

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

150



FROM: RUHS - Hospital

SUBMITTAL DATE:
June 29, 2016

SUBJECT: Approval of agreement with the University Of California, Riverside, UCR Health to provide Program Director and faculty members for the UCR RUHS Family Medicine residency training program for \$2.4 million per year; District 5; [\$12 million over 5 years] paid from Hospital Enterprise Fund.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached agreement with the University Of California, Riverside UCR Health to provide Program Director and faculty members for the UCR RUHS Family Medicine residency training program for \$2.4 million per year;
2. Authorize the Purchasing Director to make non material contract changes that do not in total exceed 10% of the contract value;

Summary

Riverside University Health System – Medical Center has a residency program for Family Medicine. Medical Center administration recommends contracting with UC Riverside to provide the professional staff necessary for the continued success of this program. The program will be initially staffed by the program director and one faculty. Staff will be added to accommodate resident numbers and will reach six full time equivalents no later than May 1, 2017.

Jennifer Cruikshank

Jennifer Cruikshank, COO for
Zareh Sarrafian
Assistant CEO - Health System

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 2.4 M	\$ 2.4 M	\$ 12M over 5 yrs	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: Hospital Enterprise Fund 40050	Budget Adjustment: none
	For Fiscal Year: 16/17 - 20/21

C.E.O. RECOMMENDATION: APPROVE
BY: *Christopher M. Hans*
County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Washington, Benoit and Ashley
Nays: None
Absent: Tavaglione
Date: July 12, 2016
xc: RUHS, Purchasing

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

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

3-31

FORM APPROVED COUNTY COUNSEL
BY: *Anita C. Willis* 6-29-16
DATE
ANITA C. WILLIS

PURCHASING & FLEET SERVICES:
Lisa Brandl
Lisa Brandl, Director
Departmental Concurrence

A-30
 Positions Added
 Change Order
 4/5 Vote

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approval of agreement with the University Of California, Riverside, UCR Health to provide Program Director and faculty members for the UCR RUHS Family Medicine residency training program for \$2.4 million per year; District 5; [\$12 million over 5 years] paid from Hospital Enterprise Fund.

DATE: June 29, 2016

PAGE: 2 of 2

BACKGROUND:

Summary

As part of the residency program, UCR agrees to maintain an environment which is conducive to quality medical care provision, and training as it pertains to Family Practice services by providing qualified faculty and a qualified program director to properly care for patients. The program will encourage critical dialogue between teaching staff and trainees through rounds, conferences, and patient care procedures.

The program director shall fulfill the program director administrative duties as described in the ACGME (accreditation council of graduate medical education) family medicine residency program requirements. Faculty shall fulfill the faculty teaching duties as described in the ACGME family medicine residency program requirements.

Program director and faculty together shall establish and implement, in conjunction with RUHS, clinical training programs at hospital designed to meet the educational requirements for the teaching of physician residents, other medical staff, paramedical trainees, and medical students receiving training at RUHS.

Impact on Residents and Businesses

County intends to contract with UCR to obtain the professional services of a program director and faculty members for its family practice residency program. This will improve patient care and comply with requirements of California Code of Regulations ("CCR") title 22 for acute care hospitals and CCR Title 10 for managed care.

SUPPLEMENTAL:

Additional Fiscal Information

Optimal staffing is expected to consist of one full time program director and six faculty doctors. The contract is capped at a cost equivalent to 1 FTE program director and 6.25 FTE faculty doctors. Compensation is set at market rates. County retains the rights to bill and receive payment for all professional services rendered under this program.

**AGREEMENT FOR
PROFESSIONAL MEDICAL SERVICES
FAMILY MEDICINE**

This Agreement is entered into by and between the County of Riverside (COUNTY), a political subdivision of the State of California, on behalf of the Riverside University Health System Medical Center (HOSPITAL) and THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a public corporation on behalf of, THE UNIVERSITY OF CALIFORNIA, RIVERSIDE, UCR HEALTH (CONTRACTOR).

WHEREAS, Government Code Section 31000 authorizes the County to contract for professional services to be provided by persons who are specially trained, experienced and competent to perform the services required;

WHEREAS, COUNTY sponsors a residency training program in Family Medicine (SPECIALTY), which is accredited by Accreditation Council for Graduate Medical Education (AGCME) (PROGRAM), which is required to have a Program Director and faculty that are responsible for the education and training of the participants in the PROGRAM;

WHEREAS, COUNTY desires to contract with CONTRACTOR to provide a Program Director and faculty members for PROGRAM, and to obtain PROFESSIONAL SERVICES for the purpose of improving patient care and complying with requirements of California Code of Regulations ("C.C.R.") Title 22 for acute care hospitals and C.C.R. Title 10 for managed care; and

WHEREAS, CONTRACTOR has PHYSICIANS that can serve as the Program Director and faculty members for PROGRAM, and that can provide PROFESSIONAL SERVICES;

NOW THEREFORE the parties hereto enter into this Agreement, as a full statement of their respective responsibilities during the term of this Agreement, and in consideration of the representations made above and the covenants and conditions set forth herein, the parties agree as follows:

1.0 DEFINITIONS

1.1 "COUNTY" shall mean County of Riverside.

1.2 "COUNTY PATIENTS" shall mean patients treated by the CONTRACTOR's PHYSICIANS in accordance with this Agreement, and for the benefit of COUNTY, if: (1) the patients receive

PROFESSIONAL SERVICES from CONTRACTOR's PHYSICIANS in HOSPITAL or any COUNTY owned or leased facility, regardless of the patients' payment source, or (2) the patients receive PROFESSIONAL SERVICES from a COUNTY intern or resident working under CONTRACTOR's supervision in HOSPITAL or any COUNTY owned or leased facility, on COUNTY's behalf, regardless of the patients' payment source.

1.3 "DEPARTMENT" shall mean the HOSPITAL's Department of Family Medicine.

1.4 "FACULTY" shall mean a PHYSICIAN who provides FACULTY SERVICES

1.5 "FACULTY EQUIVALENT" shall mean services required to be performed by CONTRACTOR, which were performed by one or more FACULTY totaling 40 hours each week for each month.

1.6 "FACULTY SERVICES" shall mean those services described in Exhibit A of this Agreement, which is attached hereto and incorporated herein

1.7 "HOSPITAL" shall mean Riverside University Health System.

1.8 "MEDICAL STAFF BYLAWS" shall mean HOSPITAL's Medical staff bylaws, rules and regulations, as amended from time to time.

1.9 "PHYSICIAN(S)" shall mean physician(s) employed or subcontracted by CONTRACTOR who are experienced and qualified in the medical practice of SPECIALTY and are licensed to practice medicine in the State of California.

1.10 "PROFESSIONAL SERVICES" shall mean medical services in the SPECIALTY, including call coverage services, provided by PHYSICIANS as more fully described in Exhibit A of this Agreement.

1.11 "PROGRAM DIRECTOR SERVICES" shall mean those services described in Exhibit A of this Agreement, which is attached hereto and incorporated herein.

1.12 "PROGRAM DIRECTOR" shall mean a PHYSICIAN that will provide PROGRAM DIRECTOR SERVICES for PROGRAM.

1.13 "STATE" shall mean the State of California.

1.14 "TJC" shall mean The Joint Commission.

2.0 CONTRACTOR'S OBLIGATIONS

2.1 COMPLIANCE WITH HOSPITAL MISSION, VISION, AND VALUES

Services shall be provided by CONTRACTOR in compliance with the HOSPITAL Mission, Vision, and Values, a copy of which shall be made available to CONTRACTOR, which reflect COUNTY's and CONTRACTOR's commitment to providing quality health services to COUNTY patients, regardless of their ability to pay, as well as providing quality education and training programs to participants in PROGRAM.

CONTRACTOR agrees to maintain an environment which is conducive to quality medical care provision, and training as it pertains to SPECIALTY services by providing facilities to properly care for patients, and by encouraging critical dialogue between teaching staff and trainees through rounds, conferences, and patient care procedures.

2.2 SERVICES PROVIDED

2.2.1 CONTRACTOR shall provide one PROGRAM DIRECTOR, who will provide PROGRAM DIRECTOR SERVICES. The PHYSICIAN initially designated as PROGRAM DIRECTOR is listed on Exhibit A, which is attached hereto and incorporated herein. The initial PROGRAM DIRECTOR shall commence services within ninety (90) days after the effective date of this Agreement. CONTRACTOR may replace the person designated as PROGRAM DIRECTOR using the procedure set forth in section A 5 of Exhibit A. The PROGRAM DIRECTOR shall be full time, and spend at least seventy percent (70%) of his/her time providing PROGRAM DIRECTOR SERVICES, as defined in Exhibit A, and no more than thirty percent (30%) of his/her time providing PROFESSIONAL SERVICES.

2.2.2 CONTRACTOR shall provide up to the equivalent of six (6) full time FACULTY, who will provide FACULTY SERVICES. At the commencement of this Agreement, CONTRACTOR shall provide the equivalent of one (1) full time FACULTY, and shall add FACULTY until the equivalent of six (6) full time FACULTY is reached by May 1, 2017. The PHYSICIANS initially designated as FACULTY are listed on Exhibit A. CONTRACTOR may add and/or replace FACULTY using the procedures set forth in section A 5 of Exhibit A. Each FACULTY shall spend no less than sixty percent (60%)

of the total time providing FACULTY SERVICES, as defined in Exhibit A and no more than forty percent (40%) of the total time providing PROFESSIONAL SERVICES.

2.3 USE OF PREMISES

CONTRACTOR shall not use, or knowingly permit any other person who is under its direction to use, any part of HOSPITAL's premises for (i) the private practice of medicine, or (ii) provision of any services, other than services pursuant to this Agreement.

2.4 OBLIGATIONS AS EMPLOYER

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

2.5 REPRESENTATIONS AND WARRANTIES

2.5.1 CONTRACTOR, in providing the services hereunder, shall comply with all applicable federal, State, and local laws, rules, regulations, ordinances, policies and procedures.

2.5.2 CONTRACTOR is not bound by any agreement or arrangement which would preclude CONTRACTOR from entering into, or from fully performing its obligations under this Agreement.

2.5.3 Each PHYSICIAN providing services under this Agreement has, and will maintain an unrestricted license to practice medicine in the STATE. To the best of CONTRACTOR's knowledge no PHYSICIAN has never had a license to practice medicine in any jurisdiction denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way.

- 2.5.4 Each PHYSICIAN providing services under this Agreement has, and shall maintain, Medical Staff privileges at HOSPITAL. To the best of CONTRACTOR's knowledge no PHYSICIAN providing services under this Agreement has had his/her medical staff privileges at any health care facility denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction
- 2.5.5 Each PHYSICIAN providing services under this Agreement shall only provide services within the scope of his or her license.
- 2.5.6 Neither CONTRACTOR, nor to the best of CONTRACTOR's knowledge, has any PHYSICIAN providing services hereunder (a) ever been excluded, suspended or debarred from, or otherwise ineligible for, participation in any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid), (b) ever been convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid), or (c) has received notice of or become aware of any notice of or threatened, proposed or actual exclusion, suspension or debarment, and/or any notice of an investigation or pending administrative or judicial proceeding regarding a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program.
- 2.5.7 If CONTRACTOR learns that a PHYSICIAN providing services hereunder has been (a) excluded, suspended, debarred from, or otherwise becomes ineligible for, participation in any federal or State health care program, or (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or State health care program, CONTRACTOR will preclude the PHYSICIAN from providing services hereunder, and shall replace the PHYSICIAN using the procedure set forth in section A5 of Exhibit A. CONTRACTOR will check each PHYSICIAN monthly against the List of Excluded Individuals and Entities (LEIE) maintained by the Office of the Inspector General of the US Department of Health and Human Services.

- 2.5.8 Each PHYSICIAN be and remain board certified in the SPECIALTY by the applicable medical specialty board approved by either the American Board of Medical Specialties or the American Osteopathic Association (either, the "Certifying Board"); provided, however, that if any PHYSICIAN is not certified in the SPECIALTY by the Certifying Board as of the Effective Date, such PHYSICIAN shall have a reasonable amount of time to obtain such certification, provided that such PHYSICIAN diligently pursues such certification in accordance with the rules of the Certifying Board, and is certified in the SPECIALTY by the Certifying Board.
- 2.5.9 The compensation formula used by CONTRACTOR to pay PHYSICIANS complies with applicable law, and has no relationship to the volume or value of patient referrals to HOSPITAL or to CONTRACTOR.
- 2.5.10 CONTRACTOR's PHYSICIANS have verifiable SPECIALTY experience and training, and are and shall remain credentialed at all times under the term of this Agreement. FACULTY also shall be required by CONTRACTOR to meet HOSPITAL teaching faculty credentialing requirements established in conjunction with HOSPITAL teaching programs and affiliation agreements with teaching institutions.
- 2.5.11 CONTRACTOR will provide high quality of care in a safe and effective manner. This will be monitored by the HOSPITAL's Medical Staff and Chief Medical Officer using data reported at Performance Improvement, Medical Executive and other medical staff committees.

2.6 ADMINISTRATIVE OBLIGATIONS

CONTRACTOR shall:

- 2.6.1 Require each PHYSICIAN who reports on-site at HOSPITAL to comply with COUNTY and HOSPITAL requirements for health screening tests determined appropriate by COUNTY, and to conform to applicable MEDICAL STAFF BYLAWS.
- 2.6.2 Report to HOSPITAL the following information about each PHYSICIAN at least two (2) weeks before start of work on-site:
- 2.6.2.1 Name, address, and telephone number.

2.6.2.2 Health care providers and/or health insurance.

2.6.2.3 A completed "Application for Professional Liability Insurance for Employed/Contract Physicians and Surgeons Affiliated with the Following Institutions", submitted to the HOSPITAL Chief of Family Medicine for review and signature prior to submittal to County Risk Management for approval.

2.6.3 Use best efforts to participate in all managed care programs contracted by, sponsored by, or approved by HOSPITAL.

2.6.4 Require PHYSICIANS attend an orientation program presented for them by HOSPITAL and any required training regarding regulatory responsibilities, such as restrictions on the use, access and disclosure of protected health information.

2.6.5 Work with the Chief of the Department of Medicine, in preparing a monthly schedule for PHYSICIANS.

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

2.6.7 CONTRACTOR acknowledges that no investigational use of equipment, pharmaceuticals, or conduct of research may be undertaken at HOSPITAL without HOSPITAL Investigation Review Board approval according to requirements contained in MEDICAL STAFF BYLAWS, and HOSPITAL Policies and Procedures.

3.0 COUNTY'S OBLIGATIONS

3.1 REPRESENTATIONS AND WARRANTIES

3.1.1 COUNTY shall maintain State licensure through the California Department of Public Health and accreditation status with TJC or a comparable accreditation organization.

3.2 ADMINISTRATIVE OBLIGATIONS

3.2.1 COUNTY shall assist CONTRACTOR, on a continuing basis, with the evaluation of CONTRACTOR'S PHYSICIANS by providing performance information to the CONTRACTOR Coordinator.

3.2.2 COUNTY retains the exclusive right to bill and collect any and all facility fees related to the PROFESSIONAL SERVICES provided by CONTRACTOR hereunder. The parties

agree that COUNTY shall also perform all billing and collections for FACULTY'S PROFESSIONAL SERVICES rendered under this Agreement. It is expressly understood and agreed the CONTRACTOR shall not bill or assert any claim for payment against any patient or payer for PROFESSIONAL SERVICES performed under this Agreement. COUNTY agrees to follow all applicable laws and regulations related to billing and collections for the PROFESSIONAL SERVICES, and shall defend and hold CONTRACTOR harmless against any claims related to COUNTY's billing and/or collection for PROFESSIONAL SERVICES performed by CONTRACTOR, FACULTY or PROGRAM DIRECTOR. COUNTY agrees to ensure compliance with billing regulations through regular auditing and monitoring of claims submissions. COUNTY further agrees to ensure immediate claims correction and re-billing on any overpayments that are identified in the course of routine auditing. COUNTY shall, within thirty (30) days of identification of any overpayment related to CONTRACTOR's PROFESSIONAL SERVICES, notify CONTRACTOR and provide evidence of corrective actions. CONTRACTOR shall have the right to inspect, review and audit any and all claims for PROFESSIONAL SERVICES provided pursuant to this Agreement, upon notice to COUNTY.

3.2.3 COUNTY shall immediately notify CONTRACTOR of any particular problems regarding CONTRACTOR's PHYSICIANS.

3.2.4 COUNTY shall provide necessary emergency health care or first aid to CONTRACTOR's PHYSICIANS required by an accident occurring at COUNTY facilities and may bill applicable insurance coverages for such emergency health care services.

3.2.5 COUNTY shall retain ultimate professional and administrative accountability for all patient care.

3.2.6 COUNTY shall be responsible for:

A. Hiring, scheduling, promotion, compensation, discipline, and termination of all COUNTY personnel at COUNTY facilities. COUNTY shall consult with

CONTRACTOR to the extent practicable regarding any necessary reductions, expansions, or changes in such staffing, although the parties recognize COUNTY's right to make all final decisions with respect to such reductions, expansions, or changes.

- B. Discipline of COUNTY personnel. COUNTY shall investigate complaints by CONTRACTOR regarding COUNTY personnel to determine the necessity for specific action. Whenever such complaint provides reasonable grounds to believe that the safety of any person or property in COUNTY facilities may be at risk, COUNTY shall make reasonable efforts consistent with COUNTY's established procedures, to reassign such personnel pending resolution of the complaint.
- C. Compensation of COUNTY personnel at HOSPITAL, clinic(s) and PROGRAM, who are not employed by or contracted with CONTRACTOR.

3.2.7 HOSPITAL shall provide:

- A. The support elements that are necessary for the proper operation of the HOSPITAL, PROGRAM, AND SPECIALTY clinic(s), and shall furnish, at its expense, for the use of CONTRACTOR, all such support elements.
- B. HOSPITAL shall furnish and make available to CONTRACTOR space to perform CONTRACTOR's obligations under this Agreement, including reasonable office space.
- C. HOSPITAL shall provide to CONTRACTOR office space, professional staff, and clerical staff to ensure appropriate support for PROGRAM DIRECTOR and FACULTY.
- D. HOSPITAL shall furnish laundry service, housekeeping services (including hazardous, infectious, medical and radioactive waste disposal), mail and HOSPITAL courier service, and utilities including gas, water, heat electricity and all other types of utility services reasonably necessary for the proper operation of the PROGRAM, SPECIALTY clinic(s) and HOSPITAL. HOSPITAL shall also

provide the services of its administrative and other support departments, including administration, accounting, engineering, medical transcription, and purchasing, as reasonably necessary for the proper operation of the PROGRAM, SPECIALTY clinic(s) and HOSPITAL.

- E. COUNTY shall furnish equipment as HOSPITAL and its medical staff mutually agree is necessary for the proper operation of the PROGRAM, SPECIALTY clinic(s) and HOSPITAL. HOSPITAL shall keep and maintain said equipment in good order and repair and shall replace and upgrade such equipment as it may become worn or obsolete.
- F. COUNTY shall furnish all supplies, such as drugs, chemicals, stationery, and similar supplies reasonably necessary for the proper operation of the PROGRAM, HOSPITAL, and SPECIALTY clinic(s).
- G. COUNTY shall furnish all other personnel, including but not limited to physician, nursing, administrative or other non-medical personnel as COUNTY deems necessary for the proper operation of the PROGRAM, HOSPITAL, and SPECIALTY clinic(s). Furthermore, HOSPITAL shall give due consideration to removing any such person from the SPECIALTY clinic(s) upon request by the CONTRACTOR. In the performance of their duties in the SPECIALTY clinic(s), such personnel shall be subject to the supervision of the HOSPITAL Administration, or the Hospital Medical Director, as appropriate.

3.3 **BILLING AND PAYMENT**

- A. By the 15th business day after the close of a month CONTRACTOR shall invoice COUNTY, with verification in accordance with Exhibit B, which is attached hereto and incorporated herein, for the amounts due for the previous month.
- B. HOSPITAL shall have ten (10) working days to review and contest or approve such invoice. Payment shall be due thirty (30) working days from the approval of the invoice.
- C. Payment by HOSPITAL shall be deemed to be made for services provided only, and HOSPITAL shall not make, nor shall CONTRACTOR claim, any reimbursement for time

and expense in any manner connected with transportation to or from the site at which CONTRACTOR's PHYSICIANS shall or may render services hereunder.

4.0 TERM/TERMINATION

- 4.1 This Agreement will be effective for an "Initial Term" of one (1) year from July 1, 2016 (Effective Date) through June 30, 2017, and shall automatically renew for four (4) additional one (1) year terms, unless otherwise terminated pursuant to the terms of this Agreement.
- 4.2 Either party may terminate this Agreement for a breach of this Agreement, provided such breach continues uncured for thirty (30) days after receipt by the breaching party of written notice, pursuant to section 25.0, of such breach from the non-breaching party.
- 4.3 This Agreement may be terminated by the written, signed mutual consent of both parties.
- 4.4 In the event that this Agreement is terminated prior to the first anniversary of its Effective Date, the parties shall not enter into a contract with each other pertaining to the subject matter hereof until after the first anniversary of the Effective Date.
- 4.5 It is mutually agreed and understood that the HOSPITAL receives funds from the COUNTY, which, in aggregate, are used to support the PROGRAM, HOSPITAL and clinics. In the event the COUNTY ceases to provide the HOSPITAL with sufficient funding to support HOSPITAL, PROGRAM and clinics, this Agreement shall be deemed terminated and of no further force and effect immediately upon receipt of COUNTY'S notification, pursuant to section 25.0 to CONTRACTOR. . Upon termination pursuant to this section, any existing inpatient services being provided by CONTRACTOR at HOSPITAL would continue until patient discharge, and CONTRACTOR would be entitled to compensation as set forth herein.
- 4.6 Notwithstanding any of the provisions of this Agreement, CONTRACTOR's rights under this Agreement shall immediately terminate (except for fees accrued prior to the date of termination) (a) upon CONTRACTOR's closure; i.e., failure to continue in business, or (b) in the event of fraud, dishonesty, or a willful breach of this Agreement by CONTRACTOR, or, (c) if CONTRACTOR is excluded, suspended, debarred from, or otherwise becomes ineligible for, participation in any federal or State health care program, or is convicted of a criminal offense

related to conduct that would or could trigger an exclusion from any federal or State health care program.

- 4.7 Notwithstanding anything to the contrary herein contained, in the event performance by either party hereto of any term, covenant, condition or provision of this Agreement should jeopardize the license of either party, its participation in or reimbursement from the State or federal health care programs or other reimbursement or payment programs, or its full accreditation by The Joint Commission or any other state or nationally recognized accreditation organization, or if for any other reason said performance should be in violation of any statute, ordinance, or be otherwise deemed illegal, or be deemed unethical by any recognized body, agency, or association in the medical or hospital fields, the parties shall use their best efforts to resolve the illegality or unethical performance through the renegotiation of the applicable portions of this Agreement. If the parties are unable to reach an agreement on such changes within thirty (30) days after initiating negotiations, COUNTY or CONTRACTOR may, at its option, terminate this Agreement upon thirty (30) days' prior written notice to the other party

5.0 INDEMNIFICATION

COUNTY shall defend, indemnify and hold CONTRACTOR, its Regents, officers, agents, and employees harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of COUNTY, Special Districts, their directors, officers, agents, Board of Supervisors, elected officials or employees; however, this indemnification shall not apply to professional medical services performed by CONTRACTOR or any of its subcontractors, independent contractors, or employees, on behalf of COUNTY under this Agreement. Liability resulting from medical professional acts or omissions of the CONTRACTOR shall be subject to the terms of Exhibit C.

CONTRACTOR agrees to defend, indemnify and hold harmless COUNTY, Special Districts, their respective directors, officers, Board of Supervisors, elected officials, agents, employees, and

independent contractors from any and all liability whatsoever, based or asserted upon any act or omission of CONTRACTOR, its Regents, directors, officers, agents, employees, independent contractors, or subcontractors, or any breach of this Agreement but only in the proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of CONTRACTOR, its Regents, officers, directors, agent, employees or independent contractors; however, this indemnification shall not apply to professional medical services performed by CONTRACTOR or any of its subcontractors, independent contractors, or employees, on behalf of COUNTY under this Agreement. Liability resulting from medical professional acts or omissions of the CONTRACTOR shall be subject to the terms of Exhibit C.

The parties recognize that, during the term of this Agreement and for a period thereafter, certain risk management issues, legal issues, claims or causes of action may arise that involve or could potentially involve the parties and their respective employees and agents. The parties further recognize the importance of cooperating with each other when such issues, claims or causes of action arise, to the extent such cooperation does not violate any applicable laws, cause the breach of any duties created by any policies of insurance or programs of self-insurance, or otherwise compromise the confidentiality of communications or information regarding the issues, claims or causes of action. The parties shall, therefore, use reasonable efforts to address such risk management claims or causes of action in a cooperative manner.

6.0 INSURANCE

CONTRACTOR, at its sole cost and expense, shall insure its activities in connection with this Agreement by maintaining programs of self-insurance as follows:

- A. General Liability Self-Insurance Program with minimum limits as follows:
 - a. Each Occurrence \$1,000,000.00
 - b. General Aggregate \$3,000,000.00
 - c. Program shall name the COUNTY as an Additional Insured and provide confirmation of such coverage upon request.

- B. Business Automobile Liability Self-Insurance Program for Owned, Scheduled, Non-Owned or Hired Automobiles with a combined single limit of not less than One million dollars (\$1,000,000.00) per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insured.
- A. If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident or disease.
- B. CONTRACTOR, shall furnish COUNTY with Certificates of Insurance evidencing compliance with all requirements. Certificates shall provide for thirty (30) days advance written notice to COUNTY of any material modifications, change or cancellation of the above insurance coverages.

7.0 OSHA REGULATION

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

8.0 TJC STANDARDS

CONTRACTOR certifies knowledge of The Joint Commission Standards for Acute Care Hospitals and Ambulatory Care Clinics and shall comply therewith as to all relative elements under this Agreement.

9.0 RESEARCH/INVESTIGATIONAL STUDIES

CONTRACTOR agrees, in compliance with MEDICAL STAFF BYLAWS, that any investigational study protocols or planned research to be done at HOSPITAL will be submitted to the HOSPITAL Institutional Review Board (IRB) for approval and coordination of final approval from the HOSPITAL Medical Executive Committee (MEC) prior to implementation of any part of the protocol or research at HOSPITAL. CONTRACTOR agrees that no patients enrolled in research studies will be admitted to, or registered as an outpatient at, HOSPITAL for provision of care under

the procedures of the research protocol or study design until final IRB and MEC approvals of the research have been granted.

10.0 ASSIGNMENT / DELEGATION

Except as provided herein, this Agreement shall not be delegated or assigned by CONTRACTOR, either in whole or in part, without the prior written consent of COUNTY, provided, however, obligations undertaken by CONTRACTOR pursuant to this Agreement may be carried out by means of subcontracts with the prior written consent of COUNTY. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY pursuant to this Agreement. CONTRACTOR agrees that subcontracts developed to provide services or perform any investigational studies or research at HOSPITAL shall contain the same obligations contained in this Agreement regarding the performance of patient care services at HOSPITAL. Any attempted assignment or delegation in derogation of this paragraph shall be void. It is acknowledged and agreed that this paragraph is not intended to limit the use of independent contractors by CONTRACTOR under this Agreement.

11.0 WAIVER OF PERFORMANCE

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

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

12.0 RECORDS AND REPORTS

12.1 CONTRACTOR shall prepare and maintain accurate and complete medical records for PROFESSIONAL SERVICES performed under this Agreement using COUNTY's medical records procedures. These records shall be the property of COUNTY.

12.2 COUNTY agrees to provide CONTRACTOR with access to all reports, records and other applicable patient information as may be needed by CONTRACTOR to provide patient care services in accordance with this Agreement, or to investigate and/or defend any claim, action or complaint related to PROFESSIONAL SERVICES provided pursuant to this Agreement.

13.0 CONFIDENTIALITY

13.1 CONTRACTOR shall maintain the confidentiality of any and all patient records and information which may be reviewed under the terms and intent of this Agreement, including protection of names and other identifying information from unauthorized disclosure.

13.2 CONTRACTOR shall not disclose PHI, as defined in by statute, except as specifically permitted by this Agreement, as authorized by the patient(s), or that is necessary to perform duties under this Agreement.

13.3 CONTRACTOR, shall comply with all federal, State and COUNTY laws and regulations, including, but not limited to, the applicable provisions of the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C. § 1320 through d-8 ("HIPAA"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 C.F.R. Part 164, and the federal security standards as contained in 45 C.F.R. Part 142 (collectively, the "Regulations"). CONTRACTOR shall not use or further disclose any protected health information, as defined in 45 C.F.R. § 164.504, or individually identifiable health information, as defined in 42 U.S.C. § 1320d (collectively, the "Protected Health Information"), of HOSPITAL patients, other than as permitted by this Agreement, HOSPITAL policies and procedures, and the requirements of HIPAA or the Regulations. CONTRACTOR shall implement appropriate safeguards to prevent the use or disclosure of Protected Health Information other than as contemplated by this Agreement. CONTRACTOR shall promptly report to HOSPITAL any use or disclosures, of which CONTRACTOR becomes aware, of Protected Health Information in

violation of HIPAA or the Regulations. In the event that CONTRACTOR contracts with any agents to whom CONTRACTOR provides Protected Health Information, CONTRACTOR shall include provisions in such agreements pursuant to which CONTRACTOR and such agents agree to the same restrictions and conditions that apply to CONTRACTOR with respect to Protected Health Information. CONTRACTOR shall make CONTRACTOR's internal practices, books and records relating to the use and disclosure of Protected Health Information available to the Secretary to the extent required for determining compliance with HIPAA and the Regulations. No attorney-client, accountant-client or other legal or equitable privilege shall be deemed to have been waived by CONTRACTOR or HOSPITAL by virtue of this Section. The provisions set forth herein shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

14.0 INDEPENDENT CONTRACTOR

14.1 The CONTRACTOR is, for purposes arising out of this Agreement, an Independent Contractor and shall not be deemed an employee of the COUNTY. It is expressly understood that the CONTRACTOR and each of its employees, subcontractors or independent contractors shall not, as a result of this Agreement, be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, Workers' Compensation benefits and injury leave or other leave benefits. Notwithstanding the foregoing, if COUNTY determines that pursuant to federal and State law CONTRACTOR or any of its employees, subcontractors or independent contractors is an employee of COUNTY for purposes of income tax withholding, COUNTY shall upon two (2) weeks' notice to CONTRACTOR withhold from the payments hereunder to CONTRACTOR, federal and State income taxes and pay said sums over to the federal and State Governments.

14.2 It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control or direction of HOSPITAL merely as to the result to be accomplished by the services hereunder agreed to be rendered and performed and not as to the means and methods for accomplishing the results, provided

always that the services to be performed hereunder by CONTRACTOR shall be provided in a manner consistent with all regulatory, including federal, State, and local agencies, accrediting and licensing agencies, MEDICAL STAFF BYLAWS, as well as community professional standards governing such services and the provisions of this Agreement.

14.3 Neither COUNTY nor HOSPITAL shall have or exercise any control or direction over the methods by which CONTRACTOR or any of the PHYSICIAN shall perform his/her work functions. The sole interest of COUNTY is to assure that HOSPITAL is operated in a competent, efficient, safe and satisfactory manner, and that all applicable provisions of the law and other rules and regulations of any and all governmental authorities relating to licensure, accreditation and regulation of physicians and hospitals shall be fully complied with by all parties hereto.

15.0 NONDISCRIMINATION

15.1 To the extent prohibited by applicable law, CONTRACTOR shall not discriminate in the provision of PROFESSIONAL SERVICES, allocation of benefits, accommodation in facilities, or employment of personnel, on the basis of ethnic group identification, race, color, creed, ancestry, religion, national origin, sexual preference, sex, age, marital status, medical condition, or physical or mental handicap, or gender identity and shall comply with all other applicable requirements of law regarding nondiscrimination and equal opportunity employment including those laws pertaining to the prohibition of discrimination against qualified handicapped persons in all programs or activities, and to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment Practices Act (commencing with Section 12990 et seq. of the Government Code) and Federal Civil Rights Act of 1964 (P.L. 88-352).

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

- A. Denying an eligible person or providing to an eligible person any services or benefit which is different, or is provided in a different manner or at a different time from that provided to other eligible persons under this Agreement.
- B. Subjecting an eligible person to segregation or separate treatment in any matter related to receipt of any service, except when necessary for infection control.
- C. Restricting an eligible person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving a similar service or benefit.
- D. Treating an eligible person differently from others in determining whether he/she satisfied any eligibility, membership, or other requirement or condition which individuals must meet in order to be provided a similar service or benefit.
- E. The assignment of times or places for the provision of services on the basis of race, religion, color, sex, national origin, age, or physical or mental handicap of the eligible person to be served.

16.0 COMPLIANCE PROGRAM

It is acknowledged that the HOSPITAL's Compliance Program applies to some of the services and obligations described herein. The Compliance Program is intended to prevent compliance concerns such as fraud, abuse, false claims, and inappropriate patient referrals. CONTRACTOR agrees to cooperate with HOSPITAL's Compliance Program, including any audits, reviews and investigations which relate to any services provided hereunder. The Compliance Program requires, and it is hereby agreed, that any regulatory compliance concerns shall be promptly reported to the Chief Compliance Officer (951-486-6471; r.compliance@ruhealth.org) or reported anonymously through the HOSPITAL's Compliance Hotline (844-760-5832).

17.0 SEVERABILITY

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

18.0 ADMINISTRATION

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

19.0 HOSPITAL ACCREDITATION/LICENSE

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

B. In the event of breach of Agreement pursuant to this Section, COUNTY may terminate this Agreement upon the basis of cause as set forth in Section 5, TERM/TERMINATION.

20.0 JURISDICTION, VENUE, AND ATTORNEY FEES

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

The parties agree that prior to filing such an action or suit there will be a face to face meeting of the Chief Executive Officers of the institutions for the purpose of attempting in good faith a non-judicial resolution of the underlying dispute.

21.0 PROHIBITION OF PAYMENT OF FUNDS TO INFLUENCE LEGISLATION

CONTRACTOR shall not use any funds provided hereunder to pay the salary or expenses of any person or entity who, while on the job, is engaging in activities designed to influence legislation or appropriations pending before Congress of the United States, California State Legislature, or Riverside County Board of Supervisors.

22.0 NO REFERRALS

No term, covenant or condition of this Agreement shall be construed as requiring or inducing CONTRACTOR or any PHYSICIAN to refer any patients to HOSPITAL. CONTRACTOR's rights under this Agreement are not and shall not be dependent in any way or manner upon the number of inpatients or outpatients referred to HOSPITAL. Any payment, fee, or consideration of any kind provided for in this Agreement to be made or given by COUNTY to CONTRACTOR shall be made

or given only as fair market value consideration in return for the performance of the services provided in accordance with this Agreement and shall not constitute, or be deemed to constitute, consideration in return for the referral of any patient.

23.0 FORCE MAJEURE

Neither party shall not be liable for any failure of or delay in the performance of this Agreement for the period that such failure or delay is due to causes beyond its reasonable control, including but not limited to acts of God, war, strikes or labor disputes, embargoes, government orders or any other force majeure event.

24.0 ENTIRE AGREEMENT

This Agreement, together with Exhibits A, B and C constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and all prior or contemporaneous agreements of any kind or nature relating to the same shall be deemed to be merged herein. Any modifications to the terms of this Agreement must be in writing and signed by authorized representatives of the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto. COUNTY and CONTRACTOR may be parties to other, separate and unrelated agreements. In accordance with 42 C.F.R. § 411.357(d)(ii), these agreements are identified in HOSPITAL's centralized master list of physician contracts, which is maintained and updated and available for review by the Secretary of the U.S. Health and Human Services upon request.

25.0 NOTICES

Any notice required or authorized under this Agreement shall be in writing, and can be delivered personally, by United States mail, or a reputable overnight delivery company with tracking. If notice is given by overnight delivery company, or United States mail, it shall be sent registered or certified mail, return receipt requested, addressed as follows:

CONTRACTOR:

The University of California, Riverside
Dean of School of Medicine
900 University Avenue
Riverside CA

COUNTY:

Riverside University Health System
26520 Cactus Avenue
Moreno Valley, CA 92555
Attention: Hospital Director/CEO

Copies to:

UCR School of Medicine
Contract Manager
14350-2 Meridian Parkway
Riverside CA 92508

Riverside University Health System
26520 Cactus Avenue
Moreno Valley, CA 92555
Attention: Chief of Family Medicine

Notice delivered personally is effective upon delivery. Notice given by overnight delivery service or mail is effective on the second business day after notice is placed with the carrier, postage/delivery prepaid.

26.0 HEADING


Headings are for the purpose of convenience and ease of reference only and shall not limit or otherwise affect the meaning of a provision.

27.0 COUNTERPARTS


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


IN WITNESS WHEREOF, THE UNDERSIGNED HAVE EXECUTED THIS AGREEMENT EFFECTIVE AS OF JUL 12 2016.

COUNTY OF RIVERSIDE

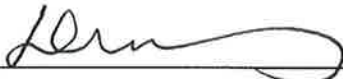

BY: John J. Benoit, Chairperson
County of Riverside Board of Supervisors

JUL 12 2016
Date


Approved as to Form
Martha Ann Knutson
Deputy County Counsel

ATTEST:
KECIA HARPER-IHEM, Clerk
By 
DEPUTY

THE REGENTS OF UNIVERSITY OF CALIFORNIA, a public corporation on behalf of, THE UNIVERSITY OF CALIFORNIA, RIVERSIDE, UCR HEALTH


BY: Deborah Deas, MD, MPH *jet*
Dean, School of Medicine
CEO Clinical Affairs

6/29/16
Date

EXHIBIT A

SCOPE OF SERVICES AND DESIGNATIONS

A. PROGRAM DIRECTOR AND FACULTY

1. The initial approved PROGRAM DIRECTOR shall be Parastou Farhadian.
2. The initial approved PHYSICIANS which will serve as FACULTY shall be:
 - a. Nathan McLaughlin
 - b. Paul Lyons
 - c. Maegen Dupper
 - d. Heidi Millard
 - e. Ryan Buller
 - f. Andrew Alexander
 - g. Kenneth Ballou
3. COUNTY shall reserve the right, exercisable in its discretion after consultation with CONTRACTOR, to exclude a PHYSICIAN from HOSPITAL's premises in the event such person's conduct or state of health is deemed objectionable or detrimental, having in mind the proper administration of COUNTY facilities and according to MEDICAL STAFF BYLAWS. CONTRACTOR can then replace the PHYSICIAN as set forth in subsection 5 below.
4. CONTRACTOR shall ensure that a PHYSICIAN assigned to COUNTY, if charged with a felony, will be removed from COUNTY premises until said matter is fully resolved to the satisfaction of COUNTY. CONTRACTOR can then replace the PHYSICIAN as set forth in subsection 5 below.
5. If at any time CONTRACTOR wishes to substitute or replace the PROGRAM DIRECTOR or replace or add PHYSICIANS which will serve as FACULTY, CONTRACTOR shall send notice to COUNTY, pursuant to section 25.0, which sets forth the name(s) of the PHYSICIANS that will be replaced, and/or the name(s) of the PHYSICIANS that will be added to this Exhibit, and the proposed effective date(s). If COUNTY has a legitimate business reason for rejecting one

or more of the PHYSICIANS, COUNTY shall notify CONTRACTOR within one week from the receipt of such notice, pursuant to section 25.0. If COUNTY fails to so notify CONTRACTOR, then each PHYSICIAN shall be deemed approved by COUNTY.

B. PROGRAM DIRECTOR SERVICES

PROGRAM DIRECTOR shall fulfill the Program Director administrative duties as described in the ACGME (Accreditation Council of Graduate Medical Education) Family Medicine Residency Program Requirements.

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

C. FACULTY SERVICES

1. FACULTY shall fulfill the Faculty teaching duties as described in the ACGME (Accreditation Council of Graduate Medical Education) Family Medicine Residency Program Requirements.
2. Provide proctoring and review on a regular basis for the clinical and educational performances of all SPECIALTY health care professionals working on-site at HOSPITAL in accordance with any applicable MEDICAL STAFF BYLAWS, and HOSPITAL policies and procedures, as well as Accreditation Council for Graduate Medical Education (ACGME), American Board of Osteopathic Medicine, and TJC standards, as applicable.
3. Establish and implement, in conjunction with HOSPITAL and HOSPITAL affiliated medical schools or other teaching institutions, clinical training programs at HOSPITAL designed to meet the educational requirements for the teaching of physician residents, other medical staff, paramedical trainees, and medical students receiving training at HOSPITAL. CONTRACTOR will ensure that such training programs are established and presented on an ongoing basis and updated annually or more frequently as needed, and that all pertinent requirements are met and duties performed which are necessary to meet the terms of affiliation agreements established

between the HOSPITAL and medical schools, universities, colleges, and other institutions or agencies in regard to training in SPECIALTY services. All affiliation agreements shall be coordinated with and subject to approval by HOSPITAL Administration.

4. Provide residents and student trainee(s) with orientation information about COUNTY facilities and operations in accord with any orientation presented by HOSPITAL to CONTRACTOR PHYSICIANS and/or other staff.
5. The clinical and educational activities of trainees on-site from HOSPITAL residency training programs and affiliated teaching institutions shall be supervised according to the requirements of the training program and the terms of any associated affiliation agreement, and in accordance with Medicare requirements.

D. PROFESSIONAL SERVICES

1. Professional Services to be provided shall include, but not be limited to, SPECIALTY ambulatory clinical services, SPECIALTY acute care clinical services, development of treatment protocols, supervision of SPECIALTY, diagnostic testing (as applicable), and call coverage services (as described below). CONTRACTOR FACULTY and PROGRAM DIRECTOR shall fulfill the roles and responsibilities as described in the ACGME (Accreditation Council of Graduate Medical Education) Family Medicine Residency Program Requirements.
2. CONTRACTOR shall provide inpatient and outpatient consultations in the SPECIALTY on a routine and emergency basis.
3. CONTRACTOR shall provide SPECIALTY inpatient services at the HOSPITAL seven days per week and SPECIALTY outpatient services at the HOSPITAL 9 half day clinics per week, which services shall be documented by CONTRACTOR in accordance with all applicable state, federal and payor documentation requirements. CONTRACTOR shall provide appropriate supervision of care provided by Family Medicine Resident Physicians 24 hours per day 7 days per week (supervision may be direct or indirect).
4. CONTRACTOR shall be obligated to:

- a. Respond by phone consultation or on-site at HOSPITAL for SPECIALTY services in accordance with Medical Staff Bylaws, Rules, and Regulations, and related HOSPITAL policies and procedures.
 - b. Assume responsibility for the professional operation and professional services of the Division of SPECIALTY. Any esoteric, unusual, or other patient care procedures that cannot be reasonably performed through the DIVISION or DEPARTMENT will be referred to an outside provider with the consent of the patient.
 - c. Complete charting the progress of patients and updating the care plan as required by the MEDICAL STAFF BYLAWS and the needs of the patient's condition.
5. Provide complete medical records for all patients cared for no later than fourteen (14) days after patient discharge in compliance with Medical Staff Bylaws, Rules and Regulations. CONTRACTOR agrees to dictate reports immediately after completion of procedures. Said medical records shall, at all times, be the property of HOSPITAL, but CONTRACTOR shall have reasonable access to such medical records and shall have the right to make copies thereof, at CONTRACTOR's sole cost and expense, upon reasonable notice to HOSPITAL for any reason(s) permitted under state or federal law.
6. FACULTY shall provide adequate staffing to assume medical care responsibilities for SPECIALTY services under the direction of the Chief of the HOSPITAL Department of Family Medicine (DEPARTMENT) and the HOSPITAL Chief Medical Officer. This shall include ensuring that there are adequate numbers of PHYSICIANS to provide Family Medicine outpatient/clinical services, administrative duties, diagnostic procedures, consultations, supervisory duties, teaching services, inpatient care, development of treatment protocols, and supervision of Family Medicine services provided at HOSPITAL in order to support the Family Medicine Residency Program, Family Care Clinic 1 (residency-based clinic), and the Family Medicine Inpatient Service (teaching service).

CONTRACTOR shall provide suitable staff replacement coverage for any PHYSICIAN absent due to extended illness, vacation, seminar attendance, or termination of employment with CONTRACTOR, who was assigned at HOSPITAL under the terms of this Agreement.

7. FACULTY shall provide on-call coverage at HOSPITAL in the SPECIALTY (52) weeks per year, twenty-four (24) hours per day, (7) days per week as coordinated by the Chief of the DEPARTMENT.
8. FACULTY shall participate and cooperate in the HOSPITAL Performance Improvement, Quality and Safety Programs.
9. FACULTY shall be responsible for supervising and monitoring all inpatient and outpatient SPECIALTY services provided by the Division of SPECIALTY, as coordinated with the Department Chair.
10. FACULTY shall attend and participate in committee meetings and ongoing quality improvement activities in accordance with the HOSPITAL Performance Improvement, Quality and Patient Safety Programs,.
11. FACULTY shall timely attend SPECIALTY clinics, and will cancel clinics only with advance written notice and approval of the HOSPITAL Chief of Family Medicine, and Hospital Director/Chief Executive Officer (CEO).
12. FACULTY will use best efforts to serve as provider(s) of SPECIALTY services under the provisions of managed care contracts and other contracts entered into by HOSPITAL.

EXHIBIT B

PAYMENT PROVISIONS

1.0 Compensation

1.1 COUNTY shall pay to CONTRACTOR \$33,334.00 per month for PROGRAM DIRECTOR SERVICES.

1.2 COUNTY shall pay to CONTRACTOR \$26,667.00 per month for each full time FACULTY EQUIVALENT who performed FACULTY SERVICES.

1.2.1 The parties agree to review the compensation on an annual basis to ensure that it continues to be fair market value and commercially reasonable. In addition, the parties agree that this review will take into consideration increased costs to CONTRACTOR in providing the services hereunder in the form of salaries and benefits.

2.0 Maximum Annual Compensation

Maximum annual compensation payable under this Agreement shall not exceed Two Million Four Hundred Thousand (\$2,400,000).

3.0 Assignment of Professional Service Fees

CONTRACTOR assigns all rights to bill for and receive compensation for Professional Services that are provided hereunder by PROGRAM DIRECTOR and/or FACULTY exclusively to COUNTY.

4.0 Invoicing

PROGRAM DIRECTOR shall sign a verification each month, to accompany Invoice from CONTRACTOR that: (1) the PROGRAM DIRECTOR has performed PROGRAM DIRECTOR SERVICES for the prior month, and (2) the number of FACULTY EQUIVALENTS that performed FACULTY SERVICES in the prior month.

EXHIBIT C

PROFESSIONAL LIABILITY INDEMNITY

1.0 As an additional element of compensation to the CONTRACTOR, the COUNTY shall indemnify the CONTRACTOR and provide Professional Liability insurance to the CONTRACTOR, as provided hereunder, solely and exclusively to the extent that it arises from PROFESSIONAL HEALTH CARE SERVICES performed on behalf of COUNTY, so long as the CONTRACTOR reasonably follows and does not intentionally ignore COUNTY policies and procedures and other regulatory agencies' rules or laws that apply to the provision of health care.

2.0 For purposes of this Exhibit, the term "CONTRACTOR" shall include the CONTRACTOR, its officers, employees, agents, physician extenders, subcontractors and independent contractors.

3.0 The COUNTY shall defend, indemnify and hold CONTRACTOR harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees) or claims for injury or damages (collectively "CLAIM"), arising out of the provision of PROFESSIONAL HEALTH CARE SERVICES pursuant to or under this Agreement, provided that:

3.1 Notice of such CLAIM has been given in accordance with the provisions contained in this Exhibit.

3.2 There shall be no liability coverage provided hereunder for any CLAIM against the CONTRACTOR for conduct prior to the Effective Date of the Agreement nor following termination of this Agreement.

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

5.0 As respects the professional liability indemnity afforded by this Agreement, the COUNTY shall, in the name of and on behalf of the CONTRACTOR, diligently investigate and defend any and all CLAIMS or

suits made or brought against CONTRACTOR, shall retain proven medical malpractice specialty legal counsel for CONTRACTOR, and shall pay all costs and expenses incurred in any such investigation and defense, including, but not limited to, attorney's fees, expert witness fees, and court costs. In addition to, and not inconsistent with any other provision of this Exhibit, the CONTRACTOR shall cooperate at the discretion of the COUNTY in the investigation, settlement, or defense of any CLAIM or suit against the CONTRACTOR. For medical malpractice claims, COUNTY practice is to dismiss physicians, residents and physicians groups from all actions prior to settlement.

6.0 The CONTRACTOR shall at all times without charge to the COUNTY: Assist, without cost to the CONTRACTOR, in the COUNTY's defense of any CLAIM, including without limitation, cooperating timely with the COUNTY; and, upon the COUNTY's request, attend hearings and trials, assisting in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits, and to provide current home and work contact numbers until the full and final conclusion of all CLAIMs mentioned in this Exhibit.

7.0 The COUNTY shall not, without the written consent of CONTRACTOR, admit liability for, or settle any CLAIM covered herein, which consent shall not be unreasonably withheld by CONTRACTOR. If a party to the CLAIM has been dismissed, then that party shall have no further rights under the preceding sentence. If the CLAIM has not been dismissed and the CONTRACTOR in any such CLAIM refuses to consent to any reasonable settlement recommended in writing by the COUNTY, and elects to contest or continue any legal proceedings, the liability of COUNTY shall not exceed the amount for which the CLAIM could have been so settled, plus reasonable costs incurred with its consent up to the date of such refusal. Any judgment rendered against CONTRACTOR in excess of the reasonable settlement amount recommended in writing by COUNTY and any costs including attorney's fees incurred after the date of such refusal shall be the sole responsibility of CONTRACTOR.

8.0 The conditions precedent to the right of the CONTRACTOR to be defended and/or indemnified under this Exhibit are set out in paragraph 8.1, however, the COUNTY may not disclaim such defense and/or indemnification if it has not been materially prejudiced by the nonperformance of such conditions:

8.1 During the term of this Agreement, the CONTRACTOR shall, within a reasonable amount of time after receiving knowledge give to the persons or persons designated by the COUNTY notice in writing of:

A. Any CLAIM arising out of PROFESSIONAL SERVICES made against the CONTRACTOR; and

B. The receipt of notice from any person of any intention to hold the CONTRACTOR responsible for PROFESSIONAL SERVICES.