

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

160



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
December 14, 2010

SUBJECT: Approve the Contract Agreements for Third Party Liability and Self-Pay Recovery services with Riverside County Regional Medical Center (RCRMC)

RECOMMENDED MOTION: Move that the Board of Supervisors:

1. Approve and authorize the Chairman of the Board to sign the attached Professional Services Agreements with the following Contractors to provide Third-Party Liability and Self-Pay Recovery services for RCRMC, in an aggregate amount not to exceed \$1,600,000:
 - (a) Compspec, Inc.
 - (b) Dell, Inc.
 - (c) Health Advocates, LLP
 - (d) NCO Financial Systems, Inc.
2. Authorize the Purchasing Agent to move dollars between these agreements as needs dictate as long as the aggregate amount does not exceed \$1,600,000 annually, and;
3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise the renewal option for up to four-(4) additional one-year periods, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement. *(continued on page 2)*

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$1,600,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/2011

SOURCE OF FUNDS: 100% Hospital 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 Buster, seconded by Supervisor Benoit 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: January 11, 2011
xc: RCRMC, Purchasing

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

3.68

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

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL
 BY: NEAL R. KIPNIS
 DATE: 12/23/10
 Department of Contract Services
 Purchasing: Mark Seltzer, Assistant Director
 Dept't Recomm.:
 Per Exec. Ofc.:

SUBJECT: Approve the Contract Agreements for Third Party Liability and Self-Pay Recovery services with Riverside County Regional Medical Center (RCRMC)

BACKGROUND:

On behalf of RCRMC, County Purchasing released a Request for Proposal (RFP MCARC135), to secure third party eligibility and self-pay recovery services for the hospital. Solicitations were sent to nine prospective vendors and advertised on the County's Internet/Website. Nine proposals were received and evaluated by three professional staff from RCRMC.

The evaluation team reviewed and scored each proposal based on the bidder's overall responsiveness to the RFP requirements, their experience with other comparable size hospital facilities, the ability to perform the services and the overall cost to the County. The scores ranged from 26.10 to 85.90. The most responsive/responsible vendors received the following scores: 85.90 –Dell, Inc., 85.80 –NCO Financial Systems, Inc., 84.10 –Health Advocates LLC, and 84.00 –Compspec, Inc.

These contingency based services provide an increase to RCRMC's collections due to the experience, skill and expertise these firms bring to this specialty service. In addition, these specialized contractors have assisted our patients who require their experience and resources including visits to patients' homes, assisting in the completion of the required paperwork thereby, benefiting RCRMC to increase revenue.

Therefore, the Director of RCRMC requests your approval of the recommended motions.

PRICE REASONABLENESS:

Nine proposals were received and thoroughly reviewed by an evaluation team. The top four highest scoring bidders were offered the opportunity to contract with the County since they provided the best proposals following specific requirements of the RFP. In addition these bidders offered the overall lowest contingency fee to the County based on their percentage of compensation for the categories with the largest number of accounts and highest dollars to RCRMC.

Experience has shown the diversification of third party eligibility and self-pay recovery services with more than one firm has contributed to more collections and a substantial increase to RCRMC's operational revenue.

FINANCIAL IMPACT:

Funding for these services is 100% Hospital Enterprise funded and does not require additional County funds.

DB:ns

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
COMPSPEC, INC.**

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 **Compspec, Inc.**, 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
11 and conditions hereinafter contained the PARTIES hereto mutually agree as provided
12 on pages 1 through 42, 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.

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**PROFESSIONAL SERVICES AGREEMENT
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23 **2.0 ABBREVIATIONS / DEFINITIONS**

24 2.1 “CONTRACTOR” shall mean any employee, agent or
25 representative of the contract company used in conjunction with the performance of the
26 contract.

27 2.2 “COUNTY” shall refer to the County of Riverside and its Riverside
28 County Regional Medical Center (RCRMC), which has administrative responsibility for
29 this Agreement. RCRMC and COUNTY are used interchangeably.

30 2.3 “CCS” shall mean California Children’s Services.

31 2.4 “DED” shall mean Disability Evaluation Determination.

32 2.5 “FFS” shall mean Fee for Service(s).

33 2.6 “Fiscal Year Activity” is defined as those accounts that are worked
34 in a designated Fiscal Year. County and RCRMC fiscal year encompasses the months
35 (July 1 through June 30). The Fiscal Year may include dates of services outside that
36 current year; however activity for the encounter should be performed in the designated
37 fiscal year.

38 2.7 “HMO” shall mean Health Maintenance Organization.

39 2.8 “PPO” shall mean Preferred Provider Organization.

40 2.9 “Straight Self-Pay and/or Self-Pay Encounter” shall be defined as
41 an encounter(s) that have completed all screening processes and the recipient is not
42 eligible for any other funded program.

43 2.10 “TAR” shall mean Treatment Authorization Request.

44 2.11 “TPL” shall mean Third-Party Liability.

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45 **3.0 DESCRIPTION OF SERVICES**

46 CONTRACTOR shall provide all services as outlined and specified in
47 **Exhibit A**, Scope of Services, consisting of 9 pages at the percentage rate stated in
48 **Exhibit B**, Contingency Fee Schedule, consisting of 1 page.

49 **4.0 COUNTY RESPONSIBILITIES**

50 4.1 COUNTY will, on a monthly basis, determine, designate and assign
51 appropriate accounts to CONTRACTOR.

52 4.2 COUNTY will process Indigent and Charity Care applications,
53 unless specifically approved for CONTRACTOR assignment by RCRMC management.
54 COUNTY may in its discretion refer COUNTY accounts to CONTRACTOR. The
55 number of referred accounts and their dollar amount shall be at COUNTY's sole
56 discretion.

57 4.3 COUNTY will make accessible to CONTRACTOR documentation
58 and pertinent information in its possession relevant to the accounts it refers to
59 CONTRACTOR, including but not limited to business records and medical records. For
60 the purposes of identifying third-party liability insurance carriers, COUNTY will make
61 accessible to CONTRACTOR copies of subpoenas, subpoena logs, request for medical
62 records and letters related to potential third-party liability but unrelated to any case in
63 which COUNTY is named as an adverse party or may be names as an adverse party.
64 Information not originally provided may be furnished by COUNTY, if available, upon
65 written request by the CONTRACTOR. COUNTY agrees to make available evidentiary
66 matter in support of any account requiring legal process; but the providing of any

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67 specific documents with respect to individual accounts is in the sole discretion of
68 COUNTY and is further subject to applicable laws.

69 4.3 COUNTY shall provide CONTRACTOR's assigned staff with a
70 space allocation in Patient Accounts Department and access to the COUNTY's
71 Information System to perform services under this Agreement.

72 **5.0 PERIOD OF PERFORMANCE**

73 This Agreement shall begin on the Effective Date of final execution and
74 continue in effect through June 30, 2011, with the option to renew through the County's
75 annual amendment process for four-(4) additional fiscal years in one-year increments,
76 unless terminated as specified in Section 8.0 Termination.

77 **6.0 COMPENSATION**

78 6.1 The COUNTY shall pay the CONTRACTOR for services performed
79 and expenses incurred in accordance with the terms of **Exhibit B**, Contingency Fee
80 Schedule.

81 6.2 Maximum payments by COUNTY to all CONTRACTORS shall not
82 exceed the aggregate amount of one million six hundred thousand dollars (\$1,600,000)
83 annually.

84 6.3 COUNTY shall pay to CONTRACTOR a contingency fee based
85 only upon the money collected by CONTRACTOR on accounts COUNTY has referred
86 to CONTRACTOR. CONTRACTOR shall not receive any fee for monies collected by
87 COUNTY or CONTRACTOR which did not result from the efforts of CONTRACTOR. All
88 fees paid to or received by CONTRACTOR with regard to accounts COUNTY and

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89 CONTRACTOR have agreed to resolve with patients or their agents are considered to
90 be interim payments only; and fees paid to or received by CONTRACTOR shall not be
91 considered final until five (5) years following receipt of payments.

92 6.4 All checks received by CONTRACTOR for accounts billed by
93 CONTRACTOR shall be forwarded to the COUNTY within thirty (30) days of receipt of
94 the check. If a payment is made directly to COUNTY rather than to CONTRACTOR,
95 then COUNTY shall remit the applicable fee to CONTRACTOR within thirty (30) days
96 upon receipt of the CONTRACTOR invoice. Any disputed fees shall be resolved within
97 a reasonable time through mutual consultation between COUNTY and CONTRACTOR.
98 For Medi-Cal accounts, CONTRACTOR shall be responsible for eligibility and COUNTY
99 will facilitate the obtaining of approved Treatment Authorization Request (TARS) for
100 final billing of the claims to the Medi-Cal Fiscal Intermediary by CONTRACTOR.

101 6.5 COUNTY agrees to report to CONTRACTOR in writing within thirty
102 (30) days all payments and communications received directly by COUNTY from any
103 source relating to accounts referred to CONTRACTOR.

104 6.6 The COUNTY is not responsible for any fees or costs incurred
105 above or beyond the contracted amount and shall have no obligation to purchase any
106 specified amount of services or products. Unless otherwise specifically stated in
107 **Exhibit B**, COUNTY shall not be responsible for payment of any of CONTRACTOR's
108 expenses related to this Agreement.

109 6.7 No price increases will be permitted during the first fiscal year of
110 this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices

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111 to another governmental entity) will automatically be extended to the COUNTY. The
112 COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any
113 approved price adjustment. After the first year of the award, a minimum of 30-days
114 advance notice in writing is required to be considered and approved by COUNTY. No
115 retroactive price adjustments will be considered. Any price increases must be stated in
116 a written amendment to this Agreement.

117 6.8 Said compensation shall be paid in accordance with an invoice
118 submitted to COUNTY by CONTRACTOR, and COUNTY shall pay the invoice within
119 thirty (30) working days of receipt of the invoice. In accordance with California
120 Government Code Section 926.10, COUNTY is not allowed to pay excess interest and
121 late charges.

122 6.9 All invoices submitted by CONTRACTOR shall be addressed to,
123 Riverside County Regional Medical Center, Attention: Accounts Payable, 26520 Cactus
124 Avenue, Moreno Valley, CA. 92555.

125 **7.0 ASSURANCES**

126 7.1 CONTRACTOR hereby agrees that, where applicable, services
127 provided hereunder will be performed in harmony with COUNTY policy and procedure.

128 7.2 CONTRACTOR warrants that it is, and will remain, in compliance
129 with all State and Federal laws and the standards of the Joint Commission.

130 7.3 CONTRACTOR certifies that it is aware of the Occupational Safety
131 and Health Administration (OSHA) regulations of the U.S. Department of Labor, the

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132 derivative Cal/OSHA standards and laws and regulations relating thereto, and shall
133 comply therewith as to all relative elements under this Agreement.

134 **8.0 TERMINATION**

135 8.1 COUNTY may terminate this Agreement without cause upon 30
136 days written notice served upon the CONTRACTOR stating the extent and effective
137 date of termination.

138 8.2 COUNTY may, upon five (5) days written notice, terminate this
139 Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply
140 with the terms of this Agreement or fails to make progress so as to endanger
141 performance and does not immediately cure such failure. In the event of such
142 termination, the COUNTY may proceed with the work in any manner deemed proper by
143 COUNTY.

144 8.3 After receipt of the notice of termination, CONTRACTOR shall: (a)
145 Stop all work under this Agreement on the date specified in the notice of termination;
146 and (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any
147 materials, reports or other products which, if the Agreement had been completed or
148 continued, would have been required to be furnished to COUNTY.

149 8.4 After termination, COUNTY shall make payment only for
150 CONTRACTOR's performance up to the date of termination in accordance with this
151 Agreement and at the percentage rates set forth in **Exhibit B**.

152 8.5 CONTRACTOR's rights under this Agreement shall terminate
153 (except for fees accrued prior to the date of termination) upon dishonesty or a willful or

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154 material breach of this Agreement by CONTRACTOR; or in the event of
155 CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the
156 terms of this Agreement. In the event, CONTRACTOR shall not be entitled to any
157 further compensation under this Agreement.

158 8.6 The rights and remedies of COUNTY provided in this section shall
159 not be exclusive and are in addition to any other rights and remedies provided by law or
160 this Agreement.

161 **9.0 CONFIDENTIALITY**

162 9.1 CONTRACTOR agrees to protect from unauthorized disclosure of
163 names and other identifying information concerning either persons receiving services
164 under this Agreement or persons whose names or other identifying information
165 becomes known to CONTRACTOR as a result of services performed under this
166 Agreement, except statistical information not identifying any such person.

167 9.2 CONTRACTOR shall not disclose, except as otherwise specifically
168 permitted by this Agreement or authorized by the client or client's representative, any
169 such identifying information to anyone other than authorized COUNTY personnel
170 without prior written authorization from the COUNTY.

171 9.3 For the purpose of this paragraph, "identify" shall include, but not
172 limited to, name, identifying number, symbol, or other identifying particular assigned to
173 the individual, such as finger or voiceprint or photograph.

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176 **10.0 HOLD HARMLESS/INDEMNIFICATION**

177 10.1 CONTRACTOR shall indemnify and hold harmless the County of
178 Riverside, its Agencies, Districts, Special Districts and Departments, their respective
179 directors, officers, Board of Supervisors, elected and appointed officials, employees,
180 agents and representatives (individually and collectively hereinafter referred to as
181 Indemnitees) from any liability whatsoever, based or asserted upon any services of
182 CONTRACTOR, its officers, employees, subcontractors, agents or representatives
183 arising out of or in any way relating to this Agreement, including but not limited to
184 property damage, bodily injury, or death or any other element of any kind or nature
185 whatsoever arising from the performance of CONTRACTOR, its officers, employees,
186 subcontractors, agents or representatives Indemnitors from this Agreement.
187 CONTRACTOR shall defend, at its sole expense, all costs and fees including, but not
188 limited, to attorney fees, cost of investigation, defense and settlements or awards, the
189 Indemnitees in any claim or action based upon such alleged acts or omissions. With
190 respect to any action or claim subject to indemnification herein by CONTRACTOR,
191 CONTRACTOR shall, at their sole cost, have the right to use counsel of their own
192 choice and shall have the right to adjust, settle, or compromise any such action or claim
193 without the prior consent of COUNTY; provided, however, that any such adjustment,
194 settlement or compromise in no manner whatsoever limits or circumscribes
195 CONTRACTOR'S indemnification to Indemnitees as set forth herein.

196 10.2 CONTRACTOR'S obligation hereunder shall be satisfied when
197 CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving

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198 COUNTY from any liability for the action or claim involved. The specified insurance
199 limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S
200 obligations to indemnify and hold harmless the Indemnitees herein from third party
201 claims.

202 10.3 In the event there is conflict between this clause and California Civil
203 Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782.
204 Such interpretation shall not relieve the CONTRACTOR from indemnifying the
205 Indemnitees to the fullest extent allowed by law.

206 **11.0 INSURANCE**

207 11.1 Without limiting or diminishing the CONTRACTOR'S obligation to
208 indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or
209 cause to be maintained, at its sole cost and expense, the following insurance
210 coverage's during the term of this Agreement.

211 11.2 WORKERS' COMPENSATION

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

219 11.3 COMMERICAL GENERAL LIABILITY

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

230 11.4 VEHICLE LIABILITY

231 If vehicles or mobile equipment are used in the performance of the
232 obligations under this Agreement, then CONTRACTOR shall maintain liability insurance
233 for all owned, non-owned or hired vehicles so used in an amount not less than
234 \$1,000,000 per occurrence combined single limit. If such insurance contains a general
235 aggregate limit, it shall apply separately to this agreement or be no less than two (2)
236 times the occurrence limit. Policy shall name the County of Riverside, its Agencies,
237 Districts, Special Districts, and Departments, their respective directors, officers, Board
238 of Supervisors, employees, elected or appointed officials, agents or representatives as
239 Additional Insureds.

240 11.5 PROFESSIONAL LIABILITY

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241 CONTRACTOR shall maintain Professional Liability Insurance
242 providing coverage for the CONTRACTOR's performance of work included within this
243 Agreement, with a limit of liability of not less than **\$1,000,000** per occurrence and
244 **\$2,000,000** annual aggregate. If CONTRACTOR's Professional Liability Insurance is
245 written on a claims made basis rather than an occurrence basis, such insurance shall
246 continue through the term of this Agreement and CONTRACTOR shall purchase at his
247 sole expense either 1) an Extended Reporting Endorsement (also known as Tail
248 Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to
249 the date of, or prior to, the inception of this Agreement; or 3) demonstrate through
250 Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with
251 the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue
252 for a period of five (5) years beyond the termination of this Agreement.

253 11.6 GENERAL INSURANCE PROVISIONS - ALL LINES

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

260 B. The CONTRACTOR'S insurance carrier(s) must declare its
261 insurance deductibles or self-insured retentions. If such deductibles or self-insured
262 retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall

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263 have the prior written consent of the County Risk Manager before the commencement
264 of operations under this Agreement. Upon notification of deductibles or self insured
265 retention's unacceptable to the COUNTY, and at the election of the County's Risk
266 Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such
267 deductibles or self-insured retention's as respects this Agreement with the COUNTY, or
268 2) procure a bond which guarantees payment of losses and related investigations,
269 claims administration, and defense costs and expenses.

270 C. CONTRACTOR shall cause CONTRACTOR'S insurance
271 carrier(s) to furnish the County of Riverside with either 1) a properly executed original
272 Certificate(s) of Insurance and certified original copies of Endorsements effecting
273 coverage as required herein, or 2) if requested to do so orally or in writing by the County
274 Risk Manager, provide original Certified copies of policies including all Endorsements
275 and all attachments thereto, showing such insurance is in full force and effect. Further,
276 said Certificate(s) and policies of insurance shall contain the covenant of the insurance
277 carrier(s) that thirty (30) days written notice shall be given to the County of Riverside
278 prior to any material modification, cancellation, expiration or reduction in coverage of
279 such insurance. In the event of a material modification, cancellation, expiration, or
280 reduction in coverage, this Agreement shall terminate forthwith, unless the County of
281 Riverside receives, prior to such effective date, another properly executed original
282 Certificate of Insurance and original copies of endorsements or certified original policies,
283 including all endorsements and attachments thereto evidencing coverage's set forth
284 herein and the insurance required herein is in full force and effect. **CONTRACTOR**

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285 *shall not commence operations until the COUNTY has been furnished original*
286 *Certificate (s) of Insurance and certified original copies of endorsements or*
287 *policies of insurance including all endorsements and any and all other*
288 *attachments as required in this Section. An individual authorized by the*
289 *insurance carrier to do so on its behalf shall sign the original endorsements for*
290 *each policy and the Certificate of Insurance.*

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

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

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

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

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

311 **12.0 AVAILABILITY OF FUNDING**

312 The COUNTY obligation for payment of any contract beyond the current
313 fiscal year end is contingent upon the availability of funding from which payment can be
314 made. No legal liability on the part of the COUNTY shall arise for payment beyond June
315 30 of the calendar year unless funds are made available for such performance.

316 **13.0 RECORDS AND DOCUMENTS**

317 13.1 CONTRACTOR shall make available, upon written request by and
318 duly authorized Federal, State or COUNTY agency, a copy of this Agreement and such
319 books, documents and records as are necessary to certify the nature and extent of the
320 costs of the services provided by CONTRACTOR. All such, CONTRACTOR shall
321 maintain books and records for at least five (5) years after the furnishing of said
322 services.

323 13.2 CONTRACTOR to provide COUNTY with reports and information
324 relative to this Agreement and in accordance with terms set forth herein, as may be
325 requested by COUNTY.

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328 **14.0 MONITORING**

329 14.1 CONTRACTOR hereby agrees to establish procedures for self-
330 monitoring and shall permit an appropriate official of the COUNTY, State or Federal
331 government to monitor, access, or evaluate CONTRACTOR'S performance under this
332 Agreement upon reasonable notice to CONTRACTOR and at any reasonable time.

333 **15.0 LICENSE**

334 15.1 CONTRACTOR shall, through the term of this Agreement, maintain
335 all licenses necessary for the provision of the services hereunder and required by the
336 laws and regulations of the United States, the State of California, County of Riverside,
337 and all other governmental agencies. CONTRACTOR shall notify COUNTY
338 immediately, in writing, of inability to obtain or maintain such license. Said inability shall
339 be cause for termination of this Agreement.

340 15.2 CONTRACTOR shall ensure that CONTRACTOR'S employees,
341 agents, and subcontractors performing services under the terms of this Agreement are
342 in compliance with all relative licensing requirements. CONTRACTOR hereby agrees to
343 notify COUNTY immediately, in writing, of inability of CONTRACTOR or any of
344 CONTRACTOR'S employees, agents and subcontractors to obtain or maintain such
345 license(s). Said inability shall be cause for termination of this Agreement.

346 15.3 COPY REQUIRED. A copy of each such license, permit, approval,
347 waiver, exemption, registration, accreditation, and certificate shall be provided to
348 Contracts Administration.

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349 15.4 Further, CONTRACTOR hereby agrees to abide by the standards
350 of medical practice of the profession when performing services hereunder.

351 **16.0 NONDISCRIMINATION AND ELIGIBILITY**

352 16.1 The CONTRACTOR shall not discriminate in the provision of
353 services, allocation of benefits, accommodation in facilities, or employment of
354 personnel, on the basis of ethnic group identification, race, color, creed, ancestry,
355 religion, national origin, sexual preference, sex, age (over 40), marital status, medical
356 attention, or physical or mental handicap, and shall comply with all other requirements
357 of law regarding non discrimination and affirmative action including those laws
358 pertaining to the prohibition of discrimination against qualified handicapped persons in
359 all programs or activities.

360 16.2 For the purpose of this Agreement, distinctions on the grounds of
361 race, religion, color, sex, national origin, age, or physical or mental handicap include but
362 at not limited to the following:

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

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

368 C. Restricting an eligible person differently in any way in the
369 enjoyment of any advantage or privilege enjoyed by others receiving similar service or
370 benefit.

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

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

378 **17.0 CONFLICT OF INTEREST**

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

382 **18.0 ALTERATION**

383 18.1 No alteration or variation of the terms of this Agreement shall be
384 valid unless made in writing and signed by the parties hereto, and no oral understanding
385 or agreement not incorporated herein, shall be binding on any of the parties hereto.

386 18.2 Only the County Board of Supervisors or County Purchasing Agent
387 may authorize the alteration or revision of this Agreement. The parties expressly
388 recognize that COUNTY personnel are without authorization to either change or waive
389 any requirements of this Agreement.

390 **19.0 ASSIGNMENT**

391 CONTRACTOR may not delegate the obligations hereunder, either in
392 whole or in part, without prior written consent of COUNTY provided, however,

**PROFESSIONAL SERVICES AGREEMENT
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COMPSPEC, INC.**

393 obligations undertaken by CONTRACTOR pursuant to this Agreement may be carried
394 out by means of subcontracts if approved by COUNTY. No subcontract shall terminate
395 or alter the responsibilities of the CONTRACTOR to COUNTY pursuant to this
396 Agreement. CONTRACTOR may not assign the rights hereunder, either in whole or in
397 part, without prior written consent of COUNTY. Any attempted assignment or
398 delegation in derogation of this paragraph shall be void. A change in the business
399 structure of CONTRACTOR, including but not limited to, change in the majority
400 ownership, change in the form of CONTRACTOR'S business organization,
401 management of CONTRACTOR, CONTRACTOR'S ownership of other business
402 dealing with CONTRACTOR under this Agreement, or filing of bankruptcy by
403 CONTRACTOR, shall be deemed an assignment for purposes of this paragraph.

404 **20.0 ADMINISTRATION**

405 The RCRMC Patient Accounts Officer, or designee, shall administer this
406 Agreement on behalf of the COUNTY. RCRMC Contracts Administration is to serve as
407 its liaison with CONTRACTOR in connection with this agreement.

408 **21.0 WAIVER**

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

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415 **22.0 JURISDICTION, VENUE, SEVERABILITY**

416 This Agreement and its construction and interpretation as to validity,
417 performance and breach shall be construed under the laws of the State of California.
418 Any legal action related to this Agreement shall be filed in the appropriate court
419 (Municipal or Superior) of the State of California located in Riverside, California. In the
420 event any provision in this Agreement is held by a court of competent jurisdiction to be
421 invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full
422 force without being impaired or invalidated in any way.

423 **23.0 INDEPENDENT CONTRACTOR**

424 23.1 The CONTRACTOR is, for purposes arising out of this contract, an
425 independent contractor and shall not be deemed an employee of the COUNTY. It is
426 expressly understood and agreed that the CONTRACTOR shall in no event, as a result
427 of this contract, be entitled to any benefits to which COUNTY employees are entitled,
428 including but not limited to overtime, any retirement benefits, worker's compensation
429 benefits, and injury leave or other leave benefits. CONTRACTOR hereby holds
430 COUNTY harmless from any and all claims that may be made against COUNTY based
431 upon any contention by any third party that an employer-employee relationship exists by
432 reason of this agreement.

433 23.2 It is further understood and agreed by the parties hereto that
434 CONTRACTOR in the performance of its obligation hereunder is subject to the control
435 or direction of COUNTY merely as to the result to be accomplished by the services

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436 hereunder agreed to be rendered and performed and not as to the means and methods
437 for accomplishing the results.

438 **24.0 SUBCONTRACT FOR WORK OR SERVICES**

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

445 **25.0 INTEREST OF CONTRACTOR**

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

452 **26.0 CONDUCT OF CONTRACTOR**

453 26.1 The CONTRACTOR agrees to inform the COUNTY of all the
454 CONTRACTOR's interest, if any, which are or which the CONTRACTOR believes to be
455 incompatible with any interest of the COUNTY.

456 26.2 The CONTRACTOR shall not, under circumstances, which might
457 reasonably be interpreted as an attempt to influence the recipient in the conduct of his

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458 duties, accept any gratuity or special favor from individuals or organizations with whom
459 the CONTRACTOR is doing business or proposing to do business, in accomplishing the
460 work under the contract.

461 26.3 The CONTRACTOR shall not use for personal gain or make other
462 improper use of privileged information, which is acquired in connection with his contract.
463 In this connection, the term 'privileged information' includes, but is not limited to,
464 unpublished information relating to technological and scientific development; medical,
465 personnel, or security records of the individuals; anticipated materials requirements or
466 pricing actions; and knowledge of selection of CONTRACTOR or subcontractors in
467 advance of official announcement.

468 26.4 The CONTRACTOR or employees thereof shall not offer gifts,
469 gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

470 **27.0 DISALLOWANCE**

471 In the event the CONTRACTOR receives payment for services under this
472 contract which is later disallowed for nonconformance with the terms and conditions
473 herein by the COUNTY, the CONTRACTOR shall promptly refund the disallowed
474 amount to the COUNTY on request, or at its option, the COUNTY may offset the
475 amount disallowed from any payment due to the CONTRACTOR under any contract
476 with the COUNTY.

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479 //

**PROFESSIONAL SERVICES AGREEMENT
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480 **28.0 RIGHT TO ACQUIRE EQUIPMENT AND SERVICES**

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

484 **29.0 FORCE MAJEURE**

485 29.1 In the event CONTRACTOR is unable to comply with any provision
486 of this agreement due to causes beyond their control such as acts of God, acts of war,
487 civil disorders, or other similar acts, CONTRACTOR shall not be held liable to COUNTY
488 for such failure to comply.

489 29.2 In the event COUNTY is unable to comply with any provision of this
490 agreement due to causes beyond its control relating to acts of God, acts of war, civil
491 disorders, or other similar acts, COUNTY shall not be held liable to CONTRACTOR for
492 such failure to comply.

493 **30.0 EDD REPORTING REQUIREMENTS**

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

500 It is expressly understood that this data will be transmitted to
501 governmental agencies charged with the establishment and enforcement of child

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502 support orders and for no other purposes and will be held confidential by those
503 agencies. Failure of the contractor to timely submit the data and/or certificates required
504 may result in contract being awarded to another Contractor. In the event a contract has
505 been issued, failure of the Contractor to comply with all federal and state reporting
506 requirements for child support enforcement or to comply with all lawfully served Wage
507 and Earnings Assignments Orders and Notices of Assignment shall constitute a material
508 breach of contract. Failure to cure such breach within 60 calendar days of notice from
509 the County shall constitute grounds for termination of the contract.

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

515 **31.0 ENTIRE AGREEMENT**

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

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**PROFESSIONAL SERVICES AGREEMENT
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COMPSPEC, INC.**

524 **32.0 CAPTIONS AND PARAGRAPH HEADINGS**


525 Captions and paragraph headings used in this Agreement are for
526 convenience only and are not a part of this Agreement and shall not be used in
527 construing this Agreement.


528 **33.0 NOTICES**

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

<u>CONTRACTOR</u>	<u>COUNTY</u>
534 Comspec, Inc.	Riverside County Regional Medical Center
535 425 East Colorado St.	26520 Cactus Avenue
536 Suite 410	Moreno Valley, CA 92555
537 Glendale, CA 91205	

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

539 **CONTRACTOR**
540 By: 
541
542 Bill Haddad
543 Type or Print Name
544 President/CEO
545 Type or Print Title
546
547 11/16/2010
548 Date:

COUNTY
By: 
BOB BUSTER
Type or Print Name
Chairman
Type or Print Title
JAN 11 2011
Date:

ATTEST:
KECIA HARPER-IHEM, Clerk
By: 
DEPUTY

FORM APPROVED COUNTY COUNSEL
BY:  DATE 12/23/10
NEAL R. KIPNIS

**SCOPE OF WORK
COMPSPEC, INC.**

A. CONTRACTOR PERFORMANCE PROVISION

CONTRACTOR shall perform services as outlined below in conjunction with the terms and conditions set forth in this Contract Agreement:

- 1.0 CONTRACTOR shall provide eligibility and other related services necessary in the recovery of payment from Medi-Cal, Social Security, Victims of Crime, Workers Compensation (WC), Third-Party Liability (TPL) for those accounts assigned to CONTRACTOR.
- 2.0 CONTRACTOR shall use their best efforts and use all legal and ethical means to identify third-party payment sources ("eligibility determination") and collect and resolve accounts referred to CONTRACTOR without regard to race, creed, sex or geographical location of debtor. CONTRACTOR may not under any circumstances use any threats, intimidation or harassment of patients in the collection of accounts
- 3.0 CONTRACTOR shall enter monthly updates into COUNTY Patient Accounts System.
- 4.0 CONTRACTOR shall provide quarterly, reporting of the following statistics electronically:
 - 4.1 Disability Evaluation Determination (DED) Pending
 - 4.1.1 DED Denials
 - 4.1.2 DED Appeals
 - 4.2 Treatment Authorization Request (TAR) Pending
 - 4.3 Billed Not Paid

**SCOPE OF WORK
COMPSPEC, INC.**

- 5.0 **Account Categories:** Regardless of the responsibility or authority given to the CONTRACTOR, the COUNTY shall retain complete and final control over all accounts and cases referred to the CONTRACTOR. CONTRACTOR shall ascertain eligibility for the following as categorized below:
- 5.1 Inpatient account with pending application initiated and or completed by COUNTY for straight Medi-Cal, Managed Care Medi-Cal, Disability Evaluation Determination (DED) and California Children's Services (CCS);
 - 5.2 Inpatient account CONTRACTOR initiated completed application for straight Medi-Cal, Managed Care Medi-Cal, DED and CCS;
 - 5.3 Outpatient accounts over \$2,500 as assigned by COUNTY
 - 5.4 Inpatient Fair Hearings for straight Medi-Cal, Managed Care Medi-Cal, DED and CCS;
 - 5.5 Out of State Medicaid as assigned by COUNTY
 - 5.6 Inpatient and Outpatient accounts application for retroactive coverage;
 - 5.7 Appeal of (TAR) denied days as assigned by COUNTY;
 - 5.8 TPL accounts (auto accidents, personal injury); As assigned by COUNTY
 - 5.9 Probate Hearings;
 - 5.10 Victims of Crime applications;
 - 5.11 Worker's Compensation appeals;

**SCOPE OF WORK
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6.0 Acknowledgement of Referred Accounts:

CONTACTOR shall submit to COUNTY a written acknowledgement report for all accounts referred to CONTRACTOR by COUNTY within one- (1) week from the date of referral. CONTRACTOR's report shall include, but not be limited to, date of referral, date of services, patient's name, patient's account number and balance referred.

7.0 Right to Audit: CONTRACTOR shall maintain accurate books and records subject to periodic audits and copying by COUNTY. The records shall include, but not limited to, the original delinquent balance and additional charges such as collection charges, commission, court costs and attorney fees. COUNTY may examine and copy all CONTRACTOR records of accounts assigned by COUNTY.

8.0 Account Review: CONTRACTOR shall review each account monthly and take appropriate action on each account. This review and action will be documented by CONTRACTOR and the documentation will be available upon request for inspection by COUNTY.

9.0 Documentation: CONTRACTOR shall provide documentation within 48 hours of occurrence of activity. CONTRACTOR's assigned staff shall not directly contact any hospital department to request information or documents. All information and document requests shall be submitted to the department of Patient Accounts designee and CONTRACTOR will be notified when information is available for pickup. CONTRACTOR and

**SCOPE OF WORK
COMPSPEC, INC.**

COUNTY to meet and mutually agree upon a schedule for copy machine availability times.

10.0 Compromise and Settlement:

10.1 CONTRACTOR shall not, without prior written or verbal consent from COUNTY, compromise or settle any account. CONTRACTOR to notify COUNTY's Patient Accounts Manager (their designee as specified in writing) to mutually ascertain an acceptable settlement amount.

10.2 CONTRACTOR shall notify COUNTY in the event any patient, account guarantor, or third-party payer indicates that the debt is not owed because of prior payment, or will not be paid because of alleged fraud, malpractice, negligence or any other reason which may result in a counter-claim against COUNTY or any of its entities or employees.

11.0 **Due Diligence:** CONTRACTOR shall utilize diligent eligibility and/or collection procedures to achieve a maximum recovery on assigned accounts.

12.0 **Return of Accounts to COUNTY:** CONTRACTOR shall return to COUNTY, without assessment of any commission, charge or penalty, individual accounts referred to CONTRACTOR by COUNTY when any of the following circumstances occur:

12.1 COUNTY notifies CONTRACTOR that the account was erroneously referred.

**SCOPE OF WORK
COMPSPEC, INC.**

- 12.2 Should a pending Medi-Cal case be referred in error by the COUNTY to the CONTRACTOR this case will be returned or recalled at the time the error is discovered.
- 12.3 Payment of total charges on the account is made to COUNTY prior or within 10 days of the referral of the account to CONTRACTOR.
- 12.4 CONTRACTOR determines that no third-party payer can be identified and that the only payment reasonably available is cash payment by the patient. (However, on a case by case basis, COUNTY may allow CONTRACTOR to accept payment from the patient and receive a commission. In the case of each returned account, CONTRACTOR shall provide COUNTY with the specific reason for such return).
- 12.5 The patient cannot be located or refuses to cooperate with CONTRACTOR.
- 12.6 Should an account be handled by the CONTRACTOR in a manner that causes loss revenue, the CONTRACTOR will note with the appropriate documentation/clarification for the loss and will be placed in the account notes with the COUNTY.
- 13.0 **Reports:** CONTRACTOR shall prepare and submit to COUNTY the following reports:
- 13.1 **Acknowledgement Report** – The Acknowledgement report shall include, date of referral, date of service, patient's name, patient's

**SCOPE OF WORK
COMPSPEC, INC.**

account number and balance referred and shall be submitted weekly.

- 13.2 Closed Accounts Report – The Closed Accounts Reports shall include, date of referral, date of service, patient's name, patient's account number, account balance and the reason account was closed (e.g., payment, skip, adjustment), and shall be submitted monthly.
- 13.3 Remittance Report – The Remittance Report shall include, date of referral, date of service, patient's name, patient's account number, amount collected by CONTRACTOR and/or COUNTY. This report will detail the payment of any costs recovered by type (e.g., interest, disbursements) resulting from any collection activities and the remaining balance to be collected. This report will include a line-by-line calculation of the commission received, or payable, aggregating in a total received by or due to CONTRACTOR. This report will be completed monthly on a month-to-date, year-to-date and life-to-date basis.
- 13.4 Account Inventory Report – No later than fifteen (15) days after the end of each month CONTRACTOR shall prepare an account status report of all accounts currently assigned to CONTRACTOR. This report will be separated in two different categories: (1) by patient name and account number; and (2) by type of account category (i.e., payer source). The report shall include date of referral, date of

**SCOPE OF WORK
COMPSPEC, INC.**

service, patient's name, patient's account number, balance referred, amount paid, balance outstanding and the status of the account with date of last activity.

- 13.5 Productivity Report – All Activities (1) on referral accounts of \$100,000 in charges and over, are to be made every other week; (2) on referral accounts between \$50,000 and \$99,000 in charges are to be made every third week; and (3) on referral accounts under \$50,000 in charges are to be made monthly

B. CONTRACTOR ASSIGNED PERSONNEL/STAFF REQUIREMENTS

- 1.0 CONTRACTOR shall assign a minimum of two-(2) on site staff during regular business hours from 8:00 A.M. through 5:00 P.M. (Monday through Friday).
- 2.0 CONTRACTOR shall provide a minimum of one-(1) bilingual employee working each day.
- 3.0 CONTRACTOR's assigned staff shall document patient account activity on each individual patient account through direct access into the COUNTY's information system. Documentation shall include, but not be limited to phone contacts, forms mailed for completion, dates of application, and dates of account billing, Treatment Authorization Request (TAR) submissions, and settlement of accounts.
- 4.0 CONTRACTOR must ensure all assigned staff is trained in all the current policies and regulations' pertaining to Medi-Cal eligibility and other third-party eligibility as it is related to services provided. CONTRACTOR must be able to

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COMPSPEC, INC.**

- alter performance under this Agreement to be in compliance with any change in State, Federal or County policies or regulations.
- 5.0 CONTRACTOR shall perform employee screening prior to assignment and include, but not necessarily be limited to, obtaining information about an employee's past employment, license, education and skills; information shall be made available to COUNTY upon request. The hospital reserves the right to review said information, and to conduct interviews with CONTRACTOR's assigned staff prior to assignment.
- 6.0 CONTRACTOR shall provide COUNTY with verification of competency for CONTRACTOR's assigned staff working on-site to include, job description and licensure and/or certifications.
- 7.0 CONTRACTOR's assigned staff must have annual health screening to include a tuberculosis (TB) test, and or Chest X-Ray (verifying absence of active disease), a record of vaccination for Measles, Mumps, Rubella, (MMR) series or record of positive MMR titer, proof of immunization of Diphtheria, Pertussis, Trivalent Polio, Hepatitis B, and a general physical examination clearance. All records pertaining to this shall be kept on file in CONTRACTOR's office, and made available to COUNTY upon request.
- 8.0 CONTRACTOR's assigned staff shall be orientated to COUNTY fire, disaster, department specific procedures, and infection control practices by COUNTY.
- 9.0 CONTRACTOR's assigned staff must possess and wear a photographic identification card supplied by CONTRACTOR.

**SCOPE OF WORK
COMPSPEC, INC.**

- 10.0 CONTRACTOR shall adhere to all Riverside County Regional Medical Center (RCRMC) policies.
- 11.0 CONTRACTOR shall not assign to the COUNTY any employee with a criminal history report revealing a felony and or misdemeanor conviction and/or pending case.
- 12.0 CONTRACTOR's assigned staff shall not be under the influence of alcohol or drugs while on duty; or possess controlled substances or prescription drugs without a prescription while on duty.
- 13.0 If COUNTY has reasonable suspicion to believe a CONTRACTOR's assigned staff is in violation of being under the influence of alcohol or drugs while on duty, COUNTY reserves the right to request CONTRACTOR, at their expense, to conduct unannounced drug screening of said personnel.

**CONTINGENCY FEE SCHEDULE
COMPSPEC, INC.**

CONTRACTOR shall be paid based on the following percentage rate(s).

ACCOUNT CATEGORY	PERCENTAGE RATE
<i>Inpatient account with pending application initiated and/or completed by COUNTY for straight Medi-Cal, Managed Care Medi-Cal, , Disability Evaluation Determination and CCS</i>	10%
<i>Inpatient account CONTRACTOR initiated and completed by COUNTY for straight Medi-Cal, Managed Care Medi-Cal, DED and CCS</i>	15%
<i>Outpatient account over \$2,500 as assigned by COUNTY</i>	23%
<i>Inpatient account Fair Hearings for straight Medi-Cal, Managed Care Medi-Cal, DED and CCS</i>	23%
<i>Out of State Medicaid as assigned by COUNTY</i>	20%
<i>Inpatient and Outpatient accounts application for retroactive coverage</i>	15%
<i>Appeal of TAR denied days, percent applied to entire account</i>	23%
<i>Third-Party Liability accounts (auto accident) as assigned by COUNTY</i>	20%
<i>Probate Hearings</i>	23%
<i>Victims of Crime application</i>	15%
<i>Worker's Compensation appeals</i>	18%

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
COMPSPEC, INC.

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 **Compspec, Inc.** ("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.

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:

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
COMPSPEC, INC.

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

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
COMPSPEC, INC.

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 it's 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.
 - 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.

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
COMPSPEC, INC.

- 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
COMPSPEC, INC.

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

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
COMPSPEC, INC.

determination by CONTRACTOR that return or destruction of PHI and/or 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

HIPAA BUSINESS ASSOCIATE AGREEMENT
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to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

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.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
HEALTH ADVOCATES, LLC**

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 **Health Advocates, LLC**, 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
11 and conditions hereinafter contained the PARTIES hereto mutually agree as provided
12 on pages 1 through 42, 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.

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**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
HEALTH ADVOCATES, LLC**

2.0 ABBREVIATIONS / DEFINITIONS

2.1 "CONTRACTOR" shall mean any employee, agent or representative of the contract company used in conjunction with the performance of the contract.

2.2 "COUNTY" shall refer to the County of Riverside and its Riverside County Regional Medical Center (RCRMC), which has administrative responsibility for this Agreement. RCRMC and COUNTY are used interchangeably.

2.3 "CCS" shall mean California Children's Services.

2.4 "DED" shall mean Disability Evaluation Determination.

2.5 "FFS" shall mean Fee for Service(s).

2.6 "Fiscal Year Activity" is defined as those accounts that are worked in a designated Fiscal Year. County and RCRMC fiscal year encompasses the months (July 1 through June 30). The Fiscal Year may include dates of services outside that current year; however activity for the encounter should be performed in the designated fiscal year.

2.7 "HMO" shall mean Health Maintenance Organization.

2.8 "PPO" shall mean Preferred Provider Organization.

2.9 "Straight Self-Pay and/or Self-Pay Encounter" shall be defined as an encounter(s) that have completed all screening processes and the recipient is not eligible for any other funded program.

2.10 "TAR" shall mean Treatment Authorization Request.

2.11 "TPL" shall mean Third-Party Liability.

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
HEALTH ADVOCATES, LLC**

45 **3.0 DESCRIPTION OF SERVICES**

46 CONTRACTOR shall provide all services as outlined and specified in
47 **Exhibit A**, Scope of Services, consisting of 9 pages at the percentage rate stated in
48 **Exhibit B**, Contingency Fee Schedule, consisting of 1 page.

49 **4.0 COUNTY RESPONSIBILITIES**

50 4.1 COUNTY will, on a monthly basis, determine, designate and assign
51 appropriate accounts to CONTRACTOR.

52 4.2 COUNTY will process Indigent and Charity Care applications,
53 unless specifically approved for CONTRACTOR assignment by RCRMC management.
54 COUNTY may in its discretion refer COUNTY accounts to CONTRACTOR. The
55 number of referred accounts and their dollar amount shall be at COUNTY's sole
56 discretion.

57 4.3 COUNTY will make accessible to CONTRACTOR documentation
58 and pertinent information in its possession relevant to the accounts it refers to
59 CONTRACTOR, including but not limited to business records and medical records. For
60 the purposes of identifying third-party liability insurance carriers, COUNTY will make
61 accessible to CONTRACTOR copies of subpoenas, subpoena logs, request for medical
62 records and letters related to potential third-party liability but unrelated to any case in
63 which COUNTY is named as an adverse party or may be names as an adverse party.
64 Information not originally provided may be furnished by COUNTY, if available, upon
65 written request by the CONTRACTOR. COUNTY agrees to make available evidentiary
66 matter in support of any account requiring legal process; but the providing of any

**PROFESSIONAL SERVICES AGREEMENT
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67 specific documents with respect to individual accounts is in the sole discretion of
68 COUNTY and is further subject to applicable laws.

69 4.3 COUNTY shall provide CONTRACTOR's assigned staff with a
70 space allocation in Patient Accounts Department and access to the COUNTY's
71 Information System to perform services under this Agreement.

72 **5.0 PERIOD OF PERFORMANCE**

73 This Agreement shall begin on the Effective Date of final execution and
74 continue in effect through June 30, 2011, with the option to renew through the County's
75 annual amendment process for four-(4) additional fiscal years in one-year increments,
76 unless terminated as specified in Section 8.0 Termination.

77 **6.0 COMPENSATION**

78 6.1 The COUNTY shall pay the CONTRACTOR for services performed
79 and expenses incurred in accordance with the terms of **Exhibit B**, Contingency Fee
80 Schedule.

81 6.2 Maximum payments by COUNTY to all CONTRACTORS shall not
82 exceed the aggregate amount of one million six hundred thousand dollars (\$1,600,000)
83 annually.

84 6.3 COUNTY shall pay to CONTRACTOR a contingency fee based
85 only upon the money collected by CONTRACTOR on accounts COUNTY has referred
86 to CONTRACTOR. CONTRACTOR shall not receive any fee for monies collected by
87 COUNTY or CONTRACTOR which did not result from the efforts of CONTRACTOR. All
88 fees paid to or received by CONTRACTOR with regard to accounts COUNTY and

**PROFESSIONAL SERVICES AGREEMENT
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89 CONTRACTOR have agreed to resolve with patients or their agents are considered to
90 be interim payments only; and fees paid to or received by CONTRACTOR shall not be
91 considered final until five (5) years following receipt of payments.

92 6.4 All checks received by CONTRACTOR for accounts billed by
93 CONTRACTOR shall be forwarded to the COUNTY within thirty (30) days of receipt of
94 the check. If a payment is made directly to COUNTY rather than to CONTRACTOR,
95 then COUNTY shall remit the applicable fee to CONTRACTOR within thirty (30) days
96 upon receipt of the CONTRACTOR invoice. Any disputed fees shall be resolved within
97 a reasonable time through mutual consultation between COUNTY and CONTRACTOR.
98 For Medi-Cal accounts, CONTRACTOR shall be responsible for eligibility and COUNTY
99 will facilitate the obtaining of approved Treatment Authorization Request (TARS) for
100 final billing of the claims to the Medi-Cal Fiscal Intermediary by CONTRACTOR.

101 6.5 COUNTY agrees to report to CONTRACTOR in writing within thirty
102 (30) days all payments and communications received directly by COUNTY from any
103 source relating to accounts referred to CONTRACTOR.

104 6.6 The COUNTY is not responsible for any fees or costs incurred
105 above or beyond the contracted amount and shall have no obligation to purchase any
106 specified amount of services or products. Unless otherwise specifically stated in
107 **Exhibit B**, COUNTY shall not be responsible for payment of any of CONTRACTOR's
108 expenses related to this Agreement.

109 6.7 No price increases will be permitted during the first fiscal year of
110 this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
RIVERSIDE COUNTY REGIONAL MEDICAL CENTER AND
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111 to another governmental entity) will automatically be extended to the COUNTY. The
112 COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any
113 approved price adjustment. After the first year of the award, a minimum of 30-days
114 advance notice in writing is required to be considered and approved by COUNTY. No
115 retroactive price adjustments will be considered. Any price increases must be stated in
116 a written amendment to this Agreement.

117 6.8 Said compensation shall be paid in accordance with an invoice
118 submitted to COUNTY by CONTRACTOR, and COUNTY shall pay the invoice within
119 thirty (30) working days of receipt of the invoice. In accordance with California
120 Government Code Section 926.10, COUNTY is not allowed to pay excess interest and
121 late charges.

122 6.9 All invoices submitted by CONTRACTOR shall be addressed to,
123 Riverside County Regional Medical Center, Attention: Accounts Payable, 26520 Cactus
124 Avenue, Moreno Valley, CA. 92555.

125 **7.0 ASSURANCES**

126 7.1 CONTRACTOR hereby agrees that, where applicable, services
127 provided hereunder will be performed in harmony with COUNTY policy and procedure.

128 7.2 CONTRACTOR warrants that it is, and will remain, in compliance
129 with all State and Federal laws and the standards of the Joint Commission.

130 7.3 CONTRACTOR certifies that it is aware of the Occupational Safety
131 and Health Administration (OSHA) regulations of the U.S. Department of Labor, the

**PROFESSIONAL SERVICES AGREEMENT
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132 derivative Cal/OSHA standards and laws and regulations relating thereto, and shall
133 comply therewith as to all relative elements under this Agreement.

134 **8.0 TERMINATION**

135 8.1 COUNTY may terminate this Agreement without cause upon 30
136 days written notice served upon the CONTRACTOR stating the extent and effective
137 date of termination.

138 8.2 COUNTY may, upon five (5) days written notice, terminate this
139 Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply
140 with the terms of this Agreement or fails to make progress so as to endanger
141 performance and does not immediately cure such failure. In the event of such
142 termination, the COUNTY may proceed with the work in any manner deemed proper by
143 COUNTY.

144 8.3 After receipt of the notice of termination, CONTRACTOR shall: (a)
145 Stop all work under this Agreement on the date specified in the notice of termination;
146 and (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any
147 materials, reports or other products which, if the Agreement had been completed or
148 continued, would have been required to be furnished to COUNTY.

149 8.4 After termination, COUNTY shall make payment only for
150 CONTRACTOR's performance up to the date of termination in accordance with this
151 Agreement and at the percentage rates set forth in **Exhibit B**.

152 8.5 CONTRACTOR's rights under this Agreement shall terminate
153 (except for fees accrued prior to the date of termination) upon dishonesty or a willful or

**PROFESSIONAL SERVICES AGREEMENT
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154 material breach of this Agreement by CONTRACTOR; or in the event of
155 CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the
156 terms of this Agreement. In the event, CONTRACTOR shall not be entitled to any
157 further compensation under this Agreement.

158 8.6 The rights and remedies of COUNTY provided in this section shall
159 not be exclusive and are in addition to any other rights and remedies provided by law or
160 this Agreement.

161 **9.0 CONFIDENTIALITY**

162 9.1 CONTRACTOR agrees to protect from unauthorized disclosure of
163 names and other identifying information concerning either persons receiving services
164 under this Agreement or persons whose names or other identifying information
165 becomes known to CONTRACTOR as a result of services performed under this
166 Agreement, except statistical information not identifying any such person.

167 9.2 CONTRACTOR shall not disclose, except as otherwise specifically
168 permitted by this Agreement or authorized by the client or client's representative, any
169 such identifying information to anyone other than authorized COUNTY personnel
170 without prior written authorization from the COUNTY.

171 9.3 For the purpose of this paragraph, "identify" shall include, but not
172 limited to, name, identifying number, symbol, or other identifying particular assigned to
173 the individual, such as finger or voiceprint or photograph.

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**PROFESSIONAL SERVICES AGREEMENT
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HEALTH ADVOCATES, LLC**

176 **10.0 HOLD HARMLESS/INDEMNIFICATION**

177 10.1 CONTRACTOR shall indemnify and hold harmless the County of
178 Riverside, its Agencies, Districts, Special Districts and Departments, their respective
179 directors, officers, Board of Supervisors, elected and appointed officials, employees,
180 agents and representatives (individually and collectively hereinafter referred to as
181 Indemnitees) from any liability whatsoever, based or asserted upon any services of
182 CONTRACTOR, its officers, employees, subcontractors, agents or representatives
183 arising out of or in any way relating to this Agreement, including but not limited to
184 property damage, bodily injury, or death or any other element of any kind or nature
185 whatsoever arising from the performance of CONTRACTOR, its officers, employees,
186 subcontractors, agents or representatives Indemnitors from this Agreement.
187 CONTRACTOR shall defend, at its sole expense, all costs and fees including, but not
188 limited, to attorney fees, cost of investigation, defense and settlements or awards, the
189 Indemnitees in any claim or action based upon such alleged acts or omissions. With
190 respect to any action or claim subject to indemnification herein by CONTRACTOR,
191 CONTRACTOR shall, at their sole cost, have the right to use counsel of their own
192 choice and shall have the right to adjust, settle, or compromise any such action or claim
193 without the prior consent of COUNTY; provided, however, that any such adjustment,
194 settlement or compromise in no manner whatsoever limits or circumscribes
195 CONTRACTOR'S indemnification to Indemnitees as set forth herein.

196 10.2 CONTRACTOR'S obligation hereunder shall be satisfied when
197 CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving

**PROFESSIONAL SERVICES AGREEMENT
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HEALTH ADVOCATES, LLC.**

198 COUNTY from any liability for the action or claim involved. The specified insurance
199 limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S
200 obligations to indemnify and hold harmless the Indemnitees herein from third party
201 claims.

202 10.3 In the event there is conflict between this clause and California Civil
203 Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782.
204 Such interpretation shall not relieve the CONTRACTOR from indemnifying the
205 Indemnitees to the fullest extent allowed by law.

206 **11.0 INSURANCE**

207 11.1 Without limiting or diminishing the CONTRACTOR'S obligation to
208 indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or
209 cause to be maintained, at its sole cost and expense, the following insurance
210 coverage's during the term of this Agreement.

211 11.2 WORKERS' COMPENSATION

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

219 11.3 COMMERCIAL GENERAL LIABILITY

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HEALTH ADVOCATES, LLC**

220 Commercial General Liability insurance coverage, including but not
221 limited to, premises liability, contractual liability, products and completed operations
222 liability, personal and advertising injury, and cross liability coverage, covering claims
223 which may arise from or out of CONTRACTOR'S performance of its obligations
224 hereunder. Policy shall name the County of Riverside, its Agencies, Districts, Special
225 Districts, and Departments, their respective directors, officers, Board of Supervisors,
226 employees, elected or appointed officials; agents or representatives as Additional
227 Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence
228 combined single limit. If such insurance contains a general aggregate limit, it shall
229 apply separately to this agreement or be no less than two (2) times the occurrence limit.

230 11.4 VEHICLE LIABILITY

231 If vehicles or mobile equipment are used in the performance of the
232 obligations under this Agreement, then CONTRACTOR shall maintain liability insurance
233 for all owned, non-owned or hired vehicles so used in an amount not less than
234 \$1,000,000 per occurrence combined single limit. If such insurance contains a general
235 aggregate limit, it shall apply separately to this agreement or be no less than two (2)
236 times the occurrence limit. Policy shall name the County of Riverside, its Agencies,
237 Districts, Special Districts, and Departments, their respective directors, officers, Board
238 of Supervisors, employees, elected or appointed officials, agents or representatives as
239 Additional Insureds.

240 11.5 PROFESSIONAL LIABILITY

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BETWEEN
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HEALTH ADVOCATES, LLC**

241 CONTRACTOR shall maintain Professional Liability Insurance
242 providing coverage for the CONTRACTOR's performance of work included within this
243 Agreement, with a limit of liability of not less than **\$1,000,000** per occurrence and
244 **\$2,000,000** annual aggregate. If CONTRACTOR's Professional Liability Insurance is
245 written on a claims made basis rather than an occurrence basis, such insurance shall
246 continue through the term of this Agreement and CONTRACTOR shall purchase at his
247 sole expense either 1) an Extended Reporting Endorsement (also known as Tail
248 Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to
249 the date of, or prior to, the inception of this Agreement; or 3) demonstrate through
250 Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with
251 the same or original insurer. Coverage provided under items; 1), 2) or 3) will continue
252 for a period of five (5) years beyond the termination of this Agreement.

253 11.6 GENERAL INSURANCE PROVISIONS - ALL LINES

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

260 B. The CONTRACTOR'S insurance carrier(s) must declare its
261 insurance deductibles or self-insured retentions. If such deductibles or self-insured
262 retentions exceed \$500,000 per occurrence such deductibles and/or retentions shall

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263 have the prior written consent of the County Risk Manager before the commencement
264 of operations under this Agreement. Upon notification of deductibles or self insured
265 retention's unacceptable to the COUNTY, and at the election of the County's Risk
266 Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such
267 deductibles or self-insured retention's as respects this Agreement with the COUNTY, or
268 2) procure a bond which guarantees payment of losses and related investigations,
269 claims administration, and defense costs and expenses.

270 C. CONTRACTOR shall cause CONTRACTOR'S insurance
271 carrier(s) to furnish the County of Riverside with either 1) a properly executed original
272 Certificate(s) of Insurance and certified original copies of Endorsements effecting
273 coverage as required herein, or 2) if requested to do so orally or in writing by the County
274 Risk Manager, provide original Certified copies of policies including all Endorsements
275 and all attachments thereto, showing such insurance is in full force and effect. Further,
276 said Certificate(s) and policies of insurance shall contain the covenant of the insurance
277 carrier(s) that thirty (30) days written notice shall be given to the County of Riverside
278 prior to any material modification, cancellation, expiration or reduction in coverage of
279 such insurance. In the event of a material modification, cancellation, expiration, or
280 reduction in coverage, this Agreement shall terminate forthwith, unless the County of
281 Riverside receives, prior to such effective date, another properly executed original
282 Certificate of Insurance and original copies of endorsements or certified original policies,
283 including all endorsements and attachments thereto evidencing coverage's set forth
284 herein and the insurance required herein is in full force and effect. **CONTRACTOR**

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285 *shall not commence operations until the COUNTY has been furnished original*
286 *Certificate (s) of Insurance and certified original copies of endorsements or*
287 *policies of insurance including all endorsements and any and all other*
288 *attachments as required in this Section. An individual authorized by the*
289 *insurance carrier to do so on its behalf shall sign the original endorsements for*
290 *each policy and the Certificate of Insurance.*

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

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

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

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

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

311 **12.0 AVAILABILITY OF FUNDING**

312 The COUNTY obligation for payment of any contract beyond the current
313 fiscal year end is contingent upon the availability of funding from which payment can be
314 made. No legal liability on the part of the COUNTY shall arise for payment beyond June
315 30 of the calendar year unless funds are made available for such performance.

316 **13.0 RECORDS AND DOCUMENTS**

317 13.1 CONTRACTOR shall make available, upon written request by and
318 duly authorized Federal, State or COUNTY agency, a copy of this Agreement and such
319 books, documents and records as are necessary to certify the nature and extent of the
320 costs of the services provided by CONTRACTOR. All such, CONTRACTOR shall
321 maintain books and records for at least five (5) years after the furnishing of said
322 services.

323 13.2 CONTRACTOR to provide COUNTY with reports and information
324 relative to this Agreement and in accordance with terms set forth herein, as may be
325 requested by COUNTY.

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**PROFESSIONAL SERVICES AGREEMENT
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328 **14.0 MONITORING**

329 14.1 CONTRACTOR hereby agrees to establish procedures for self-
330 monitoring and shall permit an appropriate official of the COUNTY, State or Federal
331 government to monitor, access, or evaluate CONTRACTOR'S performance under this
332 Agreement upon reasonable notice to CONTRACTOR and at any reasonable time.

333 **15.0 LICENSE**

334 15.1 CONTRACTOR shall, through the term of this Agreement, maintain
335 all licenses necessary for the provision of the services hereunder and required by the
336 laws and regulations of the United States, the State of California, County of Riverside,
337 and all other governmental agencies. CONTRACTOR shall notify COUNTY
338 immediately, in writing, of inability to obtain or maintain such license. Said inability shall
339 be cause for termination of this Agreement.

340 15.2 CONTRACTOR shall ensure that CONTRACTOR'S employees,
341 agents, and subcontractors performing services under the terms of this Agreement are
342 in compliance with all relative licensing requirements. CONTRACTOR hereby agrees to
343 notify COUNTY immediately, in writing, of inability of CONTRACTOR or any of
344 CONTRACTOR'S employees, agents and subcontractors to obtain or maintain such
345 license(s). Said inability shall be cause for termination of this Agreement.

346 15.3 COPY REQUIRED. A copy of each such license, permit, approval,
347 waiver, exemption, registration, accreditation, and certificate shall be provided to
348 Contracts Administration.

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349 15.4 Further, CONTRACTOR hereby agrees to abide by the standards
350 of medical practice of the profession when performing services hereunder.

351 **16.0 NONDISCRIMINATION AND ELIGIBILITY**

352 16.1 The CONTRACTOR shall not discriminate in the provision of
353 services, allocation of benefits, accommodation in facilities, or employment of
354 personnel, on the basis of ethnic group identification, race, color, creed, ancestry,
355 religion, national origin, sexual preference, sex, age (over 40), marital status, medical
356 attention, or physical or mental handicap, and shall comply with all other requirements
357 of law regarding non discrimination and affirmative action including those laws
358 pertaining to the prohibition of discrimination against qualified handicapped persons in
359 all programs or activities.

360 16.2 For the purpose of this Agreement, distinctions on the grounds of
361 race, religion, color, sex, national origin, age, or physical or mental handicap include but
362 at not limited to the following:

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

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

368 C. Restricting an eligible person differently in any way in the
369 enjoyment of any advantage or privilege enjoyed by others receiving similar service or
370 benefit.

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

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

378 **17.0 CONFLICT OF INTEREST**

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

382 **18.0 ALTERATION**

383 18.1 No alteration or variation of the terms of this Agreement shall be
384 valid unless made in writing and signed by the parties hereto, and no oral understanding
385 or agreement not incorporated herein, shall be binding on any of the parties hereto.

386 18.2 Only the County Board of Supervisors or County Purchasing Agent
387 may authorize the alteration or revision of this Agreement. The parties expressly
388 recognize that COUNTY personnel are without authorization to either change or waive
389 any requirements of this Agreement.

390 **19.0 ASSIGNMENT**

391 CONTRACTOR may not delegate the obligations hereunder, either in
392 whole or in part, without prior written consent of COUNTY provided, however,

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393 obligations undertaken by CONTRACTOR pursuant to this Agreement may be carried
394 out by means of subcontracts if approved by COUNTY. No subcontract shall terminate
395 or alter the responsibilities of the CONTRACTOR to COUNTY pursuant to this
396 Agreement. CONTRACTOR may not assign the rights hereunder, either in whole or in
397 part, without prior written consent of COUNTY. Any attempted assignment or
398 delegation in derogation of this paragraph shall be void. A change in the business
399 structure of CONTRACTOR, including but not limited to, change in the majority
400 ownership, change in the form of CONTRACTOR'S business organization,
401 management of CONTRACTOR, CONTRACTOR'S ownership of other business
402 dealing with CONTRACTOR under this Agreement, or filing of bankruptcy by
403 CONTRACTOR, shall be deemed an assignment for purposes of this paragraph.

404 **20.0 ADMINISTRATION**

405 The RCRMC Patient Accounts Officer, or designee, shall administer this
406 Agreement on behalf of the COUNTY. RCRMC Contracts Administration is to serve as
407 its liaison with CONTRACTOR in connection with this agreement.

408 **21.0 WAIVER**

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

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415 22.0 JURISDICTION, VENUE, SEVERABILITY

416 This Agreement and its construction and interpretation as to validity,
417 performance and breach shall be construed under the laws of the State of California.
418 Any legal action related to this Agreement shall be filed in the appropriate court
419 (Municipal or Superior) of the State of California located in Riverside, California. In the
420 event any provision in this Agreement is held by a court of competent jurisdiction to be
421 invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full
422 force without being impaired or invalidated in any way.

423 23.0 INDEPENDENT CONTRACTOR

424 23.1 The CONTRACTOR is, for purposes arising out of this contract, an
425 independent contractor and shall not be deemed an employee of the COUNTY. It is
426 expressly understood and agreed that the CONTRACTOR shall in no event, as a result
427 of this contract, be entitled to any benefits to which COUNTY employees are entitled,
428 including but not limited to overtime, any retirement benefits, worker's compensation
429 benefits, and injury leave or other leave benefits. CONTRACTOR hereby holds
430 COUNTY harmless from any and all claims that may be made against COUNTY based
431 upon any contention by any third party that an employer-employee relationship exists by
432 reason of this agreement.

433 23.2 It is further understood and agreed by the parties hereto that
434 CONTRACTOR in the performance of its obligation hereunder is subject to the control
435 or direction of COUNTY merely as to the result to be accomplished by the services

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436 hereunder agreed to be rendered and performed and not as to the means and methods
437 for accomplishing the results.

438 **24.0 SUBCONTRACT FOR WORK OR SERVICES**

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

445 **25.0 INTEREST OF CONTRACTOR**

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

452 **26.0 CONDUCT OF CONTRACTOR**

453 26.1 The CONTRACTOR agrees to inform the COUNTY of all the
454 CONTRACTOR's interest, if any, which are or which the CONTRACTOR believes to be
455 incompatible with any interest of the COUNTY.

456 26.2 The CONTRACTOR shall not, under circumstances, which might
457 reasonably be interpreted as an attempt to influence the recipient in the conduct of his

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458 duties, accept any gratuity or special favor from individuals or organizations with whom
459 the CONTRACTOR is doing business or proposing to do business, in accomplishing the
460 work under the contract.

461 26.3 The CONTRACTOR shall not use for personal gain or make other
462 improper use of privileged information, which is acquired in connection with his contract.
463 In this connection, the term 'privileged information' includes, but is not limited to,
464 unpublished information relating to technological and scientific development; medical,
465 personnel, or security records of the individuals; anticipated materials requirements or
466 pricing actions; and knowledge of selection of CONTRACTOR or subcontractors in
467 advance of official announcement.

468 26.4 The CONTRACTOR or employees thereof shall not offer gifts,
469 gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

470 **27.0 DISALLOWANCE**

471 In the event the CONTRACTOR receives payment for services under this
472 contract which is later disallowed for nonconformance with the terms and conditions
473 herein by the COUNTY, the CONTRACTOR shall promptly refund the disallowed
474 amount to the COUNTY on request, or at its option, the COUNTY may offset the
475 amount disallowed from any payment due to the CONTRACTOR under any contract
476 with the COUNTY.

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479 //

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480 **28.0 RIGHT TO ACQUIRE EQUIPMENT AND SERVICES**

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

484 **29.0 FORCE MAJEURE**

485 29.1 In the event CONTRACTOR is unable to comply with any provision
486 of this agreement due to causes beyond their control such as acts of God, acts of war,
487 civil disorders, or other similar acts, CONTRACTOR shall not be held liable to COUNTY
488 for such failure to comply.

489 29.2 In the event COUNTY is unable to comply with any provision of this
490 agreement due to causes beyond its control relating to acts of God, acts of war, civil
491 disorders, or other similar acts, COUNTY shall not be held liable to CONTRACTOR for
492 such failure to comply.

493 **30.0 EDD REPORTING REQUIREMENTS**

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

500 It is expressly understood that this data will be transmitted to
501 governmental agencies charged with the establishment and enforcement of child

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502 support orders and for no other purposes and will be held confidential by those
503 agencies. Failure of the contractor to timely submit the data and/or certificates required
504 may result in contract being awarded to another Contractor. In the event a contract has
505 been issued, failure of the Contractor to comply with all federal and state reporting
506 requirements for child support enforcement or to comply with all lawfully served Wage
507 and Earnings Assignments Orders and Notices of Assignment shall constitute a material
508 breach of contract. Failure to cure such breach within 60 calendar days of notice from
509 the County shall constitute grounds for termination of the contract.

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

515 **31.0 ENTIRE AGREEMENT**

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

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**PROFESSIONAL SERVICES AGREEMENT
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524 **32.0 CAPTIONS AND PARAGRAPH HEADINGS**

525 Captions and paragraph headings used in this Agreement are for
 526 convenience only and are not a part of this Agreement and shall not be used in
 527 construing this Agreement.

528 **33.0 NOTICES**

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


<u>CONTRACTOR</u>	<u>COUNTY</u>
534 Health Advocates, LLC	Riverside County Regional Medical Center
535 14721 Califa Street	26520 Cactus Avenue
536 Sherman Oaks, CA 91411	Moreno Valley, CA 92555

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

538 CONTRACTOR 539 By: <u></u> 540 541 <u>AL LEIBOVIC</u> 542 Type or Print Name 543 544 <u>PRESIDENT</u> 545 Type or Print Title 546 547 Date: <u>11/15/10</u>	538 COUNTY 539 By: <u></u> 540 541 <u>BOB BUSTER</u> 542 Type or Print Name 543 544 <u>Chairman</u> 545 Type or Print Title 546 547 Date: <u>JAN 11 2011</u>
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ATTEST:
 KECIA HARPER-IHEM, Clerk
 BY 
 DEPUTY

FORM APPROVED COUNTY COUNSEL

BY:  DATE: 1/27/10

NEAL R. KIPNIS DATE

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

A. CONTRACTOR PERFORMANCE PROVISION

CONTRACTOR shall perform services as outlined below in conjunction with the terms and conditions set forth in this Contract Agreement:

- 1.0 CONTRACTOR shall provide eligibility and other related services necessary in the recovery of payment from Medi-Cal, Social Security, Victims of Crime, Workers Compensation (WC), Third-Party Liability (TPL) for those accounts assigned to CONTRACTOR.
- 2.0 CONTRACTOR shall use their best efforts and use all legal and ethical means to identify third-party payment sources ("eligibility determination") and collect and resolve accounts referred to CONTRACTOR without regard to race, creed, sex or geographical location of debtor. CONTRACTOR may not under any circumstances use any threats, intimidation or harassment of patients in the collection of accounts
- 3.0 CONTRACTOR shall enter monthly updates into COUNTY Patient Accounts System.
- 4.0 CONTRACTOR shall provide quarterly, reporting of the following statistics electronically:
 - 4.1 Disability Evaluation Determination (DED) Pending
 - 4.1.1 DED Denials
 - 4.1.2 DED Appeals
 - 4.2 Treatment Authorization Request (TAR) Pending
 - 4.3 Billed Not Paid

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

5.0 **Account Categories:** Regardless of the responsibility or authority given to the CONTRACTOR, the COUNTY shall retain complete and final control over all accounts and cases referred to the CONTRACTOR. CONTRACTOR shall ascertain eligibility for the following as categorized below:

5.1 Inpatient account with pending application initiated and or completed by COUNTY for straight Medi-Cal, Managed Care Medi-Cal, Disability Evaluation Determination (DED) and California Children's Services (CCS);

5.2 Inpatient account CONTRACTOR initiated completed application for straight Medi-Cal, Managed Care Medi-Cal, DED and CCS;

5.3 Outpatient accounts over \$2,500 as assigned by COUNTY;

5.4 Inpatient Fair Hearings for straight Medi-Cal, Managed Care Medi-Cal, DED and CCS;

5.5 Out of State Medicaid as assigned by COUNTY;

5.6 Inpatient and Outpatient accounts application for retroactive coverage;

5.7 Appeal of (TAR) denied days as assigned by COUNTY;

5.8 TPL accounts (auto accidents, personal injury) as assigned by COUNTY;

5.9 Probate Hearings;

5.10 Victims of Crime applications; and

5.11 Worker's Compensation appeals.

6.0 **Acknowledgement of Referred Accounts:**

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

- CONTACTOR shall submit to COUNTY a written acknowledgement report for all accounts referred to CONTRACTOR by COUNTY within one-(1) week from the date of referral. CONTRACTOR's report shall include, but not be limited to, date of referral, date of services, patient's name, patient's account number and balance referred.
- 7.0 **Right to Audit:** CONTRACTOR shall maintain accurate books and records subject to periodic audits and copying by COUNTY. The records shall include, but not limited to, the original delinquent balance and additional charges such as collection charges, commission, court costs and attorney fees. COUNTY may examine and copy all CONTRACTOR records of accounts assigned by COUNTY.
- 8.0 **Account Review:** CONTRACTOR shall review each account monthly and take appropriate action on each account. This review and action will be documented by CONTRACTOR and the documentation will be available upon request for inspection by COUNTY.
- 9.0 **Documentation:** CONTRACTOR shall provide documentation within 48 hours of occurrence of activity. CONTRACTOR's assigned staff shall not directly contact any hospital department to request information or documents. All information and document requests shall be submitted to the department of Patient Accounts designee and CONTRACTOR will be notified when information is available for pickup. CONTRACTOR and COUNTY to meet and mutually agree upon a schedule for copy machine availability times.

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

- 10.0 **Compromise and Settlement:**
- 10.1 CONTRACTOR shall not, without prior written or verbal consent from COUNTY, compromise or settle any account. CONTRACTOR to notify COUNTY's Patient Accounts Manager (their designee as specified in writing) to mutually ascertain an acceptable settlement amount.
- 10.2 CONTRACTOR shall notify COUNTY in the event any patient, account guarantor, or third-party payer indicates that the debt is not owed because of prior payment, or will not be paid because of alleged fraud, malpractice, negligence or any other reason which may result in a counter-claim against COUNTY or any of its entities or employees.
- 11.0 **Due Diligence:** CONTRACTOR shall utilize diligent eligibility and/or collection procedures to achieve a maximum recovery on assigned accounts.
- 12.0 **Return of Accounts to COUNTY:** CONTRACTOR shall return to COUNTY, without assessment of any commission, charge or penalty, individual accounts referred to CONTRACTOR by COUNTY when any of the following circumstances occur:
- 12.1 COUNTY notifies CONTRACTOR that the account was erroneously referred.

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

- 12.2 Should a pending Medi-Cal case be referred in error by the COUNTY to the CONTRACTOR this case will be returned or recalled at the time the error is discovered.
- 12.3 Payment of total charges on the account is made to COUNTY prior or within 10 days of the referral of the account to CONTRACTOR.
- 12.4 CONTRACTOR determines that no third-party payer can be identified and that the only payment reasonably available is cash payment by the patient. (However, on a case by case basis, COUNTY may allow CONTRACTOR to accept payment from the patient and receive a commission. In the case of each returned account, CONTRACTOR shall provide COUNTY with the specific reason for such return).
- 12.5 The patient cannot be located or refuses to cooperate with CONTRACTOR.
- 12.6 Should an account be handled by the CONTRACTOR in a manner that causes loss revenue, the CONTRACTOR will note with the appropriate documentation/clarification for the loss and will be placed in the account notes with the COUNTY.
- 13.0 **Reports:** CONTRACTOR shall prepare and submit to COUNTY the following reports:
- 13.1 **Acknowledgement Report** – The Acknowledgement report shall include, date of referral, date of service, patient's name, patient's

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

- account number and balance referred and shall be submitted weekly.
- 13.2 Closed Accounts Report – The Closed Accounts Reports shall include, date of referral, date of service, patient's name, patient's account number, account balance and the reason account was closed (e.g., payment, skip, adjustment), and shall be submitted monthly.
- 13.3 Remittance Report – The Remittance Report shall include, date of referral, date of service, patient's name, patient's account number, amount collected by CONTRACTOR and/or COUNTY. This report will detail the payment of any costs recovered by type (e.g., interest, disbursements) resulting from any collection activities and the remaining balance to be collected. This report will include a line-by-line calculation of the commission received, or payable, aggregating in a total received by or due to CONTRACTOR. This report will be completed monthly on a month-to-date, year-to-date and life-to-date basis.
- 13.4 Account Inventory Report – No later than fifteen (15) days after the end of each month CONTRACTOR shall prepare an account status report of all accounts currently assigned to CONTRACTOR. This report will be separated in two different categories: (1) by patient name and account number; and (2) by type of account category (i.e., payer source). The report shall include date of referral, date of

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

service, patient's name, patient's account number, balance referred, amount paid, balance outstanding and the status of the account with date of last activity.

- 13.5 Productivity Report – All Activities (1) on referral accounts of \$100,000 in charges and over, are to be made every other week; (2) on referral accounts between \$50,000 and \$99,000 in charges are to be made every third week; and (3) on referral accounts under \$50,000 in charges are to be made monthly

B. CONTRACTOR ASSIGNED PERSONNEL/STAFF REQUIREMENTS

- 1.0 CONTRACTOR shall assign a minimum of two-(2) on site staff during regular business hours from 8:00 A.M. through 5:00 P.M. (Monday through Friday).
- 2.0 CONTRACTOR shall provide a minimum of one-(1) bilingual employee working each day.
- 3.0 CONTRACTOR's assigned staff shall document patient account activity on each individual patient account through direct access into the COUNTY's information system. Documentation shall include, but not be limited to phone contacts, forms mailed for completion, dates of application, and dates of account billing, Treatment Authorization Request (TAR) submissions, and settlement of accounts.
- 4.0 CONTRACTOR must ensure all assigned staff is trained in all the current policies and regulations' pertaining to Medi-Cal eligibility and other third-party eligibility as it is related to services provided. CONTRACTOR must be able to

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

- alter performance under this Agreement to be in compliance with any change in State, Federal or County policies or regulations.
- 5.0 CONTRACTOR shall perform employee screening prior to assignment and include, but not necessarily be limited to, obtaining information about an employee's past employment, license, education and skills; information shall be made available to COUNTY upon request. The hospital reserves the right to review said information, and to conduct interviews with CONTRACTOR's assigned staff prior to assignment.
- 6.0 CONTRACTOR shall provide COUNTY with verification of competency for CONTRACTOR's assigned staff working on-site to include, job description and licensure and/or certifications.
- 7.0 CONTRACTOR's assigned staff must have annual health screening to include a tuberculosis (TB) test, and or Chest X-Ray (verifying absence of active disease), a record of vaccination for Measles, Mumps, Rubella, (MMR) series or record of positive MMR titer, proof of immunization of Diphtheria, Pertussis, Trivalent Polio, Hepatitis B, and a general physical examination clearance. All records pertaining to this shall be kept on file in CONTRACTOR's office, and made available to COUNTY upon request.
- 8.0 CONTRACTOR's assigned staff shall be orientated to COUNTY fire, disaster, department specific procedures, and infection control practices by COUNTY.
- 9.0 CONTRACTOR's assigned staff must possess and wear a photographic identification card supplied by CONTRACTOR.

**SCOPE OF WORK
HEALTH ADVOCATES, LLC**

- 10.0 CONTRACTOR shall adhere to all Riverside County Regional Medical Center (RCRMC) policies.
- 11.0 CONTRACTOR shall not assign to the COUNTY any employee with a criminal history report revealing a felony and or misdemeanor conviction and/or pending case.
- 12.0 CONTRACTOR's assigned staff shall not be under the influence of alcohol or drugs while on duty; or possess controlled substances or prescription drugs without a prescription while on duty.
- 13.0 If COUNTY has reasonable suspicion to believe a CONTRACTOR's assigned staff is in violation of being under the influence of alcohol or drugs while on duty, COUNTY reserves the right to request CONTRACTOR, at their expense, to conduct unannounced drug screening of said personnel.

**CONTINGENCY FEE SCHEDULE
HEALTH ADVOCATES, LLC**

CONTRACTOR shall be paid based on the following percentage rate(s).

ACCOUNT CATEGORY	PERCENTAGE RATE
<i>Inpatient account with pending application initiated and/or completed by COUNTY for straight Medi-Cal, Managed Care Medi-Cal, , Disability Evaluation Determination and CCS</i>	15%
<i>Inpatient account CONTRACTOR initiated and completed by COUNTY for straight Medi-Cal, Managed Care Medi-Cal, DED and CCS</i>	15%
<i>Outpatient account over \$2,500 as assigned by COUNTY</i>	20% of all Sums recovered OR \$12/referral
<i>Inpatient account Fair Hearings for straight Medi-Cal, Managed Care Medi-Cal, DED and CCS</i>	20%
<i>Out of State Medicaid as assigned by COUNTY</i>	20%
<i>Inpatient and Outpatient accounts application for retroactive coverage</i>	15% - Inpatient 20% - Outpatient
<i>Appeal of TAR denied days, percent applied to entire account</i>	20%
<i>Third-Party Liability accounts (auto accident) as assigned by COUNTY</i>	16%
<i>Probate Hearings</i>	16%
<i>Victims of Crime application</i>	16%
<i>Worker's Compensation appeals</i>	16%
<i>Legal Intervention</i>	25%

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
HEALTH ADVOCATES, LLC

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 **Health Advocates, LLC** ("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.
 - 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:

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
HEALTH ADVOCATES, LLC

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

HIPAA BUSINESS ASSOCIATE AGREEMENT
Between the County of Riverside and
HEALTH ADVOCATES, LLC

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.
 - 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.

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- 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.

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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

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determination by CONTRACTOR that return or destruction of PHI and/or 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

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to indemnify and hold harmless the County herein from third party claims arising from the issues of this Addendum.

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.