

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

621



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
July 13, 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 August 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 provide Surgical Oncology and Surgical Hepatobiliary professional services to further enhance health care services available at Riverside County Regional Medical Center. This new service will include outpatient surgical oncology clinics.

(cont. on Page 2)

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 100,833.26	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11

SOURCE OF FUNDS: Enterprise Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

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: July 27, 2010
xc: RCRMC

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

Prev. Agn. Ref.: | **District:** 5 | **Agenda Number:**

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.65

FORM APPROVED COUNTY COUNSEL
BY: NEAL R. KIPNIS
DATE: 7/13/10
Departmental Concurrence

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

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):

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

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 one hundred ten thousand (\$110,000) dollars per annum under this risk-sharing formula.
- 2) There are financial penalties associated with lack of performance for the agreement.

The Agreement has been approved by County Counsel.

DB:cg

PROFESSIONAL MEDICAL SERVICES AGREEMENT
BETWEEN
THE COUNTY OF RIVERSIDE
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER
AND
FACULTY PHYSICIANS AND SURGEONS OF LOMA LINDA SCHOOL OF MEDICINE
FOR
SURGICAL ONCOLOGY AND SURGERY-HEPATOBILARY PROFESSIONAL
SERVICES

JUL 27 2010 3.05

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

11 **2.0 DESCRIPTION OF SERVICES**

12 **2.1 COMPLIANCE WITH HOSPITAL MISSION, VISION, AND VALUES**

13 Surgical Oncology and Surgery-Hepatobiliary professional services shall be
14 provided by CONTRACTOR in compliance with the HOSPITAL Mission, Vision, and Values
15 which reflect COUNTY's and Contractor's commitment to providing quality health services to
16 patients, regardless of their ability to pay, as well as quality education and training programs to
17 resident physicians and other students of the HOSPITAL's teaching programs.

18 **2.2 CONTRACTOR STAFFING**

19 CONTRACTOR shall:

- 20 A. Provide adequate staffing to assume medical care responsibilities for
21 Surgical Oncology and Surgery-Hepatobiliary professional services under the direction of the
22 Chair of the HOSPITAL Department of Surgery (DEPARTMENT) and the HOSPITAL Medical
23 Director. This shall include ensuring there are adequate number of qualified Surgical Oncology
24 and Surgery-Hepatobiliary surgical professionals at HOSPITAL to ensure proper operation of
25 Surgical Oncology and Surgery-Hepatobiliary services responsibilities which include, but are
26 not limited to, inpatient services, outpatient services, outpatient clinical services to include,
27 one (1) half-day surgical oncology and one (1) half-day breast clinic for a total of two half-day

1 clinic(s) per week. CONTRACTOR shall staff to adequately perform Surgical Oncology and
2 Surgery-Hepatobiliary surgical services both inpatient and outpatient, inpatient and outpatient
3 surgical consultations, inpatient and outpatient diagnostic procedures, as applicable, and on-
4 call availability as specified in Section 2.6 of this Agreement. All administrative issues shall be
5 directed to the HOSPITAL Medical Director for resolution.

6 B. Provide or recruit and maintain American Board of Medical Specialties
7 (ABMS) or American Osteopathic Association (AOA) board-certified or active candidate
8 Surgical Oncology and Surgery-Hepatobiliary professionals to provide specialized surgical
9 services for the HOSPITAL in the following areas: General Surgery Clinic, Inpatient Units,
10 Operating and Recovery Rooms, Same Day Surgery, Emergency Department and other areas
11 as needed.

12 C. Provide suitable staff replacement coverage for any CONTRACTOR
13 Surgical Oncology and Surgery-Hepatobiliary physician absent due to extended illness,
14 vacation, seminar attendance, or termination of employment with CONTRACTOR, who was
15 assigned at HOSPITAL under the terms of this Agreement.

16 D. Ensure that CONTRACTOR Surgical Oncology and Surgery-
17 Hepatobiliary specialty physician professionals have verifiable surgical oncology and surgical
18 hepatobiliary specialty care experience and training and must obtain and remain credentialed
19 at all times under the Term of this Agreement. Such providers also shall be required by
20 CONTRACTOR to meet HOSPITAL teaching faculty credentialing requirements established in
21 conjunction with HOSPITAL teaching programs and affiliation agreements with teaching
22 institutions.

23 2.3 CONTRACT COORDINATOR

24 CONTRACTOR agrees to provide the services of a physician who is
25 acceptable to HOSPITAL to serve as the CONTRACTOR contract coordinator
26 (COORDINATOR) for purposes of negotiation, implementation, and coordination of the
27 fulfillment of responsibilities under this Agreement. CONTRACTOR shall not replace the

1 approved CONTRACTOR physician COORDINATOR without the prior approval of the
2 HOSPITAL. Carlos Garberoglio, M.D. shall serve as COORDINATOR for all Surgical
3 Oncology and Surgery-Hepatobiliary professional services, in this capacity, until such time as
4 mutually agreeable.

5 2.4 STAFF REMOVAL

6 2.4.1 COUNTY shall reserve the right, exercisable in its discretion after
7 consultation with CONTRACTOR, to exclude any CONTRACTOR physician or other
8 CONTRACTOR staff from its premises in the event such person's conduct or state of health is
9 deemed objectionable or detrimental, having in mind the proper administration of COUNTY
10 facilities and according to HOSPITAL Medical Staff Bylaws, Rules, and Regulations as may be
11 amended from time to time.

12 2.4.2 Notwithstanding any other provision of the Agreement, CONTRACTOR
13 will ensure that any CONTRACTOR physician or healthcare professional assigned to
14 COUNTY, if charged with a felony, will be removed from COUNTY premises until said matter
15 is fully resolved to the satisfaction of COUNTY.

16 2.4.3 The professional services of CONTRACTOR shall be subject to the
17 HOSPITAL Medical Staff Appeals Provision of the Medical Staff Bylaws, Rules, and
18 Regulations, or other appropriate rule or regulation of HOSPITAL as may be amended from
19 time to time.

20 2.5 SURGICAL ONCOLOGY, SURGICAL-HEPATOBI LARY SURGICAL 21 SERVICES

22 2.5.1 Services to be provided for will include, but not be limited to, inpatient
23 consultations, outpatient consultations, surgical oncology, surgery-hepatobiliary, development
24 of treatment protocols, and supervision of diagnostic testing (as applicable).

25 2.5.2 CONTRACTOR will provide inpatient and outpatients consultations on a
26 routine and emergency basis, including trauma, as indicated.

1 2.6 ON-CALL COVERAGE

2 CONTRACTOR will provide on-call coverage fifty-two (52) weeks per year,
3 twenty-four (24) hours per day, seven (7) days per week, to ensure proper operation of all
4 areas of the Department responsibilities for inpatient and outpatient services, as coordinated
5 by the Chief of the Department of Surgery.

6 3.0 RESPONSIBILITIES

7 3.1 CONTRACTOR AND COUNTY

8 Each party agrees to maintain an environment which is conducive to quality
9 medical care provision and training as it pertains to Surgical Oncology and Surgical-
10 Hepatobiliary professional services by providing facilities to properly care for patients and by
11 encouraging critical dialogue between teaching staff and trainees through rounds,
12 conferences, and patient care procedures.

13 3.2 CONTRACTOR

14 3.2.1 CONTRACTOR shall be obligated to:

15 A. Respond on-site on-site at HOSPITAL for Surgical Oncology
16 and Surgery-Hepatobiliary surgical services in accordance with HOSPITAL Medical Staff
17 Bylaws, Rules, and Regulations, and related HOSPITAL policies and procedures.

18 B. Assume responsibility for the professional operation and
19 Professional services of the Department of Surgery. Any esoteric, unusual, or other patient
20 care procedures that cannot be reasonably performed through the DEPARTMENT will be sent
21 to an outside provider mutually agreeable to the patient and parties hereto.

22 C. Include charting the progress of patients and updating the care
23 plan as needed in a timely fashion.

24 D. Provide complete medical records for all patients cared for no
25 later than fourteen (14) days after patient discharge in compliance with COUNTY Medical Staff
26 Bylaws, Rules and Regulations. CONTRACTOR agrees to dictate reports immediately after
27

1 completion of procedures.

2 **3.2.3 Employer Obligations**

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

14 **3.2.4 Administrative Obligations**

15 CONTRACTOR shall:

16 A. Assist to establish rules and regulations, development of
17 treatment protocols for the operation Surgical Oncology and Surgery-Hepatobiliary surgical
18 services with its appropriate areas including, but not limited to Specialized Surgical Clinics,
19 Inpatient Units, Outpatient Consultative Services Emergency Department, consultative
20 services and operating room procedures.

21 B. Assist to establish criteria for issuing Surgical Oncology and
22 Surgery-Hepatobiliary clinical and practice privileges and assist when requested to review the
23 credentials of all physicians applying for clinical privileges in the DEPARTMENT in all of its
24 areas of service for making appropriate recommendations for approval by the Chair of the
25 DEPARTMENT, HOSPITAL Medical Staff Credentials Committee for physicians, and by the
26 Medical Executive Committee for all.

27 C. Provide proctoring and review on a regular basis for the clinical
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1 and educational performances of all Surgical Oncology and Surgery-Hepatobiliary healthcare
2 professionals working on-site at HOSPITAL in accordance with any applicable HOSPITAL
3 Medical Staff Bylaws, Rules, and Regulations, and HOSPITAL policies and procedures, as
4 well as Accreditation Council for Graduate Medical Education (ACGME), American Board of
5 Osteopathic Medicine, and Joint Commission on Accreditation for Healthcare Organizations
6 (JCAHO) standards, as applicable.

7 D. Provide HOSPITAL with annual performance objectives and
8 evaluations to include age-specific competency and job skills on each of its non-physician
9 employees who may work at HOSPITAL under this Agreement in accordance with JCAHO
10 standards and applicable HOSPITAL policies and procedures.

11 E. Establish and implement, in conjunction with HOSPITAL and
12 HOSPITAL affiliated medical schools or other teaching institutions, clinical training programs
13 at HOSPITAL designed to meet the educational requirements for the teaching of physician
14 residents, other medical staff, paramedical trainees, and medical students receiving training at
15 HOSPITAL. CONTRACTOR will ensure that such training programs are established and
16 presented on an ongoing basis and updated annually or more frequently as needed and that
17 all pertinent requirements are met and duties performed which are necessary to meet the
18 terms of affiliation agreements established between the HOSPITAL and medical schools,
19 universities, colleges, and other institutions or agencies in regard to training in Surgical
20 Oncology and Surgery-Hepatobiliary professional services. CONTRACTOR's development of
21 affiliation agreements shall be coordinated and approved by HOSPITAL Administration.

22 F. Require each physician or other CONTRACTOR staff who
23 reports on-site at HOSPITAL to comply with COUNTY and HOSPITAL requirements for
24 health screening tests determined appropriate by COUNTY, to conform to all applicable
25 HOSPITAL Medical Staff Bylaws, Rules, and Regulations, COUNTY policies, procedures, and
26 regulations, and to all additional requirements and restrictions agreed upon by representatives
27 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 for approval.

14 I. 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
19 sponsored by, or approved by HOSPITAL and all appropriate practice
20 activities of the HOSPITAL Medical Staff.

21 K. Require CONTRACTOR physicians and other healthcare staff
22 to attend any orientation program presented for them by HOSPITAL.

23 L. Provide residents and student trainee(s) with orientation
24 information about COUNTY facilities and operations in accord with any orientation presented
25 by HOSPITAL to CONTRACTOR physicians and/or other staff.

26 M. In coordination with the Chair of the Department of Surgery,
27 provide monthly schedules for physicians.

1 3.2.5 Additional Supervisory/Management Responsibilities

2 3.2.5.1 CONTRACTOR shall ensure that:

3 A. Those physicians designated by CONTRACTOR
4 pursuant to this Agreement shall be responsible for supervising and monitoring all inpatient
5 and outpatient Surgical Oncology and Surgery-Hepatobiliary surgical professional services
6 provided by the Department of Surgery.

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

11 3.2.5.2 CONTRACTOR agrees:

12 A. That responsibility for direct patient care and supervision of
13 Surgical Oncology and Surgery-Hepatobiliary surgical professional services includes
14 attendance and participation in committee meetings and ongoing quality improvement
15 activities in accordance with the HOSPITAL Performance Improvement and Patient Safety
16 Plan, as approved by the Riverside County Board of Supervisors.

17 B. To timely attendance at clinics and to cancel clinics only
18 with advanced written notice and approval of the HOSPITAL Medical Director, and Hspital
19 Director/Chief Executive Officer (CEO).

20 C. To serve as provider(s) of specialty services under the
21 provisions of managed care contracts and other contracts entered into by HOSPITAL.

22 3.2.6 Projection of Needs

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

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1 3.2.7 Use of Premises

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

6 3.2.8 Clinic Budget

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

10 3.2.9 License and/or Certification

11 3.2.9.1 CONTRACTOR verifies upon execution of this Agreement
12 possession of a current and valid license in compliance with any local, State, and federal laws
13 and regulations relative to the scope of services to be performed under this Agreement.

14 3.2.9.2 CONTRACTOR verifies that services shall be performed at all
15 times by qualified, properly trained, and licensed or certificated staff in the field(s) of Surgical
16 Oncology and Surgery-Hepatobiliary surgical services.

17 3.2.10 Infectious Disease Certification

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

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3.2.11 Miscellaneous

CONTRACTOR will:

A. Take no steps to recruit HOSPITAL staff for employment during the course of this Agreement or during the three-month period after termination of this Agreement.

B. Comply with all local, State, and federal ordinances, statutes, laws, rules, or regulations applicable to the employment of the personnel assigned to HOSPITAL.

C. Be accountable for being in compliance with all billing regulations and laws regarding provision of Surgical Oncology and Surgery-Hepatobiliary surgical professional services and physician consultations as well as in conjunction with residency supervision.

D. Follow protocols and procedures for inmates being served by the HOSPITAL and requiring Surgical Oncology and Surgery-Hepatobiliary surgical professional services, as applicable.

E. Carry out all additional duties and functions of the HOSPITAL as delineated in the HOSPITAL Medical Staff Bylaws, Rules, and Regulations as appropriate.

F. CONTRACTOR agrees to assist HOSPITAL, upon request, in planning, developing, and establishing specialty care clinics for the effective management of Surgical Oncology and Surgery-Hepatobiliary surgical services patients care.

G. CONTRACTOR acknowledges that no investigational use of equipment, pharmaceuticals, or conduct of research may be undertaken at HOSPITAL without HOSPITAL Investigation Review Board approval according to requirements contained in the Medical Staff Bylaws and HOSPITAL Policies and Procedures.

4.0 COUNTY

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

1 COUNTY, which, in aggregate, are used to support the clinical operations of HOSPITAL. In
2 the event the COUNTY ceases to provide the Hospital with funding to support clinical
3 operations, this Agreement shall be deemed terminated and of no further force and effect
4 immediately in receipt of COUNTY'S notification to CONTRACTOR. The parties understand
5 that such event would require the complete withdrawal of all COUNTY funding to Hospital.
6 Should termination of this Agreement, occur due to non-availability of COUNTY funds, any
7 existing inpatient services being provided by CONTRACTOR at HOSPITAL shall continue until
8 patient discharge. In the event of such termination, CONTRACTOR shall be entitled to
9 reimbursement of costs in accordance with Section 3, Compensation, of this Agreement.

10 4.2 COUNTY agrees to:

11 A. Maintain State licensure through the California Department of
12 Health Services and accreditation status with the Joint Commission on Accreditation of
13 Healthcare Organizations.

14 B. Provide sufficient information about its specific needs so that
15 CONTRACTOR may provide the appropriate staff with the necessary skills and experience.

16 C. Assist CONTRACTOR, on a continuing basis, with the
17 evaluation of CONTRACTOR staff by providing performance information to the
18 CONTRACTOR COORDINATOR.

19 D. Immediately notify CONTRACTOR of any particular problems
20 regarding staff.

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

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

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

1 4.3 COUNTY shall be responsible for the:

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

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

13 C. Compensation of COUNTY personnel who provide Surgical
14 Oncology and Surgery-Hepatobiliary surgical professional services at HOSPITAL and who are
15 not providers of CONTRACTOR.

16 4.4 Provisions by HOSPITAL

17 HOSPITAL shall consult with CONTRACTOR as to the elements
18 HOSPITAL deems necessary for the proper operation of the clinic(s), and Surgical Oncology
19 and Surgery-Hepatobiliary surgical professional services and shall furnish, at its expense, for
20 the use of CONTRACTOR, all such elements, including but not limited to the following:

21 4.4.1 Space

22 HOSPITAL shall furnish and make available to CONTRACTOR
23 space presently designated for the Department, together with such other space as may be
24 mutually agreed upon by the parties; provided that HOSPITAL shall have the right to withdraw,
25 relocate, or modify such space as it deems reasonably necessary, provided, however,
26 HOSPITAL shall at all times furnish and make available space reasonably required by
27 CONTRACTOR to provide the professional services for which it is obligated under this Agreement.

1 **4.4.6 Other Personnel**

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

11 **5.0 COMPENSATION**

12 5.1 CONTRACTOR shall bill HOSPITAL for its services in accordance with the Fee
13 Schedule in Exhibit A, attached hereto and thereby incorporated herein. All billings of
14 CONTRACTOR shall clearly reflect the services for which the billing is made, including the
15 physicians who rendered services, the date services were rendered, the rates charged, and
16 the hours worked.

17 5.2 The rates contained in the Fee Schedule shall remain in effect for the Term of
18 this Agreement.

19 5.3 Invoices shall be submitted monthly. Payment shall be due thirty (30) working
20 days from the date of receipt of the invoice.

21 5.4 Such payment by HOSPITAL shall be deemed to be made for, as provided by
22 this Agreement, services only, and HOSPITAL shall not make, nor shall CONTRACTOR claim,
23 any reimbursement for time and expense in any manner connected with transportation to or
24 from the site at which CONTRACTOR shall or may render services hereunder.

25 5.5 HOSPITAL reserves the right to correct errors on invoices, after prior
26 notification and discussion with CONTRACTOR, and pay to CONTRACTOR the corrected
27 amounts.

1 5.6 Maximum payments by HOSPITAL to CONTRACTOR shall be as specified in
2 Exhibit A, attached hereto.

3 **6.0 TERM/TERMINATION**

4 6.1 This Agreement will be effective for an "Initial Term" from August 1, 2010,
5 through June 30, 2011 and automatically continue on a year-to-year basis. Either party may
6 terminate this Agreement, without cause, at the end of the Initial Term by giving one hundred
7 eighty days (180) days prior written notice to the other party, unless otherwise terminated in
8 accordance to the provisions of Section 11 of the Agreement, or as otherwise specified herein.

9 Either party may terminate this Agreement immediately for a breach of this Agreement, by
10 giving written notice to the other parties. Failure to abide by the agreed terms and conditions
11 may result in immediate termination of the Agreement.

12 6.2 Either party may terminate this Agreement, after the Initial Term of the
13 Agreement, at any time, without cause, by giving one hundred eighty (180) days prior written
14 notice to the other party.

15 6.3 Notwithstanding any of the provisions of this Agreement, CONTRACTOR's
16 rights under this Agreement shall terminate (except for fees accrued prior to the date of
17 termination) upon CONTRACTOR's closure; i.e., failure to continue in business, or in the
18 event of fraud, dishonesty, or a willful or material breach of this Agreement by CONTRACTOR,
19 or, at HOSPITAL's election, in the event of CONTRACTOR's unwillingness or inability for any
20 reason whatsoever to perform the duties hereunder. In such event, CONTRACTOR shall be
21 entitled to no further compensation under this Agreement, it being the intent that
22 CONTRACTOR shall be paid as specified in Exhibit A only during such period that
23 CONTRACTOR shall, in fact, be performing the duties hereunder.

24 6.4 In the event that there shall be a change in the Medicare or Medi-Cal Acts,
25 regulations, or general instructions (or application thereof), the adoption of new regulation(s),
26 or a change in any third-party payer reimbursement system, any of which materially affects the
27 reimbursement which CONTRACTOR or COUNTY may receive for services furnished to

1 patients through this Agreement, either party may by notice propose a new basis for
2 compensation for the services furnished pursuant to this Agreement. If such notice of new
3 basis is given and if CONTRACTOR and COUNTY are unable within thirty (30) days thereafter
4 to agree upon a new basis for compensation, either party may terminate this Agreement by
5 sixty (60) days notice to the other on any future date specified in such notice.

6 6.5 In the event of non-availability of COUNTY funds, this Agreement shall be
7 deemed terminated and of no further force and effect immediately on receipt of COUNTY's
8 notification to CONTRACTOR. In the event of such termination, CONTRACTOR shall be
9 entitled to reimbursement of costs in accordance with Section 5, Compensation.

10 **7.0 INDEMNIFICATION**

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

24 With respect to any action or claim subject to indemnification herein by
25 CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of
26 their own choice and shall have the right to adjust, settle, or compromise any such action of
27 claim without the prior consent of COUNTY; provided however, that any such adjustment,

1 settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR's
2 indemnification to COUNTY as set forth herein.

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

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

9 In the event there is a conflict between this clause and California Civil Code Section
10 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall
11 not relieve the CONTRACTOR from indemnifying the COUNTY to the fullest extent allowed by
12 law.

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

15 **8.0 INSURANCE**

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

20 **8.1 WORKERS' COMPENSATION INSURANCE AND EMPLOYERS' LIABILITY**

21 If the CONTRACTOR has employees as defined by the State of California, the
22 CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A)
23 and/or program of self-insurance as prescribed by the laws of the State of California. Policy
24 shall include Employers' Liability (Coverage B) including Occupational Disease with limits not
25 less than \$1,000,000 per person per accident. This policy shall be endorsed to waive
26 subrogation in favor of The County of Riverside, and if applicable to provide a Borrowed
27 Servant/Alternate Employer Endorsement.

1 8.2 COMMERCIAL GENERAL LIABILITY INSURANCE

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

12 8.3 VEHICLE LIABILITY

13 8.3.1 If vehicles or mobile equipment are used in the performance of the
14 obligations under this Agreement, then CONTRACTOR shall maintain vehicle liability
15 insurance for all owned, non-owned, or hired vehicles so used in an amount not less than
16 \$1,000,000 per occurrence combined single limit. If such insurance contains a general
17 aggregate limit, it shall apply separately to this Agreement or be no less than two (2) times the
18 occurrence limit. Policy shall name the County of Riverside, its Agencies, Districts, Special
19 Districts, and Departments, their respective directors, officers, Board of Supervisors, elected
20 officials, employees, elected or appointed officials, agents, or representatives as Additional
21 Insureds.

22 8.4 GENERAL INSURANCE PROVISIONS

23 8.4.1 Any insurance carrier providing insurance coverage hereunder shall be
24 admitted to the State of California and have an A.M. BEST rating of not less than an A:VIII
25 (A:8) unless the requirements are waived, in writing, by the County Risk Manager. If the
26 County's Risk Manager waives a requirement for a particular insurer such waiver is only valid
27 for that specific insurer and only for one policy term.

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

10 8.4.3 CONTRACTOR shall cause CONTRACTOR's insurance carrier(s) to
11 furnish the County of Riverside with either; 1) a properly executed original Certificate(s) of
12 Insurance and certified original copies of Endorsements affecting coverage as required herein,
13 or 2) if requested to do so orally or in writing by the County Risk Manager, provide original
14 Certified copies of policies including all Endorsements and all attachments thereto, showing
15 such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance
16 shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall
17 be given to the County of Riverside prior to any material modification, cancellation, expiration
18 or reduction in coverage of such insurance. In the event of a material modification,
19 cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith,
20 unless the County of Riverside receives, prior to such effective date, another properly
21 executed original Certificate of Insurance and original copies of endorsements or certified
22 original policies, including all endorsements and attachments thereto evidencing coverage's
23 set forth herein and the insurance required herein is in full force and effect. CONTRACTOR
24 shall not commence operations until the County of Riverside has been furnished original
25 Certificate(s) of Insurance and certified original copies of endorsements and if requested,
26 certified original policies of insurance including all endorsements and any and all other
27 attachments as required in this Section. An individual authorized by the insurance carrier to

1 do so on its behalf shall sign the original endorsements for each policy and the Certificate of
2 Insurance.

3 8.4.4 It is understood and agreed to by the parties hereto and the insurance
4 company(s) that the Certificate(s) of Insurance and policies shall so covenant and shall be
5 construed as primary insurance, and COUNTY's insurance and/or deductibles and/or self-
6 insured retentions or self-insured programs shall not be construed as contributory.

7 8.4.5 The COUNTY's Reserved Rights-Insurance. If, during the term of this
8 Agreement or any extension thereof, there is a material change in the scope of services; or,
9 there is a material change in the equipment to be used in the performance of the scope of
10 work which will add additional exposures (such as the use of aircraft, watercraft, cranes, etc.);
11 or, the term of this Agreement, including any extensions thereof, exceeds five (5) years the
12 COUNTY reserves the right to adjust the types of insurance required under this Agreement
13 and the monetary limits of liability for the insurance coverage's currently required herein, if, in
14 the County Risk Manager's reasonable judgment, the amount or type of insurance carried by
15 the CONTRACTOR has become inadequate.

16 8.4.6 CONTRACTOR shall pass down the insurance obligations contained
17 herein to all tiers of subcontractors working under this Agreement

18 8.4.7 The insurance requirements described herein may be met with a
19 program of self-insurance or a combination of insurance and self-insurance.

20 8.4.8 CONTRACTOR agrees to notify COUNTY of any claim by a third party
21 or any incident or event that may give rise to a claim arising from the performance of this
22 Agreement.

23 **9.0 OSHA REGULATION**

24 CONTRACTOR certifies awareness of the Occupational Safety and Health
25 Administration (OSHA) of the U.S. Department of Labor regulations, the derivative Cal/OSHA
26 standards, and laws and regulations relating thereto, and shall comply therewith as to all
27 relative elements under this Agreement.

1 **10.0 JCAHO STANDARDS**

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

6 **11.0 WORK PRODUCT**

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

12 **12.0 RESEARCH/INVESTIGATIONAL STUDIES**

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

22 **13.0 ASSIGNMENT/DELEGATION**

23 13.1 This Agreement shall not be delegated or assigned by CONTRACTOR, either
24 in whole or in part, without prior written consent of COUNTY, provided, however, obligations
25 undertaken by CONTRACTOR pursuant to this Agreement may be carried out by means of
26 subcontracts if approved by COUNTY. No subcontract shall terminate or alter the
27 responsibilities of CONTRACTOR to COUNTY pursuant to this Agreement. CONTRACTOR

1 agrees that subcontracts developed to provide services or perform any investigational studies
2 or research at RCRMC shall contain the same obligations contained in this Agreement
3 regarding the performance of patient care services at RCRMC. Any attempted assignment or
4 delegation in derogation of this paragraph shall be void. It is acknowledged and agreed that
5 this paragraph is not intended to limit the use of independent contractors by CONTRACTOR
6 under this Agreement.

7 13.2 CONTRACTOR shall indemnify and hold harmless COUNTY from the acts of
8 any subcontractor in accordance with Section 7, Indemnification.

9 13.3 CONTRACTOR agrees that each of its subcontracts or agreements with all of
10 the physicians and health professionals providing services at HOSPITAL must contain a
11 clause whereby said physicians and health professionals who jeopardize the license or
12 accreditation of HOSPITAL may be removed from HOSPITAL by CONTRACTOR and/or
13 HOSPITAL.

14 13.4 CONTRACTOR agrees that any development of physician residency training
15 agreements wherein the resident(s) will be placed at RCRMC must be submitted at least sixty
16 (60) days in advance to RCRMC Administration for review and processing prior to making any
17 commitment to the resident(s) regarding such placement.

18 13.5 A change in the business structure of CONTRACTOR, including but not limited
19 to a change in the majority ownership, change in the form of CONTRACTOR's business
20 organization, management of CONTRACTOR, CONTRACTOR's business organization,
21 CONTRACTOR's ownership of other businesses dealing with CONTRACTOR under this
22 Agreement, or filing reorganization or bankruptcy by CONTRACTOR shall be deemed an
23 assignment for purposes of this Section.

24 **14.0 COVENANTS NOT TO COMPETE**

25 14.1 During the term of this Agreement, CONTRACTOR shall not for any reason
26 enter into an agreement with any entity or person to serve as director of, or otherwise
27 perform services in any facility within the County of Riverside and extending for a ten (10)

1 mile radius from HOSPITAL. COUNTY acknowledges CONTRACTORs current
2 participation with sites and various hospital facilities in existence prior to this Agreement
3 that does not conflict with the performance of services required under this Agreement

4 14.2 Any exceptions to the above can only be permitted upon the prior written
5 approval of the Hospital Director/CEO.

6 14.2 In the event of any breach or threatened breach of this provision,
7 HOSPITAL shall be entitled to injunctive or other equitable relief. Such relief shall be in
8 addition to, but not in lieu of, any other remedies that may be available to HOSPITAL,
9 including an action for the recovery of damages. If a court of competent jurisdiction
10 determines that the scope of this provision is too broad in any respect, the scope shall be
11 deemed to be reduced and/or narrowed to such scope as is found lawful and reasonable
12 by such court. However, the parties acknowledge that this provision has been negotiated
13 by the parties and that the geographical limitations as well as the limitation on activities are
14 reasonable in light of the circumstances surrounding this Agreement.

15 **15.0 WAIVER OF PERFORMANCE**

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

21 **16.0 RECORDS AND REPORTS**

22 16.1 CONTRACTOR agrees to provide to COUNTY such reports as may be
23 required by the Hospital Director, or designee, with respect to the services set forth under this
24 Agreement.

25 16.2 To the extent necessary to prevent disallowance of reimbursement under
26 U.S.C. 1395x(v)(1)(1), and regulations promulgated pursuant thereto, until the expiration of five
27 (5) years after the furnishing of services under this Agreement, CONTRACTOR shall make

1 available, upon written request to the Comptroller General of the U.S. General Accounting
2 Office, or any of their duly authorized representatives, a copy of this Agreement and such
3 books, documents, and records as are necessary to certify the nature and extent of the cost of
4 the services provided by CONTRACTOR.

5 16.3 COUNTY agrees to provide CONTRACTOR with access to all reports, records
6 and other applicable patient information as may be needed by CONTRACTOR to provide and
7 (if applicable) bill for patient care services.

8 **17.0 PERFORMANCE EVALUATION**

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

16 **18.0 CONFIDENTIALITY**

17 18.1 CONTRACTOR shall maintain the confidentiality of any and all patient records
18 and information which may be reviewed under the terms and intent of this Agreement,
19 including protection of names and other identifying information from unauthorized disclosure,
20 except for statistical information which shall not identify any patient and which shall be used
21 only for carrying out the obligations of CONTRACTOR under this Agreement.

22 18.2 CONTRACTOR shall not disclose, except as specifically permitted by this
23 Agreement, or as authorized by the patient(s), any oral or written communication, information,
24 or effort of cooperation between HOSPITAL and CONTRACTOR, or between HOSPITAL and
25 CONTRACTOR and any other party.

26 18.3 CONTRACTOR shall observe all Federal, State, and COUNTY laws and
27 regulations, including, but not limited to, the Health Insurance Portability and Accountability Act

1 of 1996 and any subsequent revisions thereto, concerning the security and privacy of patient
2 records and information.

3 **19.0 INDEPENDENT CONTRACTOR**

4 19.1 The CONTRACTOR is, for purposes arising out of this Agreement, an
5 Independent Contractor and shall not be deemed an employee of the COUNTY. It is
6 expressly understood and agreed that the CONTRACTOR shall in no event, as a result of this
7 Agreement, be entitled to any benefits to which COUNTY employees are entitled, including but
8 not limited to overtime, any retirement benefits, Workers' Compensation benefits and injury
9 leave or other leave benefits. CONTRACTOR hereby holds COUNTY harmless from any and
10 all claims that may be made against COUNTY based upon any contention by any third party
11 that an employer-employee relationship exists by reason of this Agreement. Notwithstanding
12 the foregoing, if COUNTY determines that pursuant to federal and State law CONTRACTOR
13 is an employee for purposes of income tax withholding, COUNTY shall upon two (2) weeks
14 notice to CONTRACTOR withhold from the payments hereunder to CONTRACTOR, federal
15 and State income taxes and pay said sums over to the federal and State Governments.

16 19.2 It is further understood and agreed by the parties hereto that CONTRACTOR in
17 the performance of its obligations hereunder is subject to the control or direction of HOSPITAL
18 merely as to the result to be accomplished by the services hereunder agreed to be rendered
19 and performed and not as to the means and methods for accomplishing the results, provided
20 always that the services to be performed hereunder by CONTRACTOR shall be provided in a
21 manner consistent with all regulatory, including federal, State, and local agencies, accrediting
22 and licensing agencies, HOSPITAL Medical Staff Bylaws, Rules, and Regulations, and
23 policies and procedures, as may be amended from time to time, as well as community
24 standards governing such services and the provisions of this Agreement.

25 **20.0 NONDISCRIMINATION**

26 20.1 To the extent prohibited by applicable law, CONTRACTOR shall not unlawfully
27 discriminate in the provision of services, allocation of benefits, accommodation in facilities, or

1 employment of personnel, on the basis of ethnic group identification, race, color, creed,
2 ancestry, religion, national origin, sexual preference, sex, age (over 40), marital status,
3 medical condition, or physical or mental handicap, and shall comply with all other applicable
4 requirements of law regarding nondiscrimination and equal opportunity employment including
5 those laws pertaining to the prohibition of discrimination against qualified handicapped
6 persons in all programs or activities, and to the extent they shall be found to be applicable
7 hereto, shall comply with the provisions of the California Fair Employment Practices Act
8 (commencing with Section 12990 et seq. of the Government Code) and Federal Civil Rights
9 Act of 1962 (P.L. 88-352).

10 20.2 For the purpose of this Agreement, distinctions on the grounds of race, religion,
11 color, sex, nationality, age, or physical or mental handicap include, but are not limited to, the
12 following:

13 A. Denying an eligible person or providing to an eligible person any
14 services or benefit which is different, or is provided in a different manner or at a different time
15 from that provided to other eligible persons under this Agreement.

16 B. Subjecting an eligible person to segregation or separate treatment in
17 any matter related to receipt of any service, except when necessary for infection control.

18 C. Restricting an eligible person in any way in the enjoyment of any
19 advantage or privilege enjoyed by others receiving a similar service or benefit.

20 D. Treating an eligible person differently from others in determining
21 whether he/she satisfied any eligibility, membership, or other requirement or condition which
22 individuals must meet in order to be provided a similar service or benefit.

23 E. The assignment of times or places for the provision of services on the
24 basis of race, religion, color, sex, national origin, age, or physical or mental handicap of the
25 eligible person to be served.

26 **21.0 CONFLICT OF INTEREST**

27 The parties hereto and their respective employees or agents shall have no interest,
28

1 and shall not acquire any interest, direct or indirect, which will conflict in any manner or degree
2 with the performance of services required under this Agreement. CONTRACTOR shall submit
3 an annual statement of economic conflict of interest disclosure form as designated by the
4 HOSPITAL.

5 **22.0 SEVERABILITY**

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

9 **23.0 ADMINISTRATION**

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

12 **24.0 HOSPITAL ACCREDITATION/LICENSE**

13 24.1 Any action or failure to act on the part of CONTRACTOR that results in the
14 threatened loss of accreditation or licensure of the HOSPITAL will be considered a material
15 breach of this Agreement.

16 24.2 In the event of breach of Agreement pursuant to this Section, COUNTY may
17 terminate this Agreement upon the basis of cause as set forth in Section 6,
18 TERM/TERMINATION.

19 **25.0 JURISDICTION, VENUE, AND ATTORNEY FEES**

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

25 **26.0 PROHIBITION OF PAYMENT OF FUNDS TO INFLUENCE LEGISLATION**

26 CONTRACTOR shall not use any funds provided hereunder to pay the salary or
27 expenses of any person or entity who, while on the job, is engaging in activities designed to

1 influence legislation or appropriations pending before Congress of the United States,
2 California State Legislature, or Riverside County Board of Supervisors.

3 **27.0 FORCE MAJEURE**

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

7 **28.0 ENTIRE AGREEMENT**

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

14 **29.0 NOTICES**

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

19 **CONTRACTOR:**

20 Faculty Physicians and Surgeons of LLUSM
21 Faculty Medical Offices
22 11175 Campus Street
23 Coleman Pavilion, Room 11120
24 Loma Linda, CA 92354

COUNTY:

Riverside County Regional Medical Center
26520 Cactus Avenue
Moreno Valley, CA 92555
Attention: Hospital Director/CEO

24 Notice delivered personally is effective upon delivery. Notice given by mail is effective upon
25 date of mailing.

26 **30.0 HEADING**

27 Headings are for the purpose of convenience and easy reference only and shall not

limit or otherwise affect the meaning of a provision.

1 **31.0 COUNTERPARTS**

2 This Agreement may be executed simultaneously in two or more counterparts, each of
3 which shall be an original, but all of which together shall constitute one and the same
4 Agreement.
5

6 **IN WITNESS WHEREOF, THE UNDERSIGNED HAVE EXECUTED THIS AGREEMENT**
7 **EFFECTIVE AS OF August 1, 2010.**

8 COUNTY:

CONTRACTOR:

9 **Approved:**

10 County of Riverside

11
12 By: Marion Ashley
13 Marion Ashley
Chairman, Board of Supervisors

By: [Signature]
President

14 Date: 'JUL 27 2010

Date: 06/18/2010

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16
17 By: [Signature]
18 Douglas Bagley
Hospital Director/CEO

19
20 Date: 6/28/10

21
22 FORM APPROVED COUNTY COUNSEL
23 BY: [Signature] 7/1/10
NEAL R. KIPNIS DATE

24 ATTEST:
25 KECIA HARPER-IHEM, Clerk

26 By: [Signature]
DEPUTY

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**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 one hundred ten thousand dollars (\$110,000) per year for the services of an adequate number of Surgical Oncology and Surgery-Hepatobiliary specialist physicians from the CONTRACTOR'S Medical Group to provide outpatient general clinical services, two (2) half-day outpatient clinics per week, inpatient and outpatient surgical procedures, administrative duties, supervisory duties, teaching services, inpatient care, inpatient and outpatient services and consultations, development of treatment protocols and supervision of all Surgical Oncology and Surgery-Hepatobiliary professional services provided at HOSPITAL. At a minimum, there must be one (1) full time equivalent (FTE) physician available two (2) days per week to oversee the clinic and perform surgeries. 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 care to hospitalized patients. CONTRACTOR shall be entitled to obtain payment for said inpatient care, emergency room care, outpatient care, or outpatient/inpatient diagnostic professional

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

11 1.1.2 Outpatient Care

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

17 1.2 Performance Requirements

18 1.2.1 CONTRACTOR shall meet patient care performance requirements
19 (including but not limited to, providing patient and family education in accordance with JCAHO
20 standards, timely completion of medical records, Medi-Cal managed care patient-access
21 standards, and on-time attendance for scheduled Surgical Specialty Care and Breast half-day
22 clinic services). The following performance requirements will have penalties deducted as
23 indicated for failure to perform:

24 1.2.1.1 HOSPITAL may deduct five percent (5%) of the monthly amount
25 owed to CONTRACTOR if more than ten percent(10%) of diagnostic services are cancelled
26 because of inadequate work-up or lack of signed medical releases ninety-five percent (95%)
of the time per month.

1 1.2.1.2 HOSPITAL may deduct five percent (5%) of the monthly amount
2 owed to CONTRACTOR if CONTRACTOR provider is more than fifteen (15) minutes late to
3 scheduled appointment/procedure, greater than ninety-five percent (95%) of the time per
4 month.

5 1.2.1.3 Full compliance with Medi-Cal managed care access requirements for
6 availability of specialist care services to Medi-Cal managed care members.

7 1.2.1.4 CONTRACTOR agrees to dictate reports immediately after completion
8 of procedures and to sign the dictated report no later than fourteen (14) days after patient
9 discharge.

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

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

20 1.2.2 CONTRACTOR and HOSPITAL agree to review and discuss quarterly
21 reports of Performance Standards data as monitored by HOSPITAL before deduction in the
22 monthly amount of reimbursement occurs. Report format and data collection will be mutually
23 agreed by the parties hereto.

24 1.3 Exclusion Billing

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

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

4 **2.0 Billing Cycle**

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

9 **3.0 Maximum Annual Compensation**

10 Maximum annual compensation payable under this Agreement shall not exceed one
11 hundred ten thousand dollars (\$110,000).
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**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

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

3 3.1 Such malpractice results in a claim being made or legal action commenced
4 against the CONTRACTOR, and notice of such claim or action has been given in accordance
5 with the provisions contained in Section 8 of this Exhibit.

6 3.2 There shall be no liability coverage provided hereunder for any claim or action
7 against the CONTRACTOR for malpractice committed or alleged to have been committed
8 prior to the effective date of the Agreement nor following termination of this Agreement except
9 for services provided during the Term of the Agreement and/or for the CONTRACTOR or
10 physician rendering service hereunder as described in Section 2 of this Exhibit.

11 4.0 The indemnification promised hereby shall include all theories of liability against the
12 CONTRACTOR regardless of whether said liability is founded on negligence or strict liability or
13 any other rule or law attributing liability to the CONTRACTOR. Such indemnification as is
14 afforded by this Agreement is extended to include the CONTRACTOR only while it is acting
15 within the scope of duty pursuant to the terms of this Agreement and shall not apply to acts or
16 omissions by or at the direction of the CONTRACTOR or if intentionally committed or
17 committed with malice. In addition, the indemnification promised hereby shall not include any
18 exemplary or punitive damages levied against the CONTRACTOR, any act committed in
19 violation of any laws or ordinances resulting in a criminal conviction, professional services
20 rendered while under the influence of intoxicants or narcotics, or any practice or service not
21 required by the terms of this Agreement.

22 5.0 In providing for such indemnification, it is not the intent of either party to waive any
23 applicable statutory or other immunity from liability or any of claims requirements of the
24 Government Code. Such indemnification shall not exceed one million dollars (\$1,000,000) for
25 any single act or omission indemnifiable hereunder, or the sum of three million dollars
26 (\$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

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

7 6.0 The COUNTY may provide the indemnification referred to above through a program of
8 self-insurance. The CONTRACTOR shall follow the guidelines and procedures contained in
9 any risk management and HOSPITAL plan, which may be established by COUNTY, and
10 applicable federal and State law.

11 7.0 As respects the indemnity afforded by this Agreement, the COUNTY shall, in the name
12 of and on behalf of the CONTRACTOR, diligently investigate and defend any and all claims or
13 suits made or brought against CONTRACTOR, shall retain legal counsel (attorney[ies]) skilled
14 in investigation, defense, and settlement of medical malpractice claims, and shall pay all costs
15 and expenses incurred in any such investigation and defense, including, but not limited to,
16 attorney's fees, expert witness fees, and court costs. In addition to, and not inconsistent with
17 any other provision of this Exhibit, the CONTRACTOR shall cooperate at the discretion of the
18 COUNTY in the investigation, settlement, or defense of any claim or suit against the
19 CONTRACTOR. If the CONTRACTOR in any such claim or suit refuses to consent to any
20 settlement recommended in writing by the COUNTY and elects to contest or continue any
21 legal proceedings, the liability of the COUNTY shall not exceed the amount for which the claim
22 or suit could have been so settled, plus reasonable costs with its consent up to the date of
23 such refusal. Any judgment rendered against the CONTRACTOR in excess of the settlement
24 amount recommended in writing by the COUNTY shall be the sole responsibility of the
25 CONTRACTOR, including all costs and all attorneys' fees relating to such excess amount.

26 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

1 such defense and/or indemnification if it has not been materially prejudiced by the
2 nonperformance of such conditions:

3 8.1 During the Term of this Agreement, the CONTRACTOR shall promptly, but no
4 less than within two (2) business days, after receiving knowledge of any event described in
5 this subsection (8.1) of this Section 8, give to the persons or persons designated by the
6 County notice in writing of:

7 A. Any conduct or circumstances which the CONTRACTOR believes to
8 give rise to a claim for malpractice being made against the CONTRACTOR; or

9 B. Any claim for malpractice made against the CONTRACTOR; or

10 C. The receipt of notice from any person of any intention to hold the
11 CONTRACTOR responsible for any malpractice.

12 8.2 The CONTRACTOR shall at all times without charge to the COUNTY:

13 A. Give to the COUNTY or its duly appointed representative any and all
14 information, assistance, and signed statements as the COUNTY may require; and

15 B. Assist, without cost to the CONTRACTOR, in the COUNTY's defense or
16 any claim, including without limitation, cooperating timely with the COUNTY; and, upon the
17 COUNTY's request, attend hearings and trials, assisting in effecting settlements, securing and
18 giving evidence, obtaining the attendance of witnesses and in the conduct of suits, and to
19 provide current home and work contact numbers until the full and final settlement of pay and
20 all cases involving persons mentioned in Section 2 of this Exhibit.

21 8.3 The CONTRACTOR shall not, without the written consent of COUNTY's duly
22 appointed representative, admit liability for, or settle any claim, or:

23 A. Incur on behalf of the COUNTY any cost or expense in connection with
24 such claim, or

25 B. Give any material or oral or written statements to anyone in connection
26 with admitting or settling such claim.