

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

742



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
November 30, 2010

SUBJECT: Acceptance of a Grant Award from Blue Shield of California Foundation to support the County's Health Care Reform Planning Consultant Professional Services Agreement

RECOMMENDED MOTION: Move that the Board of Supervisors:

- 1) Accept the 2010 County Coverage Expansion Planning Grant Award from the Blue Shield of California Foundation in the total amount of \$225,000 to support Riverside County's health care reform planning efforts;
- 2) Approve and direct the Auditor-Controller to make the budget adjustments as outlined in the attached Schedule A;
- 3) Ratify and authorize the Chairman of the Board to execute the Professional Services Agreement with AON Consulting in the amount of \$134,505, as part of the Blue Shield Planning Grant for the period October 1, 2010 through June 30, 2011;

(continued on page 2)

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, AUDITOR-CONTROLLER
BY: Samuel Wong 11/16/10
SAMUEL WONG

Douglas D. Bagley
Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$225,000	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/2011

SOURCE OF FUNDS: 100% Blue Shield of California Grant Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" 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 Ashley, seconded by Supervisor Buster and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: November 30, 2010
xc: RCRMC, Purchasing, Auditor, EO

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

Prev. Agn. Ref.: | District: ALL | Agenda Number:

3.49

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL
 DATE 11/15/10
 BY NEAL R. KIPNIS
 Departmental Concurrence
 Purchasing: [Signature] Mark Seiler, Assistant Director
 Policy Policy
 Consent Consent
 Dep't. Recomm.:
 Per Exec. Ofc.:

SUBJECT: Acceptance of a Grant Award from Blue Shield of California Foundation to support the County's Health Care Reform Planning Consultant Professional Services Agreements

RECOMMENDED MOTION: (continued)

- 4) Authorize the Purchasing Agent to execute the Professional Services Agreement between RCRMC and Deloitte Consulting LLP in the amount of \$44,750 for the period October 1, 2010 through June 30, 2011; and
- 5) Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise renewal options, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement.

BACKGROUND:

The California Department of Health Care Services (DHCS) is finalizing negotiations with the Centers for Medicare and Medicaid Services to implement a new Medi-Cal Section 1115 demonstration waiver that will serve as the bridge to health care reform implementation in California. One of the key components of the new waiver is the Health Care Coverage Initiative (HCCI) which will provide health care coverage for uninsured parents and childless adults up to 200% of the Federal Poverty Level (FPL), primarily through county-based provider networks. The State's HCCI program will lead to the seamless mandatory enrollment of these individuals into Medi-Cal (those with incomes less than 133% FPL) or into the new state-wide health exchange (those with incomes from 133% to 200% FPL) in 2014.

A Collaborative of Riverside County Departments, including the County Executive Office, Riverside County Regional Medical Center (RCRMC), Community Health Agency Department of Public Health (DOPH), Department of Mental Health (DMH), Department of Public Social Services (DPSS), and the Riverside County Office on Aging (RCOOA), plus the Inland Empire Health Plan (IEHP) has been established to:

1. Create a vision for providing a collaborative and integrated system of health care and community services to better serve the residents of Riverside County and to proactively respond to the new challenges presented by federal health reform.
2. Respond to the opportunities in the pending Medi-Cal Section 1115 waiver renewal including the expansion of the Health Care Coverage Initiative (HCCI) and the potential development of a County Alternative Option (CAM) to serve seniors and persons with disabilities.

The Blue Shield of California Foundation has established a special program, the 2010 County Coverage Expansion Planning Grant, to assist counties in preparing for the new waiver's implementation. Riverside County was among 12 counties awarded this grant in September. The total grant award is \$225,000 with the majority of funds designated for consulting services. The remaining funds will be used to help support a project coordinator and to cover other county administrative expenses. For the purposes of administering the grant, RCRMC is serving as the lead County agency, representing the interests of Collaborative members.

On September 7, 2010, County Purchasing on behalf of RCRMC released a Request for Proposal (RFP MCARC148), to secure Health Care Reform Planning Consultant services. Available funding for consulting services is being allocated in three project areas according to the following maximum percentages: Health Care Strategic planning (25%), Health Care Financing (50%), and Health Care Information Technology (25%). Solicitations were sent to thirteen prospective vendors and advertised on the County's Internet/Website. Three proposals were received and evaluated by three County collaborative members.

SUBJECT: Acceptance of a Grant Award from Blue Shield of California Foundation to support the County's Health Care Reform Planning Consultant Professional Services Agreements

BACKGROUND: (continued)

The evaluation team reviewed and scored each proposal based on the bidder's overall responsiveness to the RFP requirements, their experience, the ability to perform the services and the cost allocation as specified in the RFP. The scores ranged from 71.17 to 79.67. AON Consulting was determined to be the most responsible/responsive vendor for two consulting projects: Health Care Strategic Planning and Health Care Financing, while Deloitte Consulting, LLP was determined to be the most responsible/responsive vendor for the third consulting project: Health Care Information Technology.

PRICE REASONABLENESS:

Based on best price and value to the County of Riverside, the maximum amounts allocated are as follows:

Vendor	Health Care Consulting Project Area	Allocated Amount
AON Consulting	Strategic Planning & Financing	\$134,505
Deloitte Consulting, LLP	Information Technology	\$44,750

FINANCIAL IMPACT:

100% of Blue Shield of California Grant Funds will fund this project and will not require additional County funds.

REVIEW/APPROVAL:

County Counsel and County Purchasing

DB:ns

SCHEDULE "A"

Blue Shield of California Foundation: 2010 County Coverage Expansion Grant

Increase Estimated Revenues:

Fund	Dept ID	Account	Description	Dollar Amount
40050	4300100000	781850	Grants-Nongovtl Agencies	\$ 225,000.00

Increase Appropriations:

Fund	Dept ID	Account	Description	Dollar Amount
40050	4300100000	510040	Regular Salaries	\$ 16,652.00
40050	4300100000	524660	Consultants	\$ 132,500.00
40050	4300100000	524680	Consultants-Computer Program	\$ 46,500.00
40050	4300100000	523230	Miscellaneous Expense	\$ 29,348.00
				<u>\$ 225,000.00</u>

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

1 This Agreement is made and entered into by and between the County of
2 Riverside, a political subdivision of the State of California, through its Medical Center,
3 (Riverside County Regional Medical Center) hereinafter referred to as COUNTY, and
4 **AON Consulting**, hereinafter referred to as CONTRACTOR.

5 WHEREAS, Government Code Section 31000 authorizes the COUNTY to
6 contract for special services to be provided by persons/entities who are specially
7 trained, experienced and competent to perform the services required; and

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

10 NOW THEREFORE, in consideration of the mutual promises, covenants and
11 conditions hereinafter contained the PARTIES hereto mutually agree as provided on
12 pages 1 through 37, attached hereto and incorporated herein.

13 **1.0 HIPAA Business Associate Agreement**

14 The CONTRACTOR in this Agreement is subject to all relevant
15 requirements contained in the Health Insurance Portability and Accountability Act of
16 1996 (HIPAA), Public Law 104-91, enacted August 21, 1996, and the laws and
17 regulations promulgated subsequent thereto. CONTRACTOR shall adhere to all terms
18 and conditions as outlined and specified in **Attachment A**, consisting of 7 pages,
19 attached hereto and by this reference incorporated herein.

20 **2.0 PROJECT OUTCOME AND OBJECTIVES**

21 2.1 Convene a COUNTY-led collaborative planning process that brings
22 staff from the county departments together with representatives of Inland Empire Health

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

23 Plan (IEHP), other stakeholders and consultants to develop a draft planning document
24 for a Health Care Coverage Initiative (HCCI) and the potential development of a County
25 Alternative Model (CAM).

26 2.2 Develop analysis and recommendations regarding the potential for
27 Riverside County to use the Medi-Cal Section 1115 waiver renewal to develop a HCCI
28 program or CAM for seniors and persons with disabilities.

29 2.3 Develop and submit an application to the Department of Health
30 Care Services (DHCS) to create a HCCI for persons who will be newly eligible for Medi-
31 Cal in 2014, or a CAM to provide an organized system of care for seniors and persons
32 with disabilities.

33 **3.0 CONTRACTOR REQUIREMENTS**

34 3.1 Health Care Strategic Planning Objective 1 – CONTRACTOR
35 shall meet with COUNTY to refine understanding of scope of work beginning on day 1
36 through day 15.

- 37 A. Meet with COUNTY staff to determine information such as:
- 38 1. How the current existing health care system interacts;
- 39 2. Relationship of each agency to the other;
- 40 3. Identify potential challenges of collaboration;
- 41 4. Identify existing issues within the health system;
- 42 5. Resources that are available or need to be developed
- 43 in order to:

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

- 44 a) Qualify the Riverside County Regional Medical
45 Center (RCRMC) clinics as Federally Qualified
46 Health Centers.
- 47 b) Secure the infrastructure that will assist in the
48 development of accountable care
49 organizations.
- 50 c) Implement quality metrics to achieve the
51 standards required by HCCI and The Patient
52 Protection and Affordable Care Act (PPACA).
- 53 f. Translate the findings into a document that will assist
54 the Collaborative's discussion and planning process.

55 **3.2 Health Care Strategic Planning Objective 2 – CONTRACTOR**

56 shall assist the Collaborative in the development of the planning activities which will
57 result in a draft planning document during day 15 through day 60.

- 58 A. Provide a briefing document to the COUNTY on the current
59 system, its strengths and challenges and key issues that
60 should be addressed during the 3-day COUNTY lead
61 planning process.
- 62 B. Facilitate discussion during the 3-day County planning
63 meeting to identify strategies, plus issues and information
64 gaps that will need to be addressed.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

65 C. Serve as a resource for questions that may arise during the
66 planning session on health care reform, 1115 Medicaid
67 Waivers and other related issues.

68 3.3 **Health Care Strategic Planning Objective 3** – CONTRACTOR
69 shall support the information needs of the work groups that are established to assist the
70 COUNTY in meeting its objectives during day 15 through day 90.

- 71 A. Provide 2-page briefing papers on:
- 72 1. Primary care medical home concept.
 - 73 2. Accountable care organizations.
 - 74 3. HCCI standards currently applied and changes as
75 anticipated on February 1, 2011.
 - 76 4. Primary care residency and graduate nursing monies
77 that could support the organizational resources.
 - 78 5. System requirements.
 - 79 6. Quality of care and potential metrics for achieving the
80 goal.
 - 81 7. Current data availability and other data needs.
 - 82 8. Care management, coaching and other support
83 services that would add benefits to the COUNTY.
 - 84 9. Enrollment issues including discussion of the lack of
85 birth certificate data required for verification of United
86 States citizenship.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

- 87 10. Delivery Design Issues.
- 88 11. Communication and outreach opportunities for the
- 89 potential population impacted.
- 90 12. Other short briefs as identified by the work groups.
- 91 B. Support the workgroups as requested.

92 3.4 **Health Care Strategic Planning Objective 4** – CONTRACTOR

93 shall prepare a draft planning document during day 90 through day 150.

- 94 A. Prepare a draft planning document for the COUNTY and
- 95 Collaborative Review and Action which includes:
- 96 1. Mission Statement
- 97 2. Vision
- 98 3. Objectives
- 99 4. Activities
- 100 5. Timeline for Waiver application and Implementation

101 3.5 **Health Care Strategic Planning Objective 5** – CONTRACTOR

102 shall prepare a strategic plan document for public presentation during day 150 through

103 day 180.

- 104 A. Prepare a public document for the COUNTY or COUNTY
- 105 Supervisors to present at region meetings.

106 3.6 **Health Care Strategic Planning Objective 6** – CONTRACTOR

107 shall assist COUNTY with presenting draft strategic plan for discussion and comment to

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

108 key stakeholders at regional meetings, one in each of the five Board of Supervisors'
109 districts.

110 3.7 **Health Care Financing Objective 1** – CONTRACTOR shall meet
111 with COUNTY to refine understanding of current financing mechanisms beginning on
112 day 1 through day 30.

113 A. Meet with Chief Financial Officers and COUNTY staff to
114 determine information as outlined below.

115 B. How the current financing opportunities are leveraged such
116 as:

- 117 1. Upper Payment Limits
- 118 2. Disproportionate Share Hospital funding
- 119 3. Intergovernmental Transfers
- 120 4. Block Grants
- 121 5. Certified Public Expenditures
- 122 6. Any other matches
- 123 7. COUNTY general funds
- 124 8. Research Grants
- 125 9. Education Grants for graduate medical or nursing
126 education
- 127 10. Foundation support or donations

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

- 128 C. Review all the funding opportunities that are or will be
129 available to the COUNTY and what structure needs to be in
130 place to receive these funds.
- 131 D. Review the current discussions that are underway in
132 California for their application for the extension of the 1115
133 Medicaid Waiver.
- 134 E. Consider each alternative and present the strengths and
135 challenges for the COUNTY if they pursue this alternative.
- 136 F. Translate the findings into a document that will assist the
137 Collaborative's discussion and planning process.

138 3.8 **Health Care Financing Objective 2** – CONTRACTOR shall
139 develop a feasibility report on converting the RCRMC clinics to Federally Qualified
140 Health Clinics during day 15 through day 42.

- 141 A. Review the guidelines for Federally Qualified health clinics.
- 142 B. Meet with RCRMC and Community Health Agency (CHA)
143 administrators to determine what areas are not currently in
144 place that are required for certification.
- 145 C. Identify the strengths, challenges and potential resource
146 commitments needed by the COUNTY to certify the RCRMC
147 clinics as federally qualified health clinics.
- 148 D. Prepare the feasibility report.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

149 3.9 Health Care Financing Objective 3 – CONTRACTOR shall
150 prepare a financial analysis of the COUNTY's current and potential resources for
151 achieving the current health care system redesign during day 42 through day 120.

152 A. Create financial projection applying all the potential and
153 current resources.

154 B. Provide alternative scenarios for the best, most likely and
155 worst case resource availability.

156 3.10 CONTRACTOR assigned staff working on-site shall:

157 A. Provide COUNTY with verification of competency to include,
158 job description and licensure and/or certifications.

159 B. Have annual health screening to include a tuberculosis (TB)
160 test, and or Chest X-Ray (verifying absence of active
161 disease), a record of vaccination for Measles, Mumps,
162 Rubella, (MMR) series or record of positive MMR titer, proof
163 of immunization of Diphtheria, Tetanus, Trivalent Polio,
164 Hepatitis B, and a general physical examination clearance.
165 All records pertaining to this shall be kept on file in
166 CONTRACTOR's office, and made available to COUNTY
167 upon request.

168 C. Be orientated to COUNTY fire, disaster, department specific
169 procedures, and infection control practices by COUNTY.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

170 D. Possess and wear a photographic identification card
171 supplied by CONTRACTOR.

172 E. Adhere to all Riverside County Regional Medical Center
173 (RCRMC) policies.

174 **4.0 PERIOD OF PERFORMANCE**

175 This Agreement shall be effective as of the date of final execution and
176 continue in effect through June 30, 2011, unless terminated as specified in Section 7.0
177 Termination.

178 **5.0 COMPENSATION**

179 5.1 The COUNTY shall pay the CONTRACTOR for services performed
180 and expenses incurred in accordance with the terms of **Exhibit A**, Line Item Budget.

181 5.2 Maximum payments by COUNTY to CONTRACTOR shall not
182 exceed one hundred thirty-four thousand five hundred five dollars (\$134,505) annually
183 including all expenses. The COUNTY is not responsible for any fees or costs incurred
184 above or beyond the contracted amount and shall have no obligation to purchase any
185 specified amount of services or products. Unless otherwise specifically stated in
186 **Exhibit A**, COUNTY shall not be responsible for payment of any of CONTRACTOR's
187 expense related to this Agreement.

188 5.3 All price decreases (for example, if CONTRACTOR offers lower
189 prices to another governmental entity) will automatically be extended to the COUNTY.
190 The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

191 any approved price adjustment. No retroactive price adjustments will be considered.

192 Any price increases must be stated in a written amendment to this Agreement.

193 5.4 Said compensation shall be paid in accordance with an invoice
194 submitted to COUNTY by CONTRACTOR, and COUNTY shall pay the invoice within
195 thirty (30) working days of receipt of the invoice. In accordance with California
196 Government Code Section 926.10, COUNTY is not allowed to pay excess interest and
197 late charges.

198 5.5 All invoices submitted by CONTRACTOR shall be addressed to,
199 Riverside County Regional Medical Center, Attention: Accounts Payable, 26520 Cactus
200 Avenue, Moreno Valley, CA. 92555.

201 **6.0 ASSURANCES**

202 6.1 CONTRACTOR hereby agrees that, where applicable, services
203 provided hereunder will be performed in harmony with COUNTY policy and procedure.

204 6.2 CONTRACTOR warrants that it is, and will remain, in compliance
205 with all State and Federal laws and the standards of the Joint Commission.

206 6.3 CONTRACTOR certifies that it is aware of the Occupational Safety
207 and Health Administration (OSHA) regulations of the U.S. Department of Labor, the
208 derivative Cal/OSHA standards and laws and regulations relating thereto, and shall
209 comply therewith as to all relative elements under this Agreement.

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**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

213 **7.0 TERMINATION**

214 7.1 COUNTY may terminate this Agreement without cause upon 30
215 days written notice served upon the CONTRACTOR stating the extent and effective
216 date of termination.

217 7.2 COUNTY may, upon five (5) days written notice, terminate this
218 Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply
219 with the terms of this Agreement or fails to make progress so as to endanger
220 performance and does not immediately cure such failure. In the event of such
221 termination, the COUNTY may proceed with the work in any manner deemed proper by
222 COUNTY.

223 7.3 After receipt of the notice of termination, CONTRACTOR shall: (a)
224 Stop all work under this Agreement on the date specified in the notice of termination;
225 and (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any
226 materials, reports or other products which, if the Agreement had been completed or
227 continued, would have been required to be furnished to COUNTY.

228 7.4 After termination, COUNTY shall make payment only for
229 CONTRACTOR's performance up to the date of termination in accordance with this
230 Agreement and at the rates set forth in **Exhibit A**.

231 7.5 CONTRACTOR's rights under this Agreement shall terminate
232 (except for fees accrued prior to the date of termination) upon dishonesty or a willful or
233 material breach of this Agreement by CONTRACTOR; or in the event of
234 CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

235 terms of this Agreement. In the event, CONTRACTOR shall not be entitled to any
236 further compensation under this Agreement.

237 7.6 The rights and remedies of COUNTY provided in this section shall
238 not be exclusive and are in addition to any other rights and remedies provided by law or
239 this Agreement.

240 **8.0 CONFIDENTIALITY**

241 8.1 CONTRACTOR agrees to protect from unauthorized disclosure of
242 names and other identifying information concerning either persons receiving services
243 under this Agreement or persons whose names or other identifying information
244 becomes known to CONTRACTOR as a result of services performed under this
245 Agreement, except statistical information not identifying any such person.

246 8.2 CONTRACTOR shall not disclose, except as otherwise specifically
247 permitted by this Agreement or authorized by the client or client's representative, any
248 such identifying information to anyone other than authorized COUNTY personnel
249 without prior written authorization from the COUNTY.

250 8.3 For the purpose of this paragraph, "identify" shall include, but not
251 limited to, name, identifying number, symbol, or other identifying particular assigned to
252 the individual, such as finger or voiceprint or photograph.

253 **9.0 HOLD HARMLESS/INDEMNIFICATION**

254 9.1 CONTRACTOR shall indemnify and hold harmless the County of
255 Riverside, its Agencies, Districts, Special Districts and Departments, their respective
256 directors, officers, Board of Supervisors, elected and appointed officials, employees,

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

257 agents and representatives (individually and collectively hereinafter referred to as
258 Indemnitees) from any liability whatsoever, based or asserted upon any services of
259 CONTRACTOR, its officers, employees, subcontractors, agents or representatives
260 arising out of or in any way relating to this Agreement, including but not limited to
261 property damage, bodily injury, or death or any other element of any kind or nature
262 whatsoever arising from the performance of CONTRACTOR, its officers, employees,
263 subcontractors, agents or representatives Indemnitors from this Agreement.
264 CONTRACTOR shall defend, at its sole expense, all costs and fees including, but not
265 limited, to attorney fees, cost of investigation, defense and settlements or awards, the
266 Indemnitees in any claim or action based upon such alleged acts or omissions. With
267 respect to any action or claim subject to indemnification herein by CONTRACTOR,
268 CONTRACTOR shall, at their sole cost, have the right to use counsel of their own
269 choice and shall have the right to adjust, settle, or compromise any such action or claim
270 without the prior consent of COUNTY; provided, however, that any such adjustment,
271 settlement or compromise in no manner whatsoever limits or circumscribes
272 CONTRACTOR'S indemnification to Indemnitees as set forth herein.

273 9.2 CONTRACTOR'S obligation hereunder shall be satisfied when
274 CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving
275 COUNTY from any liability for the action or claim involved. The specified insurance
276 limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S
277 obligations to indemnify and hold harmless the Indemnitees herein from third party
278 claims.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

279 9.3 In the event there is conflict between this clause and California Civil
280 Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782.
281 Such interpretation shall not relieve the CONTRACTOR from indemnifying the
282 Indemnitees to the fullest extent allowed by law.

283 **10.0 INSURANCE**

284 10.1 Without limiting or diminishing the CONTRACTOR'S obligation to
285 indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or
286 cause to be maintained, at its sole cost and expense, the following insurance
287 coverage's during the term of this Agreement.

288 10.2 WORKERS' COMPENSATION

289 If the CONTRACTOR has employees as defined by the State of
290 California, the CONTRACTOR shall maintain statutory Workers' Compensation
291 Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall
292 include Employers' Liability (Coverage B) including Occupational Disease with limits not
293 less than **\$1,000,000** per person per accident. The policy shall be endorsed to waive
294 subrogation in favor of The County of Riverside, and, if applicable, to provide a
295 Borrowed Servant/Alternate Employer Endorsement.

296 10.3 COMMERCIAL GENERAL LIABILITY

297 Commercial General Liability insurance coverage, including but not
298 limited to, premises liability, contractual liability, products and completed operations
299 liability, personal and advertising injury, and cross liability coverage, covering claims
300 which may arise from or out of CONTRACTOR'S performance of its obligations

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

301 hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special
302 Districts, and Departments, their respective directors, officers, Board of Supervisors,
303 employees, elected or appointed officials, agents or representatives as Additional
304 Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence
305 combined single limit. If such insurance contains a general aggregate limit, it shall
306 apply separately to this agreement or be no less than two (2) times the occurrence limit.

307 10.4 VEHICLE LIABILITY

308 If vehicles or mobile equipment are used in the performance of the
309 obligations under this Agreement, then CONTRACTOR shall maintain liability insurance
310 for all owned, non-owned or hired vehicles so used in an amount not less than
311 \$1,000,000 per occurrence combined single limit. If such insurance contains a general
312 aggregate limit, it shall apply separately to this agreement or be no less than two (2)
313 times the occurrence limit. Policy shall name the County of Riverside, its Agencies,
314 Districts, Special Districts, and Departments, their respective directors, officers, Board
315 of Supervisors, employees, elected or appointed officials, agents or representatives as
316 Additional Insureds.

317 10.5 PROFESSIONAL LIABILITY

318 CONTRACTOR shall maintain Professional Liability Insurance
319 providing coverage for the CONTRACTOR's performance of work included within this
320 Agreement, with a limit of liability of not less than **\$1,000,000** per occurrence and
321 **\$2,000,000** annual aggregate. If CONTRACTOR's Professional Liability Insurance is
322 written on a claims made basis rather than an occurrence basis, such insurance shall

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

323 continue through the term of this Agreement and CONTRACTOR shall purchase at his
324 sole expense either 1) an Extended Reporting Endorsement (also known as Tail
325 Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to
326 the date of, or prior to, the inception of this Agreement; or 3) demonstrate through
327 Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with
328 the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue
329 for a period of five (5) years beyond the termination of this Agreement.

330 10.6 GENERAL INSURANCE PROVISIONS - ALL LINES

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

337 B. The CONTRACTOR'S insurance carrier(s) must declare its
338 insurance deductibles or self-insured retentions. If such deductibles or self-insured
339 retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall
340 have the prior written consent of the County Risk Manager before the commencement
341 of operations under this Agreement. Upon notification of deductibles or self insured
342 retention's unacceptable to the COUNTY, and at the election of the Country's Risk
343 Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such
344 deductibles or self-insured retention's as respects this Agreement with the COUNTY, or

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

345 2) procure a bond which guarantees payment of losses and related investigations,
346 claims administration, and defense costs and expenses.

347 C. CONTRACTOR shall cause CONTRACTOR'S insurance
348 carrier(s) to furnish the County of Riverside with either 1) a properly executed original
349 Certificate(s) of Insurance and certified original copies of Endorsements effecting
350 coverage as required herein, or 2) if requested to do so orally or in writing by the County
351 Risk Manager, provide original Certified copies of policies including all Endorsements
352 and all attachments thereto, showing such insurance is in full force and effect. Further,
353 said Certificate(s) and policies of insurance shall contain the covenant of the insurance
354 carrier(s) that thirty (30) days written notice shall be given to the County of Riverside
355 prior to any material modification, cancellation, expiration or reduction in coverage of
356 such insurance. In the event of a material modification, cancellation, expiration, or
357 reduction in coverage, this Agreement shall terminate forthwith, unless the County of
358 Riverside receives, prior to such effective date, another properly executed original
359 Certificate of Insurance and original copies of endorsements or certified original policies,
360 including all endorsements and attachments thereto evidencing coverage's set forth
361 herein and the insurance required herein is in full force and effect. **CONTRACTOR**
362 ***shall not commence operations until the COUNTY has been furnished original***
363 ***Certificate (s) of Insurance and certified original copies of endorsements or***
364 ***policies of insurance including all endorsements and any and all other***
365 ***attachments as required in this Section. An individual authorized by the***

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

366 *insurance carrier to do so on its behalf shall sign the original endorsements for*
367 *each policy and the Certificate of Insurance.*

368 D. It is understood and agreed to by the parties hereto that the
369 CONTRACTOR'S insurance shall be construed as primary insurance, and the
370 COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured
371 programs shall not be construed as contributory.

372 E. if, during the term of this Agreement or any extension
373 thereof, there is a material change in the scope of services; or, there is a material
374 change in the equipment to be used in the performance of the scope of work which will
375 add additional exposures (such as the use of aircraft, watercraft, cranes, etc.); or, the
376 term of this Agreement, including any extensions thereof, exceeds five (5) years the
377 COUNTY reserves the right to adjust the types of insurance required under this
378 Agreement and the monetary limits of liability for the insurance coverage's currently
379 required herein, if; in the County Risk Manager's reasonable judgment, the amount or
380 type of insurance carried by the CONTRACTOR has become inadequate.

381 F. CONTRACTOR shall pass down the insurance obligations
382 contained herein to all tiers of subcontractors working under this Agreement.

383 G. The insurance requirements contained in this Agreement
384 may be met with a program(s) of self-insurance acceptable to the COUNTY.

385 H. CONTRACTOR agrees to notify COUNTY of any claim by a
386 third party or any incident or event that may give rise to a claim arising from the
387 performance of this Agreement.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

388 **11.0 AVAILABILITY OF FUNDING**

389 The COUNTY obligation for payment of any contract beyond the current
390 fiscal year end is contingent upon the availability of funding from which payment can be
391 made. No legal liability on the part of the COUNTY shall arise for payment beyond June
392 30 of the calendar year unless funds are made available for such performance.

393 **12.0 RECORDS AND DOCUMENTS**

394 12.1 CONTRACTOR shall make available, upon written request by and
395 duly authorized Federal, State or COUNTY agency, a copy of this Agreement and such
396 books, documents and records as are necessary to certify the nature and extent of the
397 costs of the services provided by CONTRACTOR. All such CONTRACTOR shall
398 maintain books and records for at least five (5) years from the termination of this
399 Agreement.

400 12.2 CONTRACTOR to provide COUNTY with reports and information
401 relative to this Agreement and in accordance with terms set forth herein, as may be
402 requested by COUNTY.

403 **13.0 MONITORING**

404 CONTRACTOR hereby agrees to establish procedures for self-monitoring
405 and shall permit an appropriate official of the COUNTY, State or Federal government to
406 monitor, access, or evaluate CONTRACTOR'S performance under this Agreement upon
407 reasonable notice to CONTRACTOR and at any reasonable time.

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**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

410 **14.0 LICENSE**

411 14.1 CONTRACTOR shall, through the term of this Agreement, maintain
412 all licenses necessary for the provision of the services hereunder and required by the
413 laws and regulations of the United States, the State of California, County of Riverside,
414 and all other governmental agencies. CONTRACTOR shall notify COUNTY
415 immediately, in writing, of inability to obtain or maintain such license. Said inability shall
416 be cause for termination of this Agreement.

417 14.2 CONTRACTOR shall ensure that CONTRACTOR'S employees,
418 agents, and subcontractors performing services under the terms of this Agreement are
419 in compliance with all relative licensing requirements. CONTRACTOR hereby agrees to
420 notify COUNTY immediately, in writing, of inability of CONTRACTOR or any of
421 CONTRACTOR'S employees, agents and subcontractors to obtain or maintain such
422 license(s). Said inability shall be cause for termination of this Agreement.

423 14.3 COPY REQUIRED. A copy of each such license, permit, approval,
424 waiver, exemption, registration, accreditation, and certificate shall be provided to
425 Contracts Administration.

426 14.4 Further, CONTRACTOR hereby agrees to abide by the standards
427 of medical practice of the profession when performing services hereunder.

428 **15.0 NONDISCRIMINATION AND ELIGIBILITY**

429 15.1 The CONTRACTOR shall not discriminate in the provision of
430 services, allocation of benefits, accommodation in facilities, or employment of
431 personnel, on the basis of ethnic group identification, race, color, creed, ancestry,

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

432 religion, national origin, sexual preference, sex, age (over 40), marital status, medical
433 attention, or physical or mental handicap, and shall comply with all other requirements
434 of law regarding non discrimination and affirmative action including those laws
435 pertaining to the prohibition of discrimination against qualified handicapped persons in
436 all programs or activities.

437 15.2 For the purpose of this Agreement, distinctions on the grounds of
438 race, religion, color, sex, national origin, age, or physical or mental handicap include but
439 at not limited to the following:

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

443 B. Treatment in any matter related to his receipt of any service,
444 except when necessary for infection control.

445 C. Restricting an eligible person differently in any way in the
446 enjoyment of any advantage or privilege enjoyed by others receiving similar service or
447 benefit.

448 D. Treating an eligible person differently from others in
449 determining whether he satisfied any eligibility, membership, or other requirement or
450 condition which individuals must meet in order to be provided a similar service or
451 benefit.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

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

455 **16.0 CONFLICT OF INTEREST**

456 CONTRACTOR and CONTRACTOR'S employees shall have no interest,
457 and shall nor acquire any interest, direct or indirect, which will conflict in any manner or
458 degree with the performance of services required under this Agreement.

459 **17.0 ALTERATION**

460 17.1 No alteration or variation of the terms of this Agreement shall be
461 valid unless made in writing and signed by the parties hereto, and no oral understanding
462 or agreement not incorporated herein, shall be binding on any of the parties hereto.

463 17.2 Only the County Board of Supervisors or County Purchasing Agent
464 may authorize the alteration or revision of this Agreement. The parties expressly
465 recognize that COUNTY personnel are without authorization to either change or waive
466 any requirements of this Agreement.

467 **18.0 ASSIGNMENT**

468 CONTRACTOR may not delegate the obligations hereunder, either in
469 whole or in part, without prior written consent of COUNTY provided, however,
470 obligations undertaken by CONTRACTOR pursuant to this Agreement may be carried
471 out by means of subcontracts if approved by COUNTY. No subcontract shall terminate
472 or alter the responsibilities of the CONTRACTOR to COUNTY pursuant to this
473 Agreement. CONTRACTOR may not assign the rights hereunder, either in whole or in

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

474 part, without prior written consent of COUNTY. Any attempted assignment or
475 delegation in derogation of this paragraph shall be void. A change in the business
476 structure of CONTRACTOR, including but not limited to, change in the majority
477 ownership, change in the form of CONTRACTOR'S business organization,
478 management of CONTRACTOR, CONTRACTOR'S ownership of other business
479 dealing with CONTRACTOR under this Agreement, or filing of bankruptcy by
480 CONTRACTOR, shall be deemed an assignment for purposes of this paragraph.

481 **19.0 ADMINISTRATION**

482 The County of Riverside Patient Accounts Manager, or designee, shall
483 administer this Agreement on behalf of the COUNTY. Contracts Administration is to
484 serve as its liaison with CONTRACTOR in connection with this agreement.

485 **20.0 WAIVER**

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

492 **21.0 JURISDICTION, VENUE, SEVERABILITY**

493 This Agreement and its construction and interpretation as to validity,
494 performance and breach shall be construed under the laws of the State of California.
495 Any legal action related to this Agreement shall be filed in the appropriate court

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

496 (Municipal or Superior) of the State of California located in Riverside, California. In the
497 event any provision in this Agreement is held by a court of competent jurisdiction to be
498 invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full
499 force without being impaired or invalidated in any way.

500 **22.0 INDEPENDENT CONTRACTOR**

501 22.1 The CONTRACTOR is, for purposes arising out of this contract, an
502 independent contractor and shall not be deemed an employee of the COUNTY. It is
503 expressly understood and agreed that the CONTRACTOR shall in no event, as a result
504 of this contract, be entitled to any benefits to which COUNTY employees are entitled,
505 including but not limited to overtime, any retirement benefits, worker's compensation
506 benefits, and injury leave or other leave benefits. CONTRACTOR hereby holds
507 COUNTY harmless from any and all claims that may be made against COUNTY based
508 upon any contention by any third party that an employer-employee relationship exists by
509 reason of this agreement.

510 22.2 It is further understood and agreed by the parties hereto that
511 CONTRACTOR in the performance of its obligation hereunder is subject to the control
512 or direction of COUNTY merely as to the result to be accomplished by the services
513 hereunder agreed to be rendered and performed and not as to the means and methods
514 for accomplishing the results.

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**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

517 **23.0 SUBCONTRACT FOR WORK OR SERVICES**

518 No contract shall be made by the CONTRACTOR with any party for
519 furnishing any of the work or services herein contained without the prior written approval
520 of the COUNTY Contract Administrator but this provision shall not require the approval
521 of contracts of employment between the CONTRACTOR and personnel assigned for
522 services there under, or for parties named in the proposal and agreed to under any
523 resulting contract.

524 **24.0 INTEREST OF CONTRACTOR**

525 The CONTRACTOR covenants that it presently has no interest, including
526 but not limited to, other projects or independent contracts, and shall not acquire any
527 such interest, direct or indirect, which would conflict in any manner or degree with the
528 performance of services required to be performed under this contract. The
529 CONTRACTOR further covenants that in the performance of this contract, no person
530 having any such interest shall be employed or retained by it under this contract.

531 **25.0 CONDUCT OF CONTRACTOR**

532 25.1 The CONTRACTOR agrees to inform the COUNTY of all the
533 CONTRACTOR's interest, if any, which are or which the CONTRACTOR believes to be
534 incompatible with any interest of the COUNTY.

535 25.2 The CONTRACTOR shall not, under circumstances, which might
536 reasonably be interpreted as an attempt to influence the recipient in the conduct of his
537 duties, accept any gratuity or special favor from individuals or organizations with whom

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

538 the CONTRACTOR is doing business or proposing to do business, in accomplishing the
539 work under the contract.

540 25.3 The CONTRACTOR shall not use for personal gain or make other
541 improper use of privileged information, which is acquired in connection with his contract.
542 In this connection, the term 'privileged information' includes, but is not limited to,
543 unpublished information relating to technological and scientific development; medical,
544 personnel, or security records of the individuals; anticipated materials requirements or
545 pricing actions; and knowledge of selection of CONTRACTOR or subcontractors in
546 advance of official announcement.

547 25.4 The CONTRACTOR or employees thereof shall not offer gifts,
548 gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

549 **26.0 DISALLOWANCE**

550 In the event the CONTRACTOR receives payment for services under this
551 contract which is later disallowed for nonconformance with the terms and conditions
552 herein by the COUNTY, the CONTRACTOR shall promptly refund the disallowed
553 amount to the COUNTY on request, or at its option, the COUNTY may offset the
554 amount disallowed from any payment due to the CONTRACTOR under any contract
555 with the COUNTY.

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**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

559 **27.0 RIGHT TO ACQUIRE EQUIPMENT AND SERVICES**

560 Nothing in this agreement shall prohibit the COUNTY from acquiring the
561 same type or equivalent equipment and/or service from other sources, when deemed by
562 the COUNTY to be in its best interest.

563 **28.0 FORCE MAJEURE**

564 28.1 In the event CONTRACTOR is unable to comply with any provision
565 of this agreement due to causes beyond their control such as acts of God, acts of war,
566 civil disorders, or other similar acts, CONTRACTOR shall not be held liable to COUNTY
567 for such failure to comply.

568 28.2 In the event COUNTY is unable to comply with any provision of this
569 agreement due to causes beyond its control relating to acts of God, acts of war, civil
570 disorders, or other similar acts, COUNTY shall not be held liable to CONTRACTOR for
571 such failure to comply.

572 **29.0 EDD REPORTING REQUIREMENTS**

573 In order to comply with child support enforcement requirements of the
574 State of California, the County of Riverside may be required to submit a Report of
575 Independent Contractor(s) form **DE 542** to the Employment Development Department.
576 The selected contractor agrees to furnish the required Contractor data and certifications
577 to the County of Riverside within 10 days of notification of award of contract when
578 required by the EDD.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

579 It is expressly understood that this data will be transmitted to
580 governmental agencies charged with the establishment and enforcement of child
581 support orders and for no other purposes and will be held confidential by those
582 agencies. Failure of the contractor to timely submit the data and/or certificates required
583 may result in contract being awarded to another Contractor. In the event a contract has
584 been issued, failure of the Contractor to comply with all federal and state reporting
585 requirements for child support enforcement or to comply with all lawfully served Wage
586 and Earnings Assignments Orders and Notices of Assignment shall constitute a material
587 breach of contract. Failure to cure such breach within 60 calendar days of notice from
588 the County shall constitute grounds for termination of the contract.

589 If you have any questions concerning this reporting requirement, please
590 call (916) 657-0529. You may also contact your local Employment Tax Customer
591 Service Office listed in your telephone directory in the State Government section under
592 "Employment Development Department," or you may access their Internet site at
593 www.edd.ca.gov.

594 **30.0 ENTIRE AGREEMENT**

595 This Agreement, including any Statement(s) of Work entered into pursuant
596 to it, constitutes the entire agreement of the parties hereto with respect to its subject
597 matter and supersedes all prior and contemporaneous representations, proposals,
598 discussions and communications, whether oral or in writing. This contract may be
599 modified only in writing and shall be enforceable in accordance with its terms when
600 signed by each of the parties hereto.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
AON CONSULTING**

601 **31.0 CAPTIONS AND PARAGRAPH HEADINGS**

602 Captions and paragraph headings used in this Agreement are for
603 convenience only and are not a part of this Agreement and shall not be used in
604 construing this Agreement.

605 **32.0 NOTICES**

606 All correspondence and notices required or contemplated by this
607 Agreement shall be delivered to the respective parties at the addresses set forth below
608 and are deemed submitted one day after their deposit in the United States mail, postage
609 prepaid.

<u>CONTRACTOR</u>	<u>COUNTY</u>
611 AON Consulting	Riverside County Regional Medical Center
612 707 Wilshire Blvd, Suite 2600	26520 Cactus Avenue
613 Los Angeles, CA 90017	Moreno Valley, CA 92555
614 Attn: Health & Benefits Department	Attn: Contracts Administration

615 **IN WITNESS WHEREOF**, the parties have executed this Agreement.

616 **CONTRACTOR**

617 By: Brent B Coore

618 Brent B Coore

619 Type or Print Name

620 Senior Vice President

621 Type or Print Title

622 10/19/10

623 Date:

624

625

616 **COUNTY**

617 By: Marion Ashley

618 Marion Ashley

619 Type or Print Name

620 Chairman

621 Type or Print Title

622 NOV 30 2010

623 Date:

624

625

ATTEST
KECIA HARPER-HEN, Clerk
By: [Signature]
DEPUTY

FORM APPROVED COUNTY COUNSEL
BY: [Signature] DATE 11/15/10
NEAL R. KIPNIS

**LINE ITEM BUDGET
AON CONSULTING**

CONTRACTOR shall be reimbursed based on the line item budget below:

	COMPOSITE RATE	HOURS	TOTAL
HEALTH CARE STRATEGIC PLANNING			
Senior Vice President Brent Crane	\$315 Per Hour	20	\$1,575
Vice President Michael Cryer, MD		25	\$7,875
Assistant Vice President Paige Sipes-Metzler, DPA, MS, RN		40	\$17,325
Analyst		57	\$17,955
		SUBTOTAL	\$44,730
HEALTH CARE FINANCING			
Senior Vice President Joann Hess	\$315 Per Hour	15	\$4,725
Senior Vice President Michael Cryer, MD		10	\$3,150
Vice President Jorge Alvidrez		95	\$29,925
Assistant Vice President		70	\$22,050
Financial Analyst		95	\$29,925
		SUBTOTAL	\$89,775
INCLUSIVE NOT TO EXCEED TOTAL AMOUNT			\$134,505

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
AON CONSULTING

This HIPAA Business Associate Agreement Addendum ("Addendum") supplements, and is made part of the Professional Services Agreement (the "Underlying Agreement") between the County of Riverside ("County") and **AON Consulting** ("CONTRACTOR") as of the date of approval by both parties (the "Effective Date").

RECITALS

WHEREAS, County and CONTRACTOR entered into the Underlying Agreement pursuant to which CONTRACTOR provides services to County, and in conjunction with the provision of such services certain Protected Health Information ("PHI") and/or certain electronic Protected Health Information (ePHI) may be made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act, Pub. L. No. 104-161 of 1996 ("HIPAA"), more specifically the regulations found at Title 45, CFR, Parts 160 and 164 (the "Privacy Rule") and/or Part 162 (the "Security Rule"), as may be amended from time to time, which are applicable to the protection of any disclosure of PHI and/or ePHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a Covered Entity, as defined in the Privacy Rule; and,

WHEREAS, CONTRACTOR, when a recipient of PHI and/or ePHI from County, is a Business Associate as defined in the Privacy Rule; and,

WHEREAS, the parties agree that any disclosure or use of PHI and/or ePHI be in compliance with the Privacy Rule, Security Rule, or other applicable law;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Definitions. Unless otherwise provided in this Addendum, capitalized terms shall have the same meanings as set forth in the Privacy Rule and/or Security Rule, as may be amended from time to time.
2. Scope of Use and Disclosure by CONTRACTOR of County Disclosed PHI and/or ePHI
 - A. CONTRACTOR shall be permitted to use PHI and/or ePHI disclosed to it by the County:
 - (1) On behalf of the County, or to provide services to the County for the purposes contained herein, if such use or disclosure would not violate the Privacy Rule and/or Security Rule;
 - (2) As necessary to perform any and all of its obligations under the Underlying Agreement.

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
AON CONSULTING

- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or required by law, CONTRACTOR may:
- (1) Use the PHI and/or ePHI in its possession for its proper management and administration and to fulfill any legal obligations.
 - (2) Disclose the PHI and/or ePHI in its possession to a third party for the purpose of CONTRACTOR's proper management and administration or to fulfill any legal responsibilities of CONTRACTOR. CONTRACTOR may disclose PHI and/or ePHI as necessary for CONTRACTOR's operations only if:
 - (a) The disclosure is required by law; or
 - (b) CONTRACTOR obtains written assurances from any person or organization to which CONTRACTOR will disclose such PHI and/or ePHI that the person or organization will:
 - (i) Hold such PHI and/or ePHI in confidence and use or further disclose it only for the purpose of which CONTRACTOR disclosed it to the third party, or as required by law; and,
 - (ii) The third party will notify CONTRACTOR of any instances of which it becomes aware in which the confidentiality of the information has been breached.
 - (3) Aggregate the PHI and/or ePHI and/or aggregate the PHI and/or ePHI with that of other data for the purpose of providing County with data analyses related to the Underlying Agreement, or any other purpose, financial or otherwise, as requested by County.
 - (4) Not disclose PHI and/or ePHI disclosed to CONTRACTOR by County not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI and/or ePHI as authorized in writing by County.
 - (5) De-identify any and all PHI and/or ePHI of County received by CONTRACTOR under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and/or Security Rule and does not preclude timely payment and/or claims processing and receipt.
- C. CONTRACTOR agrees that it will neither use nor disclose PHI and/or ePHI it receives from County, nor from another business associate of County, except as permitted or required by this Addendum, or as required by law, or as otherwise permitted by law.
- D. Notwithstanding the foregoing, in any instance where applicable state and/or federal laws and/or regulations are stricter in their requirements than the provisions of HIPAA and prohibit the disclosure of mental health,

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
AON CONSULTING

and/or substance abuse records, the applicable state and/or federal laws and/or regulations shall control the disclosure of records.

3. Obligations of County.

- A. County agrees that it will make its best efforts to promptly notify CONTRACTOR in writing of any restrictions on the use and disclosure of PHI and/or ePHI agreed to by County that may affect CONTRACTOR's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees that it will make its best efforts to promptly notify CONTRACTOR in writing of any changes in, or revocation of, permission by any individual to use or disclose PHI and/or ePHI, if such changes or revocation may affect CONTRACTOR's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees to make its best efforts to promptly notify CONTRACTOR in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect CONTRACTOR's use or disclosure of PHI and/or ePHI.
- D. County shall not request CONTRACTOR to use or disclose PHI and/or ePHI in any manner that would not be permissible under the Privacy Rule and/or Security Rule.
- E. County will obtain any authorizations necessary for the use or disclosure of PHI and/or ePHI, so that CONTRACTOR can perform its obligations under this Addendum and/or the Underlying Agreement.

4. Obligations of CONTRACTOR. In connection with its use of PHI and/or ePHI disclosed by County to CONTRACTOR, CONTRACTOR agrees to:

- A. Use or disclose PHI and/or ePHI only as permitted or required by this Addendum or as required by law.
- B. Use reasonable and appropriate safeguards to prevent use or disclosure of PHI and/or ePHI other than as provided for by this Addendum.
- C. To the extent practicable, mitigate any harmful effect that is known to CONTRACTOR of a use or disclosure of PHI and/or ePHI by CONTRACTOR in violation of this Addendum.
- D. Report to County any use or disclosure of PHI and/or ePHI not provided for by this Addendum of which CONTRACTOR becomes aware.
- E. Require sub-contractors or agents to whom CONTRACTOR provides PHI and/or ePHI to agree to the same restrictions and conditions that apply to CONTRACTOR pursuant to this Addendum.

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
AON CONSULTING

- F. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use or disclosure of PHI and/or ePHI created or received for or from the County.
 - G. Obtain and maintain knowledge of the applicable laws and regulations related to HIPAA, as may be amended from time to time.
5. Access to PHI, Amendment and Disclosure Accounting. CONTRACTOR agrees to:
- A. Provide access, at the request of County, within five (5) days, to PHI in a Designated Record Set, to the County, or to an Individual as directed by the County.
 - B. To make any amendment(s) to PHI in a Designated Record Set that the County directs or agrees to at the request of County or an Individual within sixty (60) days of the request of County.
 - C. To assist the County in meeting its disclosure accounting under HIPAA:
 - (1) CONTRACTOR agrees to document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (2) CONTRACTOR agrees to provide to County or an Individual, within sixty (60) days, information collected in accordance with this section to permit the County to respond to a request by an Individual for an accounting of disclosures of PHI.
 - (3) CONTRACTOR shall have available for the County the information required by this section for the six (6) years preceding the County's request for information (except the CONTRACTOR need have no information for disclosures occurring before April 14, 2003).
 - D. Make available to the County, or to the Secretary of Health and Human Services, CONTRACTOR's internal practices, books and records relating to the use of and disclosure of PHI for purposes of determining CONTRACTOR's compliance with the Privacy Rule, subject to any applicable legal restrictions.
 - E. Within thirty (30) days of receiving a written request from County, make available any and all information necessary for County to make an accounting of disclosures of County PHI by CONTRACTOR.
 - F. Within thirty (30) days of receiving a written request from County, incorporate any amendments or corrections to the PHI in accordance with the Privacy Rule in the event that the PHI in CONTRACTOR's possession constitutes a Designated Record Set.
 - G. Not make any disclosure of PHI that County would be prohibited from making.

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
AON CONSULTING

6. Access to ePHI, Amendment and Disclosure Accounting. In the event CONTRACTOR needs to create or have access to County ePHI, CONTRACTOR agrees to:
- A. Implement and maintain reasonable and appropriate administrative, physical, and technical safeguards to protect the confidentiality of, the integrity of, the availability of, and authorized persons' accessibility to, County ePHI as applicable under the terms and conditions of the Underlying Agreement. The ePHI shall include that which the CONTRACTOR may create, receive, maintain, or transmit on behalf of the County.
 - B. Ensure that any agent, including a subcontractor, to whom CONTRACTOR provides ePHI agrees to implement reasonable and appropriate safeguards.
 - C. Report to County any security incident of which CONTRACTOR becomes aware that concerns County ePHI.
7. Term and Termination.
- A. Term – this Addendum shall commence upon the Effective Date and terminate upon the termination of the Underlying Agreement, except as terminated by County as provided herein.
 - B. Termination for Breach – County may terminate this Addendum, effective immediately, without cause, if County, in its sole discretion, determines that CONTRACTOR has breached a material provision of this Addendum. Alternatively, County may choose to provide CONTRACTOR with notice of the existence of an alleged material breach and afford CONTRACTOR with an opportunity to cure the alleged material breach. In the event CONTRACTOR fails to cure the breach to the satisfaction of County in a timely manner, County reserves the right to immediately terminate this Addendum.
 - C. Effect of Termination – upon termination of this Addendum, for any reason, CONTRACTOR shall return or destroy all PHI and/or ePHI received from the County, or created or received by CONTRACTOR on behalf of County, and, in the event of destruction, CONTRACTOR shall certify such destruction, in writing, to County. This provision shall apply to all PHI and/or ePHI which is in possession of subcontractors or agents of CONTRACTOR. CONTRACTOR shall retain no copies of the PHI and/or ePHI.
 - D. Destruction not Feasible – in the event that CONTRACTOR determines that returning or destroying the PHI and/or ePHI is not feasible, CONTRACTOR shall provide written notification to County of the conditions which make such return or destruction not feasible. Upon determination by CONTRACTOR that return or destruction of PHI and/or

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
AON CONSULTING

ePHI is not feasible, CONTRACTOR shall extend the protections of this Addendum to such PHI and/or ePHI and limit further uses and disclosures of such PHI and/or ePHI to those purposes which make the return or destruction not feasible, for so long as CONTRACTOR maintains such PHI and/or ePHI.

8. Hold Harmless/Indemnification

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

With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their choice, subject to the approval of County, which shall not be unreasonably withheld, and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR's indemnification to County as set forth herein. CONTRACTOR's obligation to defend, indemnify and hold harmless County shall be subject to County having given CONTRACTOR written notice within a reasonable period of time of the claim or of the commencement of the related action, as the case may be, and information and reasonable assistance, at CONTRACTOR's expense, for the defense or settlement thereof. CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved.

The specified insurance limits required in the Underlying Agreement of this Addendum shall in no way limit or circumscribe CONTRACTOR's obligations to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
AON CONSULTING

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

In the event there is a conflict between this indemnification clause and an indemnification clause contained in the Underlying Agreement of this Addendum, this indemnification shall only apply to the subject issues included within this Addendum.

9. General Provisions.

- A. Amendment – the parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with the Privacy Rule, Security Rule, and HIPAA generally.
- B. Survival – the respective rights and obligations of this Addendum shall survive the termination or expiration of this Addendum.
- C. Regulatory References – a reference in this Addendum to a section in the Privacy Rule and/or Security Rule means the section(s) as in effect or as amended.
- D. Conflicts – any ambiguity in this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule, Security Rule, and HIPAA generally.
- E. Interpretation of Addendum – this Addendum shall be construed to be a part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of HIPAA.