

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



402

FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
July 3, 2012

SUBJECT: Professional Service Agreement with LifeCare Solutions, Inc. for Riverside County HealthCare

RECOMMENDED MOTION: Move that the Board of Supervisors:

- 1) Ratify and authorize the Chairperson to sign the Professional Service Agreement with LifeCare Solutions, Inc. to provide ostomy and wound care supply services to members enrolled in the Riverside County HealthCare program for the term of May 1, 2012 through December 31, 2013.
- 2) Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to exercise renewal options, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed ten percent of the annual amount.

(continued on Page 2)

Susan D. Harrington
Susan Harrington, Director of Public Health

Douglas D. Bagley
Douglas D. Bagley, Hospital Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$83,600	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

SOURCE OF FUNDS: 100% Low Income Health Plan / Riverside County	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Buster, Tavaglione, Stone and Benoit
Nays: None
Absent: Ashley
Date: July 3, 2012
xc: RCRMC, Purchasing

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

FORM APPROVED BY COUNTY COUNSEL
 BY: *Mark Seller* 6/20/12
 DATE: *6/20/12*
 DEPT. RECOMM.:
 PURCHASING: *Mark Seller*
 ASSISTANT DIRECTOR: *Mark Seller*
 POLICY:
 CONSENT:
 PER EXEC. OFF.:

BOARD OF SUPERVISORS

Page 2

SUBJECT: Professional Service Agreement with LifeCare Solutions, Inc. for Riverside County HealthCare (RCHC)

BACKGROUND:

The Department of Health Care Services (DHCS) released program applications for all eligible entities to participate in the Low Income Health Program (LIHP), which provides entities the opportunity to help build the bridge to health care reform in 2014. The LIHP consists of the Medicaid Coverage Expansion (MCE) and the Health Care Coverage Initiative (HCCI) programs. These programs provide health care benefits to eligible persons in accordance with the Welfare & Institutions Code (WIC) Section 15909 - 15915 (Chapter 723, Statutes of 2010, Assembly Bill 342), and the Special Terms and Conditions (STCs) of the federal section 1115 (a) California Bridge to Reform Demonstration. To meet the requirements of participation for this program various departments of the County, including the Community Health Agency/Department of Public Health, Department of Mental Health, Department of Public Social Services, Riverside County Regional Medical Center and the Office on Aging, have combined their resources to ensure that the County has a financially viable model for an integrated, quality, responsive, patient-centered health care system meeting the needs of county residents. These departments have partnered with Inland Empire Health Plan (IEHP) as a third party administrator in administering the service which implements the requirements of LIHP. Through this collaboration partnership, the requirements for the LIHP were developed and incorporated for Riverside County HealthCare (RCHC). RCHC is Riverside County's new health care program to help bridge to the health care reform in 2014. Patients eligible to participate in RCHC will have the opportunity to receive services through specific referrals. RCHC expects approximately 35,000 eligible participants/patients to participate in the health care program.

LifeCare Solutions is a Medicare and Medi-cal certified home care medical equipment company providing services throughout Southern California. LifeCare Solutions is contracted to provide Durable Medical Equipment services for the RCHC program. This contract was awarded through RFP MCARC162 to three separate vendors to ensure geographic coverage for the members of the program. After the agreement was awarded it was discovered the RFP had been drafted without ostomy and wound care supply services. Each of the awarded vendors was contacted to determine if they could provide these additional services. Diamond Care Respiratory, Inc. was only able supply ostomy and wound care supplies through a third party vendor, Apria does not stock ostomy supplies but LifeCare Solutions did have this service available. They agreed to include this service in their agreement but could not agree to Medi-Cal Allowable reimbursement as this did not cover their costs to provide the service. LifeCare did agree to provide ostomy and wound care supply services to the members enrolled through RCHC at 115% of the medi-cal allowable fee schedule with the exception of special order or custom supplies which will be reimbursed at 65% of billed charges. Because of the urgency to provide this service for the RCHC program members and the backlog of patients requiring supplies this agreement will include this additional service.

REVIEW/APPROVAL:

County Purchasing concurs

County Counsel approved the agreement as to legal form.

DB:cg:ns

1 NOW THEREFORE, in consideration of the mutual promises, covenants
2 representations and conditions hereinafter contained, the PARTIES hereto
3 mutually agree as follows.

4 **1.0 DESCRIPTION OF SERVICES:**

5 CONTRACTOR will provide Soft Good Medical Supplies:
6 Ostomy/Urological and Wound Care supply services as outlined in Attachment A,
7 attached hereto and made part of the Agreement.

8 **2.0 TERM AND TERMINATION:**

9 2.1 TERM. This Agreement shall be effective as of April 1, 2012
10 through December 31, 2013, unless terminated as specified below in Section 2.2
11 or as otherwise specified herein.

12 2.2 TERMINATION WITHOUT CAUSE. Either party may
13 terminate this Agreement with or without cause by giving ninety (90) days prior
14 written notice to the other party.

15 2.2.1 In the event of termination of this Agreement,
16 CONTRACTOR shall continue to provide and be compensated for Soft Good
17 Medical Supply services under the terms of this Agreement to patients who have
18 been authorized for treatment on the date of termination until the effective date of
19 discharge of care or the safe transfer of such patients to another Health Care
20 Service Provider, or a period of ninety (90) days, whichever comes first.

21 2.3 NON-AVAILABILITY OF FUNDS. In the event of non-
22 availability of COUNTY funds, this Agreement shall be deemed terminated and
23 of no further force and effect immediately on receipt of COUNTY's notification to
24 CONTRACTOR.
25

1 **3.0 COMPENSATION:**

2 3.1 In consideration of services provided by CONTRACTOR
3 pursuant to this Agreement, CONTRACTOR shall be entitled to receive payment
4 in accordance with RCHC Program policy and procedure. CONTRACTOR shall
5 submit clean, complete and accurate claims to RCHC Program within one
6 hundred eighty (180) days from the date of service. Claims must be submitted on
7 a HCFA 1500 claim or its successor claim form (or via electronic form) and shall
8 contain a minimum of the following information: Patient Name, Patient ID#, date
9 of birth, authorization number, HCPCs Code, item description, quantity and unit
10 pricing. CONTRACTOR shall not seek payment for claims not submitted after
11 one hundred and eighty (180) days from the date of service. Any claims received
12 after the billing deadline will not be considered for payment. CONTRACTOR shall
13 accept the payments for services as described above in Section 1.0 and
14 specified in Attachment A, attached hereto, as payment in full.

15 3.2 Maximum payments to CONTRACTOR shall not exceed one
16 hundred ninety-five thousand (\$195,000) dollars for the term of this agreement.
17 Payments to CONTRACTOR shall be made within thirty (30) working days of
18 receipt from CONTRACTOR of an uncontested claim which is accurate,
19 complete and otherwise in accordance with Section 3.1.

20 **4.0 HOLD HARMLESS-INDEPENDENT CONTRACTOR:**

21 4.1 CONTRACTOR shall indemnify and hold harmless all
22 Agencies, Districts, Special Districts and Departments of the County of Riverside,
23 their respective directors, officers, Board of Supervisors, elected and appointed
24 officials, employees, agents and representatives from any liability whatsoever,
25 based or asserted upon any services of CONTRACTOR, its officers, employees,

1 subcontractors, agents or representatives arising out of or in any way relating to
2 this Agreement, including but not limited to property damage, bodily injury, or
3 death or any other element of any kind or nature whatsoever and resulting from
4 any reason whatsoever arising from the performance of CONTRACTOR, its
5 officers, agents, employees, subcontractors, agents or representatives from this
6 Agreement; CONTRACTOR shall defend, at its sole expense, all costs and fees
7 including but not limited to attorney fees, cost of investigation, defense and
8 settlements or awards all Agencies, Districts, Special Districts and Departments
9 of the County of Riverside, their respective directors, officers, Board of
10 Supervisors, elected and appointed officials, employees, agents and
11 representatives in any claims or action based upon such alleged acts or
12 omissions.

13 4.2 With respect to any action or claim subject to indemnification
14 herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right
15 to use counsel of their own choice and shall have the right to adjust, settle, or
16 compromise any such action or claim without the prior consent of COUNTY;
17 provided, however, that any such adjustment, settlement or compromise in no
18 manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to
19 COUNTY as set forth herein.

20 CONTRACTOR'S obligation to defend, indemnify and hold
21 harmless COUNTY shall be subject to COUNTY having given CONTRACTOR
22 written notice within a reasonable period of time of the claim or the
23 commencement of the related action, as the case may be, and information and
24 reasonable assistance, at CONTRACTOR'S expense, for the defense or
25 settlement thereof.

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

4 4.3 The specified insurance limits required in this Agreement
5 shall in no way limit or circumscribe CONTRACTOR'S obligation to indemnify
6 and hold harmless the COUNTY herein from third party claims.

7 4.4 In the event there is conflict between this clause and
8 California Civil Code Section 2782, this clause shall not be interpreted to comply
9 with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR
10 from indemnifying the COUNTY to the fullest extent allowed by law.

11 4.5 Liability resulting from Professional acts of the
12 CONTRACTOR shall be subject to the terms of Section 5.5, below.

13 **5.0 INSURANCE:**

14 5.1 Without limiting or diminishing the CONTRACTOR'S
15 obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall
16 procure and maintain or cause to be maintained, at its sole cost and expense,
17 the following insurance and/or self- insurance coverages during the term of this
18 Agreement.

19 5.2 WORKERS' COMPENSATION

20 If the CONTRACTOR has employees as defined by the State of
21 California, the CONTRACTOR shall maintain statutory Workers' Compensation
22 Insurance (Coverage A) and/or self insurance as prescribed by the laws of the
23 State of California. Policy shall include Employers' Liability (Coverage B)
24 including Occupational Disease with limits not less than **\$1,000,000** per person
25

1 per accident. The policy shall be endorsed to waive subrogation in favor of The
2 County of Riverside, and, if applicable, to provide a Borrowed Servant/Alternate
3 Employer Endorsement.

4 5.3 COMMERCIAL GENERAL LIABILITY

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

16 5.4 VEHICLE LIABILITY

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

1 representatives as Additional Insured.

2 5.5 PROFESSIONAL LIABILITY INSURANCE

3 CONTRACTOR shall maintain Professional Liability insurance
4 coverage for the Contractor's performance of work included within this
5 Agreement, with a limit of liability of not less than **\$1,000,000** per occurrence and
6 **\$2,000,000** annual aggregate. If Contractor's Professional Liability Insurance is
7 written on a claims made basis rather than an occurrence basis, such insurance
8 shall continue through the term of this Agreement and CONTRACTOR shall
9 purchase at his sole expense either 1) an Extended Reporting Endorsement
10 (also known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with
11 a retroactive date back to the date of, or prior to, the inception of this Agreement;
12 3) demonstrate through Certificates of Insurance that CONTRACTOR has
13 maintained continuous coverage with the same or original insurer. Coverage
14 provided under items; 1), 2) or 3) will continue for a period of five (5) years
15 beyond the termination of this Agreement.

16 5.6 GENERAL INSURANCE PROVISIONS – ALL LINES

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

23 2) The CONTRACTOR'S insurance carrier(s) must
24 declare its insurance deductibles. If such deductibles or self-insured retentions
25 exceed \$500,000 per occurrence such deductibles and/or retentions shall have

1 the prior written consent of the County Risk Manager before the commencement
2 of operations under this Agreement. Upon notification of deductibles
3 unacceptable to the COUNTY, and at the election of the County's Risk Manager,
4 CONTRACTOR'S carriers shall either; 1) reduce or eliminate such deductibles as
5 respects this Agreement with the RCHC Program, or 2) procure a bond, which
6 guarantees payment of losses and related investigations, claims administration,
7 and defense costs and expenses.

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

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

6 4) It is understood and agreed to by the parties hereto
7 and the insurance company(s), that the Certificate(s) of Insurance and policies
8 shall so covenant and shall be construed as primary insurance, and the
9 RCHC's insurance and/or deductibles and/or self-insured retention's or self-
10 insured programs shall not be construed as contributory.

11 5) The COUNTY'S Reserved Rights--Insurance. If,
12 during the term of this Agreement or any extension thereof, there is a material
13 change in the scope of services; or, there is a material change in the equipment
14 to be used in the performance of the scope of work (such as the use of aircraft or
15 watercraft) the COUNTY reserves the right to adjust the types of insurance
16 required under this Agreement and the monetary limits of liability for the
17 insurance coverage's currently required herein, if; in the County Risk Manager's
18 reasonable judgment, the amount or type of insurance carried by the
19 CONTRACTOR has become inadequate.

20 6) CONTRACTOR shall pass down the insurance
21 obligations contained herein to all tiers of subcontractors working under this
22 Agreement.

23 7) The insurance requirements contained in this
24 Agreement may be met with a program(s) of self-insurance acceptable to the
25 COUNTY.

1 **6.0 RECORDS AND DOCUMENTS:**

2 6.1 CONTRACTOR shall make available, upon written request
3 by and duly authorized Federal, State or COUNTY agency, a copy of this
4 Agreement and such books, documents and records as are necessary to certify
5 the nature and extent of the costs of the services provided by CONTRACTOR.
6 CONTRACTOR shall maintain books and records for at least five (5) years from
7 the termination of this Agreement.

8 6.2 CONTRACTOR agrees to provide RCHC Program with
9 reports and information relative to this Agreement and in accordance with terms
10 set forth herein, as may be requested by RCHC Program.

11 **7.0 CONFIDENTIALITY:**

12 CONTRACTOR agrees to protect from unauthorized disclosure
13 names and other identifying information concerning either persons receiving
14 services under this Agreement or persons whose names or other identifying
15 information becomes known to CONTRACTOR as a result of services performed
16 under this Agreement, except statistical information not identifying any such
17 person.

18 7.1 CONTRACTOR shall not disclose, except as otherwise
19 specifically permitted by this Agreement or authorized by the client or client's
20 representative, any such identifying information to anyone other than authorized
21 RCHC Program personnel without prior written authorization from the RCHC
22 Program.

23 7.2 For the purpose of this paragraph, "identify" shall include, but
24 not be limited to, name, identifying number, symbol, or other identifying particular
25 assigned to the individual, such as finger or voiceprint or photograph.

1 7.3 CONTRACTOR shall observe all Federal, State and
2 COUNTY laws and regulations, including, but not limited to, the Health Insurance
3 Portability and Accountability Act (HIPPA) of 1996, concerning the security and
4 privacy of patient records and information.

5 **8.0 LICENSE:**

6 CONTRACTOR shall, through the Term of this Agreement, maintain
7 all licenses necessary for the provision of the services hereunder and required by
8 the laws and regulations of the United States, the State of California, County of
9 Riverside, and all other governmental agencies. CONTRACTOR shall notify
10 RCHC Program immediately, in writing, of inability to obtain or maintain such
11 license. Said inability shall be cause for termination of this Agreement.

12 8.1 CONTRACTOR shall ensure that CONTRACTOR'S
13 employees, agents, and subcontractors performing services under the terms of
14 this Agreement are in compliance with all relative licensing requirements.
15 CONTRACTOR hereby agrees to notify RCHC Program immediately, in writing,
16 of inability of CONTRACTOR or any of CONTRACTOR'S employees, agents and
17 subcontractors to obtain or maintain such license(s). Said inability shall be cause
18 for termination of this Agreement.

19 8.2 COPY REQUIRED. A copy of each such license, permit,
20 approval, waiver, exemption, registration, accreditation, and certificate shall be
21 provided to Contracts Administration, upon request.

22 8.3 Further, CONTRACTOR hereby agrees to abide by the
23 standards of the medical practice of the profession when performing services
24 hereunder.

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1 **9.0 NONDISCRIMINATION AND ELIGIBILITY:**

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

10 9.1 For the purpose of this Agreement, distinctions on the
11 grounds of race, religion, color, sex, national origin, age, or physical or mental
12 handicap include but at not limited to the following:

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

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

20 3. Restricting an eligible person differently in any way in
21 the enjoyment of any advantage or privilege enjoyed by others receiving similar
22 service or benefit.

23 4. Treating an eligible person differently from others in
24 determining whether he/she satisfied any eligibility, membership, or other
25 requirement or condition which individuals must meet in order to be provided a

1 similar service or benefit.

2 5. The assignment of times or places for the provision of
3 services on the basis of race, religion, color, sex, national origin, age, or physical
4 or mental handicap of the eligible person to be served.

5 **10.0 CONFLICT OF INTEREST:**

6 CONTRACTOR and CONTRACTOR'S employees shall have no
7 interest, and shall not acquire any interest, direct or indirect, which will conflict in
8 any manner or degree with the performance of services required under this
9 Agreement.

10 **11.0 ASSIGNMENT:**

11 CONTRACTOR may not delegate the obligations hereunder, either in
12 whole or in part, without prior written consent of the COUNTY and the RCHC
13 Program provided, however, obligations undertaken by CONTRACTOR pursuant
14 to this Agreement may be carried out by means of subcontracts if approved by
15 RCHC Program. No subcontract shall terminate or alter the responsibilities of
16 the CONTRACTOR to the RCHC Program pursuant to this Agreement.
17 CONTRACTOR may not assign the rights hereunder, either in whole or in part,
18 without prior written consent of the COUNTY. Any attempted assignment or
19 delegation in derogation of this paragraph shall be void. A change in the
20 business structure of CONTRACTOR, including but not limited to, change in the
21 majority ownership, change in the form of CONTRACTOR'S business
22 organization, management of CONTRACTOR, CONTRACTOR'S ownership of
23 other business dealing with CONTRACTOR under this Agreement, or filing of
24 reorganization or bankruptcy by CONTRACTOR, shall be deemed an
25 assignment for purposes of this paragraph.

1 **12.0 ADMINISTRATION:**

2 The RCHC Governing Board (or designee) shall administer this
3 Agreement on behalf of the COUNTY.

4 **13.0 WAIVER:**

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

11 **14.0 JURISDICTION, VENUE, ATTORNEY FEES:**

12 This Agreement and interpretation as to the validity, performance
13 and breach shall be construed under the laws of the State of California. Any
14 legal action related to the Agreement shall be filed in the appropriate courts in the
15 County of Riverside, State of California.

16 **15.0 SEVERABILITY:**

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

21 **16.0 CAPTIONS AND PARAGRAPH HEADINGS:**

22 Captions and paragraph headings used in this Agreement are for
23 convenience only and are not a part of this Agreement and shall not be used in
24 construing this Agreement.

1 **17.0 NOTICES:**

2 All correspondence and notices required or contemplated by this
3 Agreement shall be delivered to the respective parties at the addresses set forth
4 below and are deemed submitted one day after their deposit in the United States
5 mail, postage prepaid:

6 **COUNTY**

6 **CONTRACTOR:**

7 Contracts Administration
8 Riverside County HealthCare
9 26520 Cactus Avenue
10 Moreno Valley, CA 92555

Lifecare Solutions, Inc.
830 E. Parkridge Ave
Corona, CA 92879
Attn: Contracting Department

11 Or to such other address(es) as the parties may hereafter designate:

12 **18.0 Independent Contractor**

13 The CONTRACTOR is, for purposes arising out of this contract, an
14 Independent Contractor and shall not be deemed an employee of the
15 County. It is expressly understood and agreed that the CONTRACTOR shall in
16 no event, as a result of this Agreement, be entitled to any benefits to which
17 COUNTY employees are entitled, including but limited to overtime, any
18 retirement benefits, Worker's Compensation benefits and injury leave or other
19 leave benefits. CONTRACTOR hereby holds COUNTY harmless from any and
20 all claims that may be made against COUNTY based upon any contention by any
21 third party that an employer-employee relationship exists by reason of this
22 Agreement.

23 18.1 It is further understood and agreed by the parties
24 hereto that CONTRACTOR in the performance of its obligation hereunder is
25 subject to the control or direction of COUNTY merely as to the result to be
accomplished by the services hereunder agreed to be rendered and performed

1 and not as to the means and methods for accomplishing the results.

2 **19.0 Subcontract for Work or Services**

3 No contract shall be made by the CONTRACTOR with any party for
4 furnishing any of the work or services contained herein without the prior written
5 approval of the COUNTY Contract Administrator, but this provision shall not
6 require the approval of contracts of employment between the CONTRACTOR
7 and personnel assigned for services hereunder, or for parties named in the
8 proposal and agreed to under any resulting contract.

9 **20.0 Interest of Contractor**

10 The CONTRACTOR covenants that it presently has no interest,
11 including, but not limited to, other projects or independent contracts, and shall
12 not acquire any such interest, direct or indirect, which would conflict in any
13 manner or degree with the performance of services required to be performed
14 under this Agreement. The CONTRACTOR further covenants that in the
15 performance of this Agreement, no person having such interest shall be
16 employed or retained by it under this Agreement.

17 **21.0 Conduct of Contractor**

18 1) The CONTRACTOR agrees to inform the COUNTY of all the
19 CONTRACTOR'S interest, if any, which are or which the CONTRACTOR
20 believes to be incompatible with any interest of the COUNTY.

21 2) The CONTRACTOR shall not, under circumstances, which
22 might reasonably be interpreted as an attempt to influence the recipient in the
23 conduct of his duties, accept any gratuity or special favor from individuals or
24 organizations with whom the CONTRACTOR is doing business or proposing to
25 do business, in accomplishing the work under the contract.

1 3) The CONTRACTOR shall not use for personal gain or make
2 other improper use of privileged information, which is acquired in connection with
3 this Agreement. In this connection, the term "privileged information" includes, but
4 is not limited to, unpublished information relating to technological and scientific
5 development; medical, personnel, or security records of the individuals;
6 anticipated materials requirement or pricing actions; and knowledge of selection
7 of CONTRACTORS or SUBCONTRACTORS in advance of official
8 announcement.

9 4) The CONTRACTOR or employees thereof shall not offer
10 gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

11 **22.0 Disallowance**

12 In the event the CONTRACTOR receives payment for services
13 under this Agreement, which is later disallowed for nonconformance with the
14 terms and conditions herein by the COUNTY, the CONTRACTOR shall promptly
15 refund the disallowed amount to the COUNTY on request, or at its option, the
16 COUNTY may offset the amount disallowed for any payment due to the
17 CONTRACTOR under any contract with the COUNTY.

18 **23.0 Right to Acquire Equipment and Services**

19 Nothing in this Agreement shall prohibit the COUNTY from
20 acquiring the same type or equivalent equipment and/or services from other
21 sources, when deemed by the COUNTY to be in its best interest.

22 **24.0 Force Majeure**

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

1 acts of war, civil disorders, or other similar acts.

2 **25.0 EDD Reporting Requirements**

3 In order to comply with child support enforcement requirements of
4 the State of California, the County of Riverside may be required to submit a
5 Report of Independent Contractor(s) form **DE 542** to the Employment
6 Development Department. The selected Contractor agrees to furnish the
7 required Contractor data and certifications to the County of Riverside within ten
8 (10) days of notification of award of contract when required by the **EDD**.

9 It is expressly understood that this data will be transmitted to
10 governmental agencies charged with the establishment and enforcement of child
11 support orders and for no other purposes and will be held confidential by those
12 agencies. Failure of the CONTRACTOR to timely submit the data and/or
13 certificates required may result in an Agreement being awarded to another
14 CONTRACTOR. In the event an Agreement has been issued, failure of the
15 CONTRACTOR to comply with all federal and state reporting requirements for
16 child support enforcement or to comply with all lawfully served Wage and
17 Earnings Assignments Orders and Notices of Assignment shall constitute a
18 material breach of Agreement. Failure to cure such breach within sixty (60)
19 calendar days of notice from the County shall constitute grounds for termination
20 of the Agreement.

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

