04, or its successor form, within three hundred and sixty five (365) days from the date of service for outpatient claims and three hundred and sixty five (365) days from the date of discharge for inpatient claims. Hospital agrees to provide EPO with all information necessary to verify and substantiate the provisions of and charges for Health Care Services and/or Hospital Services including providing the authorization number on the UB92, or its successor form. For each Claim submitted by Hospital, EPO shall pay the amount due to Hospital within sixty (60) days. Any uncontested late claims shall accrue interest at the maximum rate permitted by State and Federal Law. Claims will be adjudicated using all accepted coding and payment conventions of the United States, including but not limited to usual and customary criteria, RBRVS rules, professional review and routine claim edits normally performed in the course of preparing a claim for payment. All appeals must be received within one (1) year from the date of denial. All claims must be submitted within one



(1) year from the date of service in order to be considered for compensation.

EPO shall use its best efforts to assure that all Hospital claims for reimbursement of Hospital Services are processed in the most efficient and effective manner possible, so that all Hospital claims processing and payment due dates provided in this Agreement can be met. To this end, EPO agrees that it shall at all times during the term of this Agreement (i) maintain an adequate level of staffing to respond to all Hospital claim status inquiries within two (2) business days of receiving the inquiry; (ii) wherever possible, support the use of electronic processing systems and electronic message and document communications as part of the claim resolution process, as opposed to requiring "hard copy" documentary support unless EPO can reasonably demonstrate to Hospital that such documentary support is absolutely necessary to resolve the claim (iii) share its claim edits, if any, with Hospital and (iv) meet and confer with Hospital about outstanding claims issues within seven (7) business days after Hospital requests such a meeting.

4.2 Collection Of Charges From Members - Hospital agrees that the only charges for which a Member may be liable and be charged by Hospital shall be for Co-payments, coinsurance, non-covered services or Deductibles, as established by EPO, or for services not covered under the EPO. Hospital shall advise the Member, in writing, of his/her payment responsibility, if any, prior to rendering non-covered hospital services or services that require Co-payments or Deductibles. Hospital shall notify the Member, in writing, that he/she will be responsible for the payment of any non-covered services that are provided to Member. Hospital's rights to collect charges from Members for non-covered services, except as provided and shall not be affected by this Agreement or its termination.

4.3 Service Waiver - In the event Health Care Services and/or Hospital Services are denied by EPO Hospital shall only charge a Member if a signed waiver from the Member has been obtained by the Hospital. The waiver must be obtained in advance of rendering services and shall specify/state that non-covered services are the Member's financial responsibility. The Member's billing shall include a copy of the EPO's payment denial and the rates charged shall not exceed the rates represented in this agreement.

4.4 Surcharges - Notwithstanding the provisions herein, Hospital shall in no event, including, without limitation, nonpayment by EPO, insolvency of EPO, or breach of the Agreement, bill, charge, collect and deposit, or attempt to bill, charge, collect or receive any form of payment other than coinsurance, copayments, deductibles, or non-covered Member financial responsibility services from any Member for Health Care Services and/or Hospital Services provided pursuant to this Agreement. Hospital also agrees it shall not maintain any action at law or equity against a Member to collect sums owed by County to Hospital.

Upon notice of any such surcharge or action, County may terminate this Agreement consistent with the provisions contained herein and take all other appropriate action consistent with the terms of this Agreement to eliminate such activity. Hospital's obligations regarding the collection of surcharges from Members shall survive the termination of this Agreement.

Failure of Hospital to act in accordance with any of the provisions of this section shall constitute a material breach of the Agreement and the Agreement may be subject to termination by County pursuant to the provisions herein. In addition, County may take any other appropriate administrative or legal action to enjoin and otherwise restrain Hospital's violation of the provisions of this section.

#### 4.5 Collection Of Charges From Third Parties -

Hospital Services. Hospital agrees to coordinate benefits with other programs or entitlements, excluding tort liability of a third party, and estates from deceased Members.

EPO shall coordinate the benefits covering tort liability of a third party, and estates from deceased Members, and EPO shall be entitled to any recovery under such coordination of benefits. Hospital shall cooperate with EPO's coordination of benefits.

In the case in which County is other than primary, County shall supplement the primary payer's reimbursement amount up to one hundred percent (100%) of the amount owed to Hospital, not to exceed the rates set forth in this agreement. Unless Member has other health insurance coverage, Hospital accepts payment from County for Health Care Services and/or Hospital Services as provided herein as full payment for such Health Care Services and/or Hospital Services and shall at no time seek compensation from Members.

4.6 Potential Tort Liability - After receipt of payment for services in accordance with the terms of this Agreement, Hospital shall make no claim for recovery of the value of Health Care Services and/or Hospital Services rendered to a Member, when such recovery would result from an action involving the tort liability of a third party or recovery from estates of deceased Members or casualty liability including Workers' Compensation awards and uninsured motorist coverage.

4.7 Compensation - County shall pay Hospital, in accordance with the reimbursement rates as outlined in Attachment 1, within sixty (60) days of receipt from Hospital of an uncontested claim which is accurate, complete and otherwise in accordance with the provisions herein.

4.8 Adequacy Of Compensation - Hospital shall accept the payments specified in this Agreement as payment in full for all Health Care Services and/or Hospital Services provided to Members and for all administrative costs incurred for providing such services. In the event County fails to make any payments to Hospital as provided herein, whether from EPO's insolvency or otherwise, Members shall not be liable to Hospital, under any circumstances, for Health Care Services and/or Hospital Services. Hospital's prohibition regarding the collection of payments from Members for services covered by EPO shall survive the termination of this Agreement. This Section does not prohibit Hospital from collecting applicable charges for non-covered services, Copayments, coinsurance, or deductibles consistent with the Managed Care Plans and consistent with this Agreement and State and Federal Law.

4.9 Overpayments / Underpayments shall be presented from one party to the other within three hundred sixty five (365) days of original payment and settled within the same payment turn around time limits as all other claim for payment. In no event shall EPO offset overpayments against, or deduct overpayments from, any other payments it owes to Facility unless Facility expressly permits EPO to do so.

#### 5.0 RECORDS MAINTENANCE, AVAILABILITY, INSPECTION AND AUDIT

5.1 Hospital Responsibility - Medical records shall be maintained by Hospital for seven (7) years after the date of service or longer in accordance with applicable law, JCAHO and/or NCQA regulations. Records shall be maintained in accordance with HIPAA guidelines. This obligation is not terminated upon termination of the Agreement, whether by rescission or otherwise.

5.2 Proprietary Nature Of Information - County and Hospital agree to treat all Member

patient information provided by Hospital or County as confidential. County and Hospital shall maintain the confidentiality of all such information and shall make disclosures to third parties only upon the advance written consent of the Member, or when allowed by applicable law. Hospital shall safeguard the confidentiality of Member health records and treatment in accordance with all applicable state and federal laws, and regulations.

5.3 Records Open For Inspection - All books, records and papers of Hospital or subcontractor of Hospital relating to the performance of this Agreement must be open to inspection, independent audit and copying during normal business hours by the EPO, EPO's representative, or state and/or federal regulators. Records shall include, without limitation, Member patient records (subject to applicable state and federal law governing the confidentiality of medical records), and/or financial records pertaining to the cost of operations and income received for Health Care Services and/or Hospital Services rendered to Members. Such records shall be made available at all reasonable times at the Hospital upon reasonable request by County. Hospital shall maintain its books and records in accordance with general standards for books and record keeping and cooperate with any audit determined to be necessary by the County.

5.4 Public Records - Hospital acknowledges and agrees that information, communications, and documents given by or to County, and/or EPO and meetings involving County and/or EPO management may be subject to the public records and meetings laws and regulations of the State of California.

5.5 Quality Assurance And Utilization Review Records - Hospital shall provide EPO with summaries of and/or access to records maintained by Hospital and required in connection with such Quality Assurance and Utilization Review programs, subject to applicable state and federal laws concerning the confidentiality of medical records.

## 6.0 INSURANCE AND INDEMNIFICATION

6.1 Insurance - Without limiting or diminishing Hospital's obligation to indemnify or hold EPO and/or County harmless, Hospital 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:

A. Workers' Compensation - Hospital shall maintain statutory Workers' Compensation Insurance (Coverage A) 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. Policy shall be endorsed to waive subrogation in favor of the County of Riverside.

B. Commercial General Liability - Commercial General Liability insurance coverage, including but not limited to, premises liability, contractual liability, products and completed operations liability, personal and advertising injury, cross liability coverage and employment practices liability, covering claims which may arise from or out of Hospital's performance of its obligations hereunder. Policy shall name County, 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.

C. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Hospital shall maintain 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, employees, elected or appointed officials, agents or representatives as Additional Insureds.

D. Professional Liability Insurance - Hospital shall maintain Professional Liability Insurance providing coverage for Hospital's performance of work included in this Agreement, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Hospital's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and Hospital shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that Hospital has maintained continuous coverage with the same or original insurer. Coverage provided under items 1), 2) or 3) will continue for a period of five (5) years beyond the termination of this Agreement.

E. General Insurance Provisions For All lines - 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 A: VIII (A:8) unless such requirements are waived, in writing, by the County's Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

1) Hospital's insurance carrier must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$1,000,000 per occurrence such deductibles and/or retentions shall have the prior written consent of the County's Risk Manager before the commencement of operations under this Agreement. Upon notification of deductibles or self insured retention's unacceptable to the County, and at the election of the Country's Risk Manager, Hospital's carrier shall either; 1) reduce or eliminate such deductibles or self-insured retentions with respect to this Agreement, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

2) Hospital shall cause Hospital's insurance carrier to furnish County with either a) properly executed original certificates of insurance and certified original copies of endorsements effecting coverage as required herein, and b) if requested to do so orally or in writing by the County's 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 certificates and policies of insurance shall contain the covenant of the insurance carrier that thirty (30) days written notice shall be given to County 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 County 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. Hospital shall not commence operations until County has been furnished original certificates 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.

3) It is understood and agreed to by the parties hereto and the insurance carrier, that the certificates 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.

4) Hospital shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

5) The insurance requirements contained in this Agreement may be met with a program of self-insurance acceptable to the County.

6) Hospital 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.

7) Failure of Hospital to maintain its insurance commitments throughout the term of this Agreement shall be grounds for termination of the Agreement for cause.

6.2 Indemnification - Hospital shall indemnify and hold harmless County, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from any liability whatsoever, based or asserted upon any actions of Hospital, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the actions of Hospital, its officers, agents, employees, subcontractors, agents or representatives from this Agreement. Hospital also agrees to hold harmless Members in the event that County cannot or will not pay for services performed by Hospital pursuant to this Agreement.

Hospital 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, County, 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 acts or omissions.

County shall indemnify and hold harmless Hospital, its officers, agents, employees, subcontractors, agents or representatives from any liability whatsoever, based or asserted upon any actions of County, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the action of County, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives from this Agreement.

County 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, Hospital, its officers, agents, employees, subcontractors, agents or representatives in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by either party to this Agreement, the indemnifying party shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of the other party; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes the indemnifying party's indemnification of the other party as set forth herein. The indemnifying party's obligation hereunder shall be satisfied when they have provided to the other party the appropriate form of dismissal relieving the indemnified party from any liability for the action or claim involved.

Hospital's obligation hereunder shall be satisfied when Hospital 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 Hospital's obligations to indemnify and hold harmless the County herein from third party claims.

6.3 Liability For Obligations - Nothing contained in this Agreement shall cause either party to be liable or responsible for any debt, liability, or obligation of the other party, or any third party, unless such liability or responsibility is expressly assumed by the party sought to be charged therewith. Each party shall be solely responsible for and shall indemnify and hold the other party harmless against any obligation for the payment of wages, salaries or other compensation (including all state, federal and local taxes and mandatory employee benefits), insurance and voluntary employment related or other contractual or fringe benefits as may be due or payable by the party to or on behalf of such party's employees, agents and representatives.

## 7.0 DISPUTE RESOLUTION

7.1 Disputes - EPO and Hospital agree to meet and confer in good faith to resolve any problems or disputes that may arise under this Agreement prior to the filing of a claim, by the Hospital, under the Government Claims Act (Government Code Section 900 et. seq.), and prior to the initiation of any litigation by either party.

7.2 Cure Period Provisions - In the event that either party defaults in the performance of any duties or obligations under this Agreement, the non-breaching party shall serve written notice of breach of contract on the breaching party. The breaching party shall have thirty (30) days from receipt of the notice of breach to cure said breach. If the breach is not cured within this time frame, the non-breaching party has sole discretion to extend such cure period. If the breach is not cured within this time frame, as may be extended at non-breaching party's sole discretion, this Agreement may thereafter be terminated as provided herein.

These cure period provisions shall not be applicable when the breach is of a nature where Hospital has failed to provide services, or the safety, health and/or welfare of Members is at risk, at the sole determination of the Director.

7.3 Adverse Government Action - In the event any action of any department, branch or bureau of the federal, state, or local government has a material adverse effect on either party in the performance of their obligations hereunder, then that party shall notify the other party of

the nature of this action, including in the notice a copy of the adverse action. The parties shall meet within thirty (30) days and shall, in good faith, attempt to negotiate a modification to this Agreement that minimizes the adverse effect.

Notwithstanding the provisions herein, if the parties fail to reach a negotiated modification concerning the adverse action, then the affected party may terminate this Agreement by giving at least one hundred eighty (180) days notice or may terminate sooner if agreed to by both parties.

## 8.0 TERM OF AGREEMENT

8.1 Term - The term of this Agreement shall be from October 1, 2009 to December 31, 2012. At the end of each year of this Agreement either party in writing to the other may request a review of the rates. This contract terminates on December 31, 2012 and thereafter, this Agreement may be renewed, upon mutual consent of both parties.

## 9.0 TERMINATION

9.1 Termination For Material Cause - Either party, as appropriate, may terminate this Agreement immediately for cause as set forth herein upon written notice of termination stating the actions of the other party constituting cause for termination.

9.2 Cause For Immediate Termination Of Agreement By Hospital - The following shall constitute cause for immediate termination of this Agreement by Hospital:

- A. Breach of Material Term and Failure to Cure – County’s breach of any material term, covenant, or condition and subsequent failure to cure such breach within thirty (30) days following written notice of such breach.
- B. Insolvency of EPO - including the filing of bankruptcy by EPO.
- C. Dissolution of EPO - dissolution of EPO by an act of the Board of Supervisors of County.

9.3 Cause For Immediate Termination Of Agreement By County - The following shall constitute cause for immediate termination of this Agreement by County:

- A. Breach of Material Term and Failure to Cure – Hospital’s breach of any material term, covenant, or condition and subsequent failure to cure such breach within thirty (30) days following written notice of such breach.
- B. Failure to Provide Services - Failure of Hospital to provide Health Care Services and/or Hospital Services to Members as authorized herein.
- C. Preservation of the Safety, Health and/or Welfare of Members - Determination by County that the safety, health and/or welfare of Members are placed in danger by Hospital.
- D. Loss of State Licensing - Failure by Hospital to secure and maintain the necessary governmental licenses, accreditation or certification required for the performance of duties hereunder.
- E. Loss of Insurance Coverage - Failure by Hospital to maintain adequate general and professional liability insurance coverage, as provided herein.
- F. Insolvency of Hospital - including the filing of bankruptcy of Hospital.
- G. Dissolution of EPO - dissolution of EPO by an act of the Board of Supervisors of County.
- H. Discontinuance of EPO Services by County - discontinuance of the offering of

EPO as a health care benefits plan option.

9.4 Termination Without Cause - Either party may terminate this Agreement without cause. In the event either party desires to terminate this Agreement without cause, the terminating party shall give the other party at least ninety (90) days written notice of termination.

#### 10.0 CONTINUING CARE RESPONSIBILITIES

10.1 Hospitalized Patients – Members who remain in the HOSPITAL on the effective date of termination shall be paid the rates contained Attachment 1 of this Agreement until discharged. In the event of termination of this Agreement, Hospital shall not be released of its obligation to continue to provide services to Members, and shall continue to provide and be compensated for Health Care Services and/or Hospital Services under the terms of this Agreement to Members who are hospitalized on an inpatient basis on the date of termination until the effective date of discharge or the site transfer of such Members to another health care facility.

10.2 Members' Records - Upon termination of this Agreement, Hospital agrees to assist EPO in the transfer of Member medical care by making available copies of medical records, patient files and other pertinent information necessary for efficient case management of Members.

10.3 Phase-Out Payment - During the phase-out period, Hospital may file a claim with EPO for services provided. Compensation during the phase-out period shall be at the agreed contract rate and applicable terms in accordance with Section 10.1 of this Agreement.

10.4 Non-Payment Policy - Notwithstanding the above, or any other provisions to the contrary, Hospital agrees that in the event EPO ceases operations for any reason, including insolvency, Hospital shall continue to provide Health Care Services and/or Hospital Services for those Members who are hospitalized on an inpatient basis. Hospital shall not bill, charge, collect or receive any form of payment from any such Member or have any recourse against Member for inpatient Hospital Services provided after EPO ceases operation. This continuation of Health Care Services and/or Hospital Services obligation shall continue until Member is discharged from Hospital. Hospital's prohibition regarding the collection of payments from Members for services covered by EPO shall survive the termination of this Agreement but not be applicable to copayments, coinsurance, deductibles or non-covered services which are the member's financial responsibility.

#### 11.0 CONFIDENTIAL AND PROPRIETARY INFORMATION

11.1 Information Confidential And Proprietary To County - Hospital acknowledges that all Members participating in the EPO receiving Health Care Services and/or Hospital Services shall be Members of EPO. Member information shall include, without limitation, the names, addresses and telephone numbers of all Members, administrative service manuals and all forms related thereto, and records, files (other than patient medical files) and lists contained in Hospital and EPO files. Hospital acknowledges that County believes that all such information is confidential and proprietary to County and that such Member information contains valuable trade secrets of County.

11.2 Hospital Use Of Information - Hospital shall maintain all Member information as confidential, in accordance with HIPAA regulations. Hospital shall not disclose or use any confidential and proprietary information for its own benefit or gain either during the term of this Agreement or after the date of termination of this Agreement, provided, however that Hospital may use the name, address and telephone number or other medical information of a Member if medically necessary for the proper treatment of such Member or upon express prior written permission of EPO or the Member.



Nothing contained herein abrogates the right of the Member to disenroll from EPO.

11.3 Termination Agreement - Upon the effective date of termination of this Agreement, Hospital shall provide and return to County all confidential and proprietary information and trade secrets in its possession in a reasonable manner to be specified by County.

11.4 Non-Solicitation Of Members - Hospital shall not directly or indirectly engage in the solicitation of Members without County's prior written consent. Solicitation shall mean conduct by an officer, agent, employee or subcontractor of Hospital or its assignee or successor during the term of this Agreement and continuing for a period of one (1) year after the effective date of termination of this Agreement, which may be reasonably interpreted as designed to persuade Members to discontinue their enrollments with EPO or to encourage Members to participate in another health services plan.

11.5 Dissemination Of Information - Hospital agrees that County may use Hospital's name, address, and telephone number in any informational material routinely distributed to Members and for other purposes related to the administration and marketing of EPO as an indication of Hospital's willingness to provide Health Care Services and/or Hospital Services to Members.

11.6 Hospital Advertising - Prior to listing or otherwise referencing EPO or County in any promotional or advertising brochures, media announcements or other advertising or marketing material, Hospital shall first obtain the prior written consent of the Director, except that Hospital does not need approval to list EPO or County in any informational material distributed, displayed or advertised, listing EPO and/or County as a participating health plan at Hospital.

11.7 Use Of Names And Trademarks - County, EPO and Hospital each reserve the right to control the use of its name, symbols, trademarks, or other marks currently existing or later established. However, either party may use the other party's symbol, trademarks, or other marks with the prior written approval of the other party. County shall be allowed to use the name of Hospital in its promotional activities and marketing campaign as described in section 11.5 herein.

## 12.0 GENERAL PROVISIONS

12.1 Notices - Any notice required to be given hereunder shall be in writing either delivered personally or sent by registered or certified mail, return receipt requested, to either County or Hospital at the addresses listed below, or at such other address as either County or Hospital may hereafter designate to the other:

### **COUNTY OF RIVERSIDE:**

Human Resources Director  
4080 Lemon Street, 7<sup>th</sup> Floor  
Riverside, CA 92501

All notices shall be deemed given on the date of delivery if delivered personally or on the third business day after such notice is deposited in the United States mail, addressed and sent as provided above.

12.2 Assignment And Delegation - Neither party shall assign, transfer, or subcontract any of its rights, interests, duties, or obligations under this Agreement, whether by sale, assignment, negotiation, pledge or otherwise, without the prior written consent of the other party which consent shall not be unreasonably withheld.

12.3 Invalidity And Severability - If any provision of this Agreement is found to be invalid or unenforceable by any court, such provision shall be in effect only to the extent that it is in contravention of applicable laws without invalidating the remaining provisions hereof.

12.4 Limitations Of Severability - In the event the removal of a provision rendered invalid or unenforceable or declared null and void had the effect of materially altering the obligations of either party in such manner as to cause serious financial hardship to such party, the party so affected shall have the right to terminate this Agreement upon providing thirty (30) days prior written notice to the other party.

12.5 Captions - Captions in this Agreement are descriptive only and do not affect the intent or interpretation of the Agreement.

12.6 Health Insurance Portability And Accountability Act of 1996 (HIPAA) - Hospital is subject to all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, enacted August 21, 1996 and the laws and regulations promulgated subsequent thereto. Hospital hereto agrees to cooperate in accordance with the terms and intent of this Agreement for implementation of relevant law(s) and/or regulations(s) promulgated under this Law. Hospital further agrees that Hospital shall be in compliance and shall remain in compliance with the requirements of HIPAA, and the laws and regulations promulgated subsequent hereto, as may be amended from time to time.

12.7 Entire Agreement - This Agreement (together with all attachments hereto) shall constitute the entire agreement between the parties related to the rights herein granted and the obligations herein assumed. It is the express intention of Hospital and County that any and all prior or contemporaneous agreements, promises, negotiations or representations, either oral or written, relating to the subject matter and period governed by this Agreement which are not expressly set forth herein shall be of no further force, effect or legal consequence after the effective date hereunder.

12.8 No Third Party Beneficiaries. This Agreement shall not create any rights in any third Parties who have not entered into this Agreement, nor shall this Agreement entitle any such third party to enforce any rights or obligations that may be possessed by such third party. Without limiting the generality of the forgoing, the compensation rates for Hospital Services set forth in this Agreement in Attachment 2 are for the benefit of, and may only be accessed by, EPO and not by any other third party.

12.9 Late Charges. In the event either party fails to make payment to the other party by the due date required in this Agreement for such payment, the legal rights and remedies of EPO or Hospital shall not be waived.

12.10 Discovered Claims Upon Audit. Notwithstanding anything to the contrary in this Agreement, if EPO discovers at any time, upon an audit in connection with this Agreement, that services had been provided under this Agreement and claims for payment for such services had not been submitted by Hospital to EPO, EPO shall immediately provide notice of such discovery to Hospital. Hospital shall have twelve (12) months, upon its independent discovery or receipt of notice of EPO's discovery of unsubmitted claims, to submit such discovered claims to EPO and EPO shall be obligated to pay the amount due to Hospital pursuant to the procedures set forth in Section 4.1 of this Agreement. The provisions of this Section shall survive the termination or expiration of this Agreement.

12.11 Amendment - This Agreement may be amended or modified only by mutual written consent of the parties.

12.12 Attorneys' Fees - If any action at law or in equity is necessary to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and reasonable costs, in addition to any other relief to which such party may be entitled.

12.13 Time Is Of The Essence - Time shall be of the essence of each and every term, obligation, and condition of this Agreement.

12.14 Governing Law - County, Hospital and this Agreement are subject to the laws of the State of California and the United States of America, and regulations promulgated thereto. Any provision required to be in this Agreement by any applicable federal or state law, and regulations thereto, shall bind County and Hospital, whether or not expressly provided in this Agreement. This Agreement shall be construed pursuant to the laws of the State of California.

12.15 Venue - All actions and proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state and federal (if permitted by law and a party elects to file an action in federal court) courts located in the County of Riverside, State of California.

12.16 Government Claims Act - The provisions of the Government Claims Act (Government Code section 900 et. seq.) must be followed first for any disputes arising under this Agreement.

12.17 Independent Contractor - Hospital and its employees and agents shall act at all times in an independent capacity with regard to performance of services rendered pursuant to this Agreement. Hospital shall not act as, shall not be, and shall not in any manner be construed to be agents, officers or employees of County.

There shall be no employer-employee relationship between County and Hospital; Hospital and its employees and agents shall not be entitled to any benefits payable to County employees. Hospital is responsible for payment and deduction of all employment-related taxes on Hospital's behalf and for Hospital's employees, including but not limited to all federal and state income taxes and withholdings. County shall not be required to make any deductions from compensation payable to Hospital for these purposes. Hospital shall indemnify County against any and all claims that may be made against County based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement; and Hospital shall indemnify County for any and all federal or state withholding or retirement payments which County may be required to make pursuant to federal or state law.

12.18 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 shall conflict in any manner or degree with the performance of services required under this Agreement.

12.19 AB1455. Nothing in this Agreement is intended to waive Hospital's right under AB1455, sections 1300.71 and 1300.71.38 of Title 28 of the California Code of Regulations

12.20 Certification Of Authority To Execute This Agreement - Hospital certifies that the individual signing herein has authority to execute this Agreement on behalf of Hospital, and may legally bind Hospital to the terms and conditions of this Agreement, and any attachments hereto.

IN WITNESS WHEREOF, the parties hereto have caused their duly appointed representatives to execute this Hospital Agreement for EPO Services for the County of Riverside.

**ATTEST:**

Clerk to the Board  
Kecia Harper-Ihem

By:   
Deputy

Date: FEB 23 2010

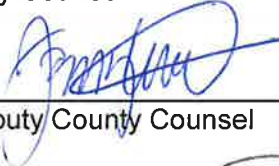
**COUNTY OF RIVERSIDE:**

By:   
Chairman, Board of Supervisors  
MARION ASHLEY

Date: FEB 23 2010

Approved as to form and content:

**Pamela J. Walls**  
County Counsel

By:   
Deputy County Counsel

By: 

Eisenhower Medical Center

Printed Name: Kimberly A. Osborne

Title: U.P. / C.F.O.

Date: 12/17/09

**Attachment 1**  
**COMPENSATION SCHEDULE**  
**Effective October 1, 2009**

Reimbursement for authorized covered services for the Exclusive Provider Organization (EPO), called Exclusive Care, established by the County of Riverside shall be payable by County (or an appropriate third party administrator on behalf of County) in accordance with the following rates:

<u>Inpatient Services</u>	<u>Reimbursement</u>
<b>Medical/Surgical/Pediatric</b>	\$2,200
<b>ICU/CCU/NICU</b>	\$3,740
<b>DOU/Telemetry</b>	\$3,410

<b>Surgical Cases</b>	<b>DRG Procedure</b>	<b>Per Case Amount</b>	<b>Per Diem Amount</b>
Cardiovascular	216-221, 228-232, 237-238	\$26,538 (6 day stay) LOC thereafter	
Pacemaker	242-244, 258-262	\$11,420 (3 day stay) LOC thereafter	
Angio/PTCA/Cardiac Cath	246-251	\$3,850 (1 day stay) LOC thereafter	
Cardiac Cath	286-287	\$3,534 LOC thereafter	
AICD	222-227	\$4,098 (1 day stay) LOC thereafter	

- ✓ **Stop Loss:** When total billed charges exceed \$75,000 for any single admission not including exclusions, then reimbursement will be per diems and/or case rates up to and including the day the charges exceed \$75,000 and then sixty-five (65%) percent of total billed charges above the threshold level. Stop loss will apply whenever billed charges of a single admission exceed \$75,000 regardless of length of stay.

<b>Emergency Department</b>	60% of billed charges
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**All Other Outpatient Services**

50% of billed charges

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**Outpatient Surgery**

65% of billed charges

**Exclusions:**

50% of billed charges

---

**P.E.T. Scan: (Inpatient Only)**

\$3740

---

**CAT Scans (w or w/o Contrast)**

\$660

---

**MRI/MRA (w or w/o Contrast)**

\$798

---

**Lithotripsy**

50590, 52353

\$3,960

---

**1206 (d)**

80% of Billed charges on a 1500 at Site 11

**Attachment 2**

**EISENHOWER MEDICAL CENTER OFFICERS  
2009-2010**

Alvin V. Shoemaker, Chairman  
Greg P. Renker, Vice Chairperson  
G. Aubrey Serfling, President and CEO  
Martin Massiello, Executive Vice President and COO  
Michael Landes, President-EMC Foundation  
Kimberly A. Osborne, Vice President and CFO  
James G. Cullen, Chairman-Finance Committee  
Mary Kroll, Corporate Secretary