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





FROM: Riverside University Health System - Medical Center

SUBMITTAL DATE: June 7, 2016

SUBJECT: Approval of the Contract Agreement with Arrowhead Neurosurgical Medical Group, Inc. to provide neurosurgical services and residency program supervision and training for five years; District 5; [\$16.8 million over 5 years]; Hospital Enterprise Fund

RECOMMENDED MOTION: That the Board of Supervisors:

- 1. Approve and execute the Agreement with Arrowhead Neurosurgical Medical Group, Inc. to provide neurosurgical service and residency program supervision and training for \$3,351,353 per year plus an additional \$40,000 the first year; and
- 2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 as approved by County Counsel to sign amendments that do not change the substantive terms of the agreement and sign amendments to the compensation provisions that do not exceed ten (10) percent annually.

BACKGROUND:

Summary

Riverside University Health System (RUHS) – Medical Center currently provides Neurosurgical services on site in Moreno Valley through a contract with Arrowhead Neurosurgical Medical Group.

Zareh A. Sarrafian, CEO – Health System

FINANCIAL DATA	Current Fiscal Year:		Next Fiscal Year:		Total Cost:		Ongoing Cost:		POLICY/CONSENT (per Exec. Office)		
COST	\$	150,000	\$	3,351,353	\$	16,796,765	\$	0	Conce	ont 🗆	Policy 🎶
NET COUNTY COST	\$	0	\$	0	\$	0	\$	0	Collse	siil 🗆	Policy P
SOURCE OF FUNDS: Hospital Enterprise Fund 40050								Budget Adjustment: No			
								For Fiscal Year	:	16/17	-20/21
				- Ch 1 5000							

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

Christopher M. Hans

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.

Aves:

Jeffries, Washington, Benoit and Ashley

Nays:

None

Absent:

Tavaglione

Date:

July 12, 2016

XC:

RUHS, Purchasing

□ Prev. Agn. Ref.:

District: 5

Agenda Number:

3-34

Kecia Harper-Ihem

Clerk of the Board

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

FORM 11: Approval the Contract with Arrowhead Neurosurgical Medical Group, Inc. to provide neurosurgical services and residency program supervision and training for five year; District 5; [\$16.8 million over 5 years];

Hospital Enterprise Fund **DATE:** June 7, 2016

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BACKGROUND:

Summary (continued)

As part of its general effort to continuously enhance service levels, medical center staff has negotiated a new contract with Arrowhead Neurosurgical Medical Group that allows for several dramatic changes if approved by the Board.

Some of the benefits of the new contract are described below:

- It provides higher qualified, fellowship-trained attending physicians to our health care delivery system.
- It establishes a new on-site Neurosurgical residency training program including supervision and training
- It provides proctoring and review on a regular basis for the clinical and educational performances
 of all neurosurgery health care professionals working on-site per Accreditation Council for
 Graduate Medical Education (ACGME) guidelines.
- The new residency program supports the requirements of Level I trauma centers

Arrowhead Neurosurgical Medical Group, Inc. has provided services to RUHS-Medical Center for over 15 years. The demand for Neurosurgery services has continued to grow through the years. The field of neurosurgery is one of the most sophisticated surgical specialties and encompasses advanced surgical and imaging technology. It is a specialized filed of surgery that treats diseases and injuries that affect the central, peripheral, and autonomic nervous systems.

Impact on Residents and Businesses

This agreement improves patient care by requiring additional training for service providers, by adding a residency training program, and by fulfilling a key prerequisite for obtaining Level 1 trauma center status.

Contract History and Price Reasonableness

RUHS conducted a third party, fair market value analysis through HealthCare Appraisers in its effort to negotiate the best economic terms for this agreement.

ZHS:ns

AGREEMENT FOR PROFESSIONAL MEDICAL SERVICES

BETWEEN THE

COUNTY OF RIVERSIDE AND

ARROWHEAD NEUROSURGICAL MEDICAL GROUP, INC.

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 (HOSPITAL) and Arrowhead Neurosurgical Medical Group, Inc. (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 desires to obtain professional medical services in the specialty practice of neurosurgery (SPECIALTY) 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 the expertise, special skills, knowledge, and experience to perform the duties set out herein;

NOW THEREFORE the parties hereto enter into this Organized Health Care Arrangement (OHCA) under the terms of 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 <u>DEFINITIONS</u>

- 1.1 "ACP(s)" shall mean an Advanced Care Provider a mid-level provider supplied by CONTRACTOR, such as a nurse practitioner or a physician assistant.
 - 1.2 "COUNTY" shall mean County of Riverside.

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- 1.3 "COUNTY Patients" shall mean patients treated by the CONTRACTOR in accordance with this Agreement, and for the benefit of COUNTY, if: (1) the patients receive professional services from CONTRACTOR 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.
 - 1.4 "Department" shall mean the HOSPITAL Department of Neurosurgery.
 - 1.5 "Division" shall mean the SPECIALTY Division within the Department.
 - 1.6 "HOSPITAL" shall mean Riverside University Health System.
- 1.7 "Medical Staff Bylaws, Rules, and Regulations" shall mean HOSPITAL's Medical staff bylaws, rules and regulations, as amended from time to time.
- 1.8 "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.
- 1.9 "Professional Services" shall mean professional medical services in the SPECIALTY provided by Physicians and ACPs as more fully described in **Exhibit A** to this Agreement.
 - 1.10 "State" shall mean the State of California.
 - 1.11 "TJC" shall mean The Joint Commission.

2.0 <u>DESCRIPTION OF SERVICES</u>

2.1 <u>COMPLIANCE WITH HOSPITAL MISSION, VISION, AND VALUES</u>

Professional 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 quality education and training programs to resident physicians and other students of the HOSPITAL's teaching programs.

2.2 SERVICES PROVIDED

CONTRACTOR shall provide Professional Services for HOSPITAL in accordance with the services and duties described in this Agreement and **Exhibit A** hereto. A list of the Physicians and ACPs who will provide services on behalf of CONTRACTOR is attached as **Exhibit B** (which list shall be promptly updated by CONTRACTOR and provided to COUNTY upon the departure or addition of any Physician or ACP). 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) any purpose other than the performance of professional services for HOSPITAL and the County Patients.

3.0 RESPONSIBILITIES

3.1 <u>CONTRACTOR AND COUNTY</u>

Each party 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.

3.2 CONTRACTOR

3.2.1 Provision of Services

CONTRACTOR agrees to provide Professional Services as described in this Agreement and **Exhibit A** hereto.

3.2.2 Obligations as Employer

COUNTY shall not be, or be construed to be, the employer of Physicians or ACPs for any purpose whatsoever. CONTRACTOR shall be solely liable and responsible for all employer obligations, if any, with respect to such Physicians and ACPs. 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 RUHS – Arrowhead Final 3-9-16

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.

3.2.3 CONTRACTOR Representations and Warranties

CONTRACTOR represents and warrants to COUNTY, upon execution and while this Agreement is in effect, as follows:

- A. CONTRACTOR shall comply with all applicable federal, State, and local laws, rules, regulations, ordinances, policies and procedures, and all provisions required thereby to be included in this Agreement are hereby incorporated herein by this reference;
- B. CONTRACTOR is not bound by any agreement or arrangement which would preclude CONTRACTOR from entering into, or from fully performing the Professional Services required under this Agreement;
- C. Other than CONRACTOR Physicians already credentialed at RUHS, with respect to any Physician and ACP providing services under this Agreement, his/her license to practice medicine in the State of California or in any other jurisdiction has never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way. Each Physician and ACP providing services under this Agreement has, and shall maintain throughout this Agreement, an unrestricted license to practice medicine or other appropriate licensure in the State and Medical Staff privileges at HOSPITAL and shall only provide services within the scope of his or her license.
- D. Other than CONRACTOR Physicians already credentialed at RUHS, with respect to any Physician and ACP providing Professional Services under this Agreement, his/her medical staff privileges at any health care facility have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction;
- E. Neither CONTRACTOR nor any Physician or ACP providing Professional Services hereunder (a) is currently, or has ever been excluded, suspended or debarred from, or otherwise ineligible for, participation in any federal or state health care program including, without RUHS Arrowhead Final 3-9-16

limitation, Medicare or Medi-Cal (Medicaid), (b) has 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 of CONTRACTOR or any Physician or ACP hereunder from any federal or state health care program.

F. Notwithstanding any other provision of this Agreement to the contrary, and as set forth below, if CONTRACTOR or any Physician or ACP providing services under this Agreement is (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, at any time during the term of this Agreement, or if at any time after the effective date hereof, COUNTY determines that CONTRACTOR has made a false representation and/or warranty under this Section or is in violation or breach of this Section, at COUNTY's election, this Agreement shall terminate: (1) as of the effective date of such exclusion, suspension, debarment from, or ineligibility for, any federal or state health care program and/or of such conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, or (2) as of the date of the breach of this Section.

G. CONTRACTOR shall, from and after the Effective Date, ensure that each of the Physicians be and remain board eligible / certified in the SPECIALTY by the applicable medical specialty board approved by the American Board of Medical Specialties or American Osteopathic Association (either, the "Certifying Board"); provided, however, that if any of the Physicians 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.

- H. Notwithstanding the foregoing, if any of the Physicians or ACPs is so affected but not CONTRACTOR itself, this Agreement shall not terminate if CONTRACTOR immediately removes such affected Physician or ACP from providing any Professional Services hereunder, and replaces him/her with another physician or ACP acceptable to Hospital.
- I. CONTRACTOR shall notify COUNTY in writing within 24 hours of becoming aware of any occurrence that would render it unable to make any of the representations and warranties in this Section.

3.2.4 Administrative Obligations

CONTRACTOR shall:

- A. Provide high efficient, safe and quality care to patients. This will be monitored by the Chief Medical Officer of HOSPITAL utilizing data reported at Performance Improvement, Medical Executive and other medical staff committees.
- B. Assist to establish rules and regulations for the operation of SPECIALTY services in COUNTY facilities including, but not limited to, HOSPITAL, the SPECIALTY clinic, Emergency Department, and consultative services.
- C. Assist to establish criteria for issuing SPECIALTY clinical and practice privileges at HOSPITAL and assist when requested by HOSPITAL to review the credentials of all physicians applying for clinical privileges in the DEPARTMENT in all of its areas of service for making appropriate recommendations for approval by the Chief of the DEPARTMENT, HOSPITAL Medical Staff Credentials Committee for physicians, and by the Medical Executive Committee.
- D. 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, Rules, and Regulations, 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.
- E. Provide HOSPITAL with annual performance objectives and evaluations to include age-specific competency and job skills for each of its ACPs who may work at RUHS Arrowhead Final 3-9-16 6 | P a g e



- E. 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. CONTRACTOR's development of affiliation agreements shall be coordinated and approved by HOSPITAL Administration.
- F. Require each Physician or ACP who reports on-site at HOSPITAL to comply with COUNTY and HOSPITAL requirements for health screening tests determined appropriate by COUNTY, to conform to all applicable Medical Staff Bylaws, Rules, and Regulations, COUNTY policies, procedures, and regulations, and to all additional requirements and restrictions agreed upon by representatives of COUNTY and CONTRACTOR.
- G. Participate and cooperate in the HOSPITAL Performance Improvement and Safety Programs.
- H. Report to HOSPITAL the following information about each Physician, ACP, or other staff or trainee at least two (2) weeks before start of work on-site:
 - 1. Name, address, and telephone number.
 - 2. Health care providers and/or health insurance.
- 3. All other reasonable information about the Physicians, ACPs, other staff, or trainees as requested by COUNTY.
- 4. An "Application for Professional Liability Insurance for Employed/Contract Physicians and Surgeons Affiliated with the Following Institutions" form completed by each Physician assigned to work at HOSPITAL under the requirements of this Agreement, submitted

to the HOSPITAL Medical Director for review and signature prior to submittal to County Risk Management for approval.

- I. Cover any other appropriate administrative area of responsibility as requested by the Chief of the DEPARTMENT and/or the HOSPITAL Medical Director and accepted by CONTRACTOR.
- J. Use best efforts to participate in all managed care programs contracted by, sponsored by, or approved by HOSPITAL and all appropriate practice activities of the HOSPITAL Medical Staff.
- K. Require Physicians, ACPs, and other CONTRACTOR health care staff to attend any orientation program presented for them by HOSPITAL.
- L. 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.
- M. In coordination with the Chief of Neurosurgery, provide monthly schedules for Physicians and ACPs.

3.2.5 Additional Supervisory/Management Responsibilities

3.2.5.1 CONTRACTOR shall ensure that:

- A. CONTRACTOR's Physicians 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.
- B. 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.

3.2.5.2 CONTRACTOR agrees:

A. That responsibility for direct patient care and supervision of SPECIALTY services includes attendance and participation in committee meetings and ongoing quality RUHS – Arrowhead Final 3-9-16

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improvement activities in accordance with the HOSPITAL Performance Improvement and Patient Safety Programs, as approved by the Riverside County Board of Supervisors.

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

C. To 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.

3.2.6 **Projection of Needs**

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

3.2.7 Clinic Budget

CONTRACTOR at all times shall provide Professional Services at the SPECIALTY clinic(s) in a cost efficient and effective manner, subject to budgetary systems and constraints established by the HOSPITAL in consultation with the HOSPITAL Medical Director.

3.2.8 Infectious Disease Certification

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

Miscellaneous

- A. Take no steps to recruit HOSPITAL staff for employment during the course of this Agreement and for ninety days thereafter.
- B. Comply with all local, State, and federal ordinances, statutes, laws, rules, or regulations applicable to the employment of the CONTRACTOR personnel assigned to HOSPITAL.
- C. Be accountable for being in compliance with all billing regulations and laws regarding provision of SPECIALTY services and physician consultations as well as in conjunction with residency supervision.
- D. Follow protocols and procedures for inmates being served by the HOSPITAL and requiring SPECIALTY services.
- E. Carry out all additional duties and functions of the HOSPITAL as delineated in the HOSPITAL Medical Staff Bylaws, Rules, and Regulations as appropriate.
- F. CONTRACTOR agrees to assist HOSPITAL, upon request, in planning, developing, and establishing specialty care clinics for the effective management of SPECIALTY patient care.
- G. CONTRACTOR acknowledges that no investigational use of equipment, pharmaceuticals, or conduct of research may be undertaken at HOSPITAL without HOSPITAL Investigation Review Board approval according to requirements contained in the Medical Staff Bylaws, Rules and Regulations, and HOSPITAL Policies and Procedures.

3.3 **COUNTY**

3.3.1 It is mutually agreed and understood that the HOSPITAL receives funds from the COUNTY, which, in aggregate, are used to support the clinical operations of HOSPITAL. In the event the COUNTY ceases to provide the HOSPITAL with funding to support clinical operations, this Agreement shall be deemed terminated and of no further force and effect immediately upon receipt of COUNTY'S notification to CONTRACTOR. The parties understand that such event would require the complete withdrawal of all COUNTY funding to HOSPITAL. Should termination of this Agreement occur due to non-availability of COUNTY funds, any existing inpatient services being provided by CONTRACTOR at RUHS – Arrowhead Final 3-9-16

HOSPITAL shall continue until patient discharge. In the event of such termination, CONTRACTOR shall be entitled to reimbursement of costs in accordance with Section 4, Compensation, of this Agreement.

3.3.2 COUNTY agrees to:

- A. Maintain State licensure through the California Department of Public Health and accreditation status with TJC or a comparable accreditation organization.
- B. Provide sufficient information about its specific needs so that CONTRACTOR may provide the appropriate staff with the necessary skills and experience.
- C. Assist CONTRACTOR, on a continuing basis, with the evaluation of CONTRACTOR staff by providing performance information to the CONTRACTOR Coordinator.
- D. Immediately notify CONTRACTOR of any particular problems regarding CONTRACTOR's staff or independent contractors.
- E. Provide necessary emergency health care or first aid required by an accident occurring at COUNTY facilities.
- F. Retain ultimate professional and administrative accountability for all patient care.
- G. Shall not directly recruit CONTRACTOR staff for employment during the term of this Agreement or for one year after termination of this Agreement.
- H. Facilitate transfer of neurosurgery patients for higher level of care when the required service cannot be performed at RUHS due to equipment or subspecialty limitations.
- I. Facilitate return of RUHS neurosurgery patients who were transferred to other institutions for higher level of care.

3.3.3 COUNTY shall be responsible for the:

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 and 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 who provide Professional Services at HOSPITAL and who are not providers employed by or contracted with CONTRACTOR.

3.3.4 Provisions by HOSPITAL

HOSPITAL shall consult with CONTRACTOR as to the support elements HOSPITAL deems necessary for the proper operation of the SPECIALTY clinic(s), Professional Services and shall furnish, at its expense, for the use of CONTRACTOR, all such support elements, including but not limited to the following:

3.3.4.1 Space

HOSPITAL shall furnish and make available to CONTRACTOR space presently designated for the SPECIALTY clinic, together with such other space as may be mutually agreed upon by the parties; provided that HOSPITAL shall have the right to withdraw, relocate, or modify such space as it deems reasonably necessary.

3.3.4.2 Office Space and Support Staff

HOSPITAL shall provide to CONTRACTOR office space and the services of clerical staff to ensure appropriate clerical support for the Chief of the Division. Contractor to identify staff currently employed

3.3.4.3 <u>Utilities and Ancillary Departments</u>

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 SPECIALTY clinic and HOSPITAL. HOSPITAL shall also provide the services of its administrative and other support departments, including RUHS – Arrowhead Final 3-9-16

administration, accounting, engineering, medical transcription, and purchasing, as reasonably necessary for the proper operation of the SPECIALTY clinic(s) and HOSPITAL. HOSPITAL Administration shall assist the CONTRACTOR in the administrative management of the Division by (i) providing HOSPITAL policies and procedures, Medical Staff Bylaws, and the House Staff Manual to CONTRACTOR, and (ii) informing the CONTRACTOR of plans of HOSPITAL which pertains to the operation of the SPECIALTY clinic(s).

3.3.4.4 Equipment

HOSPITAL shall furnish equipment as HOSPITAL and medical staff mutually agree necessary for the proper operation of the SPECIALTY.

3.3.4.5 Supplies

HOSPITAL shall furnish all expendable and non-expendable supplies, such as drugs, chemicals, stationery, and similar supplies reasonably necessary for the proper operation of the SPECIALTY clinic(s).

3.3.4.6 Other Personnel

All other personnel, including but not limited to physician, nursing, administrative or other non-medical personnel as HOSPITAL deems necessary for the proper operation of the SPECIALTY clinic(s) shall be either employed or contracted outside the Agreement as separate contractors, and compensated by HOSPITAL in consultation with the Medical Director of HOSPITAL. 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.

4.0 **COMPENSATION**

4.1 CONTRACTOR shall invoice HOSPITAL for its Professional Services in accordance with the payment schedule in **Exhibit C**, attached hereto incorporated herein. All invoices of CONTRACTOR RUHS – Arrowhead Final 3-9-16

shall clearly reflect the services for which the billing is made, including the Physicians or ACPs who rendered services, the date services were rendered, and the hours worked.

- 4.2 The rates contained in the payment schedule shall remain in effect for the term of this Agreement.
- 4.3 Invoices shall be submitted monthly. Payment shall be due thirty (30) working days from the date of receipt of the invoice.
- 4.4 Such payment by HOSPITAL shall be deemed to be made for, as provided by this Agreement, Professional Services 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 shall or may render services hereunder.
- 4.5 HOSPITAL reserves the right to correct errors on invoices, after prior notification and discussion with CONTRACTOR, and pay to CONTRACTOR the corrected amounts.
- 4.6 Maximum payments by HOSPITAL to CONTRACTOR shall be as specified in **Exhibit C**, attached hereto.

5.0 TERM/TERMINATION

5.1 This Agreement will be effective for an "Initial Term" of one (1) year from July 1, 2016, (Effective Date) through July 1, 2017, and shall automatically renew for additional one (1) year terms. Either party may terminate this Agreement, without cause, by giving one hundred eighty (180) days' prior written notice to the other party, unless otherwise terminated in accordance with the provisions of Section 5 of this Agreement, or as otherwise specified herein. 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 of such breach from the non-breaching party. In the event that this Agreement is terminated prior to the expiration of the Initial Term of the Agreement, the parties shall not enter into a contract with each other pertaining to the subject matter hereof during the Initial Term of the Agreement.

- 5.2 On the Effective Date, this Agreement shall replace and supersede the prior Agreement for neurosurgery between COUNTY and CONTRACTOR dated October 13, 2001 and any and all amendments thereto.
- 5.3 Notwithstanding any of the provisions of this Agreement, CONTRACTOR's rights under this Agreement shall 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 or material breach of this Agreement by CONTRACTOR, or, (c) at HOSPITAL's election, in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the duties hereunder. In such event, CONTRACTOR shall be entitled to no further compensation under this Agreement, it being the intent that CONTRACTOR shall be paid as specified in **Exhibit C** only during such period that CONTRACTOR shall, in fact, be performing the duties hereunder.
- 5.4 In the event that there shall be a change in the Medicare or Medi-Cal Acts, regulations, or general instructions (or application thereof), the adoption of new regulation(s), or a change in any third-party payer reimbursement system, any of which materially affects the reimbursement which COUNTY may receive for services furnished to COUNTY Patients through this Agreement, either party may by notice propose a new basis for compensation for the services furnished pursuant to this Agreement. If such notice of new basis of compensation is given and if CONTRACTOR and COUNTY are unable within one hundred eighty (180) days thereafter to agree upon a new basis for compensation, either party may terminate this Agreement by one hundred and eighty (180) days' notice to the other on any future date specified in such notice.
- 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 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 RUHS Arrowhead Final 3-9-16

their best efforts to resolve the illegality through the renegotiation of the applicable portions of this Agreement. If the parties are unable to reach an agreement on such changes within one hundred and eighty (180) days after initiating negotiations, COUNTY or CONTRACTOR may, at its option, terminate this Agreement upon one hundred and eighty (180) days' prior written notice to the other party

5.6 In the event of non-availability of COUNTY funds, this Agreement shall be deemed terminated and of no further force and effect immediately on receipt of COUNTY's notification to CONTRACTOR. In the event of such termination, CONTRACTOR shall be entitled to reimbursement for Professional Services up to the date of termination, in accordance with Section 4, Compensation.

6.0 INDEMNIFICATION

CONTRACTOR agrees to 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 directors, officers, agents, employees, independent contractors, or subcontractors, or any breach of this Agreement; 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 D, attached hereto.

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.

7.0 INSURANCE

CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Agreement. The procurement and maintenance of the insurance required below will not diminish or limit CONTRACTOR's obligation to indemnify or hold COUNTY harmless, as set forth in Section 6 above.

7.1 WORKERS' COMPENSATION INSURANCE AND EMPLOYERS' LIABILITY

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 of not less than \$1,000,000 per person per accident. Policy shall be endorsed, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement and be endorsed to Waive Subrogation in favor of COUNTY.

7.2 COMMERCIAL GENERAL LIABILITY INSURANCE

Commercial General Liability Insurance coverage including, but not limited to, premises liability, contractual liability, completed operations, personal and advertising injury covering claims which may arise from or out of CONTRACTOR's performance of its obligations hereunder. Policy shall name the County of Riverside, Special Districts, their respective directors, officers, Board of Supervisors, elected officials, employees, agents, or representatives as Additional Insureds. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. 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.

7.3 VEHICLE LIABILITY

7.3.1 If CONTRACTOR's vehicles or licensed mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain vehicle liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. 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 of Riverside, Special Districts, their respective directors, officers, Board of Supervisors, elected officials, employees, agents, or representatives as additional insureds.

7.3.2 If CONTRACTOR owns no vehicles or licensed mobile equipment that could be used on COUNTY property, or used in any manner on behalf of COUNTY, then CONTRACTOR shall provide COUNTY with evidence of liability coverage for non-owned or hired vehicles in an amount not less than \$1,000,000. Such coverage may be included within the Commercial General Liability policy or as a separate coverage.

7.4 GENERAL INSURANCE PROVISIONS

- 7.4.1 Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California unless waived, in writing, by the COUNTY Risk Manager. Carrier(s) shall have an A.M. BEST rating of not less than an A: VIII (A: 8).
- 7.4.2 Insurance deductibles or self-insured retentions must be declared by the CONTRACTOR's insurance carrier(s), and such deductibles and retentions shall have the prior written consent from the County Risk Manager. Failure of the CONTRACTOR's carriers to declare deductibles or self-insured retentions to the COUNTY shall waive any obligation of the COUNTY, as additional insured, to honor said deductibles or self-insured retentions in the event of CONTRACTOR's insolvency. Upon notification of deductibles or self-insured retentions unacceptable to COUNTY, and at the election of the COUNTY Risk Manager, CONTRACTOR's carriers shall either; 1) reduce or eliminate such deductibles or self-insured retentions as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- 7.4.3 CONTRACTOR shall cause CONTRACTOR's insurance carrier(s) to furnish the COUNTY with either; 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements affecting coverage as required herein, or 2) if requested to do so in writing by the COUNTY Risk Manager, provide original certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect with a covenant of the insurance carrier(s) that thirty (30) days' written notice shall be given to the COUNTY prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate RUHS Arrowhead Final 3-9-16

forthwith, unless the COUNTY receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverages set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate(s) of Insurance and certified original copies of endorsements or policies of insurance including all endorsements and any and all other attachments as required in this Section. The original endorsements for each policy and the Certificate of Insurance shall be signed by an individual authorized by the insurance carrier to do so on its behalf.

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

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

8.0 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 required elements under this Agreement.

9.0 TJC STANDARDS

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

10.0 WORK PRODUCT

All reports, preliminary findings, or data assembled or compiled by CONTRACTOR under this Agreement become the property of the COUNTY. The COUNTY reserves the right to authorize others to use or reproduce such materials. Therefore, such materials may not be circulated in whole or in part, nor released, to the public without the direct authorization of the Hospital Director/CEO or an authorized RUHS – Arrowhead Final 3-9-16

designee.

11.0 RESEARCH/INVESTIGATIONAL STUDIES

CONTRACTOR agrees, in compliance with Medical Staff Bylaws, Rules and Regulations, 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.

12.0 ASSIGNMENT/DELEGATION

- 12.1 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.
- 12.2 CONTRACTOR agrees that each of its subcontracts or agreements with all of the Physicians, ACPs and other health professionals providing services at HOSPITAL must contain a clause whereby said Physicians, ACPs, and health professionals who jeopardize the license or accreditation of HOSPITAL may be removed from HOSPITAL by CONTRACTOR and/or HOSPITAL.
- 12.3 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 RUHS Arrowhead Final 3-9-16

to HOSPITAL Administration for review and processing prior to making any commitment to the resident(s) regarding such placement.

12.4 A change in the business structure of CONTRACTOR, including but not limited to a change in the majority ownership, change in the form of CONTRACTOR's business organization, management of CONTRACTOR, contractor's business organization, Contractor's ownership of other business dealings with CONTRACTOR under this Agreement or filing reorganization or bankruptcy by CONTRACTOR shall be deemed an assignment for purposes of this Section.

13.0 COVENANTS NOT TO COMPETE

- 13.1 During the term of this Agreement, CONTRACTOR shall not for any reason enter into an agreement with any entity or person to serve as director of, or otherwise perform neurosurgery services in any facility within a (10) mile radius from HOSPITAL. COUNTY acknowledges the existence of CONTRACTOR sites and facilities prior to this Agreement, and the restrictions in this paragraph shall not apply to any such sites or facilities.
- 13.2 Any exceptions to the above can only be permitted upon the prior written approval of the HOSPITAL Director/CEO.
- 13.3 In the event of any breach or threatened breach of this provision, HOSPITAL shall be entitled to injunctive or other equitable relief. Such relief shall be in addition to, but not in lieu of, any other remedies that may be available to HOSPITAL, including an action for the recovery of damages. If a court of competent jurisdiction determines that the scope of this provision is too broad in any respect, the scope shall be deemed to be reduced and/or narrowed to such scope as is found lawful and reasonable by such court. However, the parties acknowledge that this provision has been negotiated by the parties and that the geographical limitations as well as the limitation on activities are reasonable in light of the circumstances surrounding this Agreement.

14.0 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 RUHS – Arrowhead Final 3-9-16

of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement hereof.

15.0 RECORDS AND REPORTS

- and activities performed under this Agreement. CONTRACTOR shall also maintain accurate and complete personnel time records and other records of all services provided hereunder. All such records shall include supporting documentation and other information sufficient to fully and accurately reflect CONTRACTOR's provision of services hereunder, including, but not limited to, its cost of providing such services and all charges billed to COUNTY. CONTRACTOR agrees to provide to COUNTY such reports as may be required by the Hospital Director/CEO, or designee, with respect to the services set forth under this Agreement.
- 15.2 To the extent necessary to prevent disallowance of reimbursement under 42 U.S.C. 1395x(v)(l)(1), and regulations promulgated pursuant thereto, until the expiration of five (5) years after the furnishing of services under this Agreement, CONTRACTOR shall make available, upon written request to the Comptroller General of the U.S. General Accounting Office, or any of their duly authorized representatives, a copy of this Agreement and such books, documents, and records as are necessary to certify the nature and extent of the cost of the services provided by CONTRACTOR.
- 15.3 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.

16.0 PERFORMANCE EVALUATION

CONTRACTOR hereby agrees to permit an appropriate official of the HOSPITAL, State or federal government to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement. To the extent applicable, monitoring shall include a quarterly assessment of the performance requirements listed in **Exhibit** ___, Performance Requirements, attached hereto, and is hereby incorporated herein. The quarterly assessment reports shall be reviewed jointly by HOSPITAL and CONTRACTOR to evaluate CONTRACTOR's performance under this Agreement. Not acceptable, this is regulatory RUHS – Arrowhead Final 3-9-16

17.0 CONFIDENTIALITY

- 17.1 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, except for statistical information which shall not identify any patient and which shall be used only for carrying out the obligations of CONTRACTOR under this Agreement.
- 17.2 CONTRACTOR shall not disclose, except as specifically permitted by this Agreement, or as authorized by the patient(s), any oral or written communication, information, or effort of cooperation between HOSPITAL and CONTRACTOR, or between HOSPITAL and CONTRACTOR and any other party.
- 17.3 CONTRACTOR, its officers, employees, and agents, including each of the Physicians and ACPs, 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 RUHS - Arrowhead Final 3-9-16 23 | Page

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.

18.0 INDEPENDENT CONTRACTOR

- 18.1 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 and agreed that the CONTRACTOR and each of its employees, subcontractors or independent contractors shall in no event, 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. CONTRACTOR hereby indemnifies and holds COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement. 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.
- 18.2 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 RUHS Arrowhead Final 3-9-16

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, Rules, and Regulations, and policies and procedures, as may be amended from time to time, as well as community standards governing such services and the provisions of this Agreement.

18.3 Neither COUNTY nor HOSPITAL shall have or exercise any control or direction over the methods by which CONTRACTOR or any of the Physicians or ACPs 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.

19.0 NONDISCRIMINATION

- 19.1 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 (over 40), marital status, medical condition, or physical or mental handicap, 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).
- 19.2 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.

20.0 CONFLICT OF INTEREST

The parties hereto and their respective employees or agents shall have no interest, and shall not acquire any interest, direct or indirect, which will conflict in any manner or degree with the performance of services required under this Agreement. CONTRACTOR shall submit an annual statement of economic conflict of interest disclosure form as designated by HOSPITAL.

21.0 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.

22.0 ADMINISTRATION

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

23.0 HOSPITAL ACCREDITATION/LICENSE

- 23.1 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.
- 23.2 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.

24.0 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 California Superior Court in the County of Riverside, Central District. Prior to initiating any legal action each Party agrees to participate in mediation with a mediator in Riverside County. The Parties shall agree to a neutral mediator through JAMS. The parties agree to participate in mediation sessions up to two (2) days or longer if desired by the Parties to effectuate a resolution of the issue. The Party initiating the mediation shall provide no less than 30 days' notice to the other Party. The Parties shall cooperate in selecting a mediator and having the mediation scheduled as soon as practicable.

25.0 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 that, 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.

26.0 NO REFERRALS

No term, covenant or condition of this Agreement shall be construed as requiring or inducing CONTRACTOR or any Physician or ACP 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.

27.0 FORCE MAJEURE

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

28.0 ENTIRE AGREEMENT

This Agreement 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 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.

29.0 NOTICES

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

CONTRACTOR:

COUNTY:

Arrowhead Neurosurgical Medical Group, Inc. P.O. Box 685 Colton, CA 92324-0685 Attention: President

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

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

30.0 <u>HEADING</u>

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

31.0 COUNTERPARTS

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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.

[Remainder of page left blank; signature page follows]

IN WITNESS WHEREOF, THE UNDERSIGNED HAVE EXECUTED THIS AGREEMENT EFFECTIVE

AS OF	
COUNTY: County of Riverside By: John J/Benoit Chairman, Board of Supervisors	CONTRACTOR: Arrowhead Neurosurgical Medical Group, Inc. By: 3/17/2016 President
APPROVED AS TO FORM: Gregory P. Priamos County Counsel By: Anita. C. Willis, Assistant County Counsel	
ATTEST:	
Kecia Harper-Ihem	
Clerk of the Board	

EXHIBIT A

TO

AGREEMENT BETWEEN RIVERSIDE COUNTY

AND

ARROWHEAD NEUROSURGICAL MEDICAL GROUP, INC., (CONTRACTOR) SCOPE OF SERVICES

1.0 CONTRACTOR STAFFING

CONTRACTOR shall:

- A. Provide adequate staffing to assume medical care responsibilities for SPECIALTY services under the direction of the Chief of the HOSPITAL Department of Neurosurgery (DEPARTMENT) and the HOSPITAL Medical Director. This shall include ensuring that there are adequate numbers of qualified SPECIALTY Physicians and ACPs to provide SPECIALTY outpatient/clinical services, administrative duties, diagnostic procedures, consultations, supervisory duties, teaching services, inpatient care, development of treatment protocols, and supervision of SPECIALTY services provided at HOSPITAL. Without limiting the foregoing, CONTRACTOR shall provide Neurosurgery SPECIALTY services at the HOSPITAL for up to four (4) half-day clinics per week, which services shall be documented by CONTRACTOR. CONTRACTOR shall furnish medical professional staff to adequately provide oncall availability as specified in this Exhibit. All administrative issues shall be directed to the HOSPITAL Chief of Medical Staff for handling.
- B. Provide or recruit physicians who have been approved by the HOSPITAL's Credentialing Committee.
- C. Provide suitable staff replacement coverage for any Physician or ACP 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.
- D. Ensure that CONTRACTOR Physicians and ACPs have verifiable Neurosurgery SPECIALTY experience and training and must obtain and remain credentialed at all times under the term of this Agreement. Such providers also shall be required by CONTRACTOR to meet HOSPITAL teaching RUHS Arrowhead Final 3-9-16

faculty credentialing requirements established in conjunction with HOSPITAL teaching programs and affiliation agreements with teaching institutions.

1.1 CONTRACT COORDINATOR

CONTRACTOR agrees to provide the services of a physician who is acceptable to HOSPITAL to serve as the CONTRACTOR contract coordinator (COORDINATOR) for purposes of negotiation, implementation, and coordination of the fulfillment of responsibilities under this Agreement. CONTRACTOR shall not replace the approved CONTRACTOR physician Coordinator without the prior approval of the HOSPITAL. Javed Siddiqi, MD shall serve as Coordinator for SPECIALTY services in this capacity until such time as mutually agreeable.

1.2 STAFF REMOVAL

- 1.2.1 COUNTY shall reserve the right, exercisable in its discretion after consultation with CONTRACTOR, to exclude any Physician or ACP 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, Rules, and Regulations as may be amended from time to time.
- 1.2.2 Notwithstanding any other provision of the Agreement, CONTRACTOR will ensure that any physician or ACP 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.
- 1.2.3 The Professional Services of CONTRACTOR shall be subject to the Medical Staff Appeals Provision of the Medical Staff Bylaws, Rules, and Regulations, or other appropriate rule or regulation of HOSPITAL as may be amended from time to time.

1.3 PROFESSIONAL SERVICES

1.3.1 Professional Services to be provided will include, but not be limited to, Neurosurgery SPECIALTY ambulatory clinical services, development of treatment protocols, supervision of Neurosurgery SPECIALTY, and diagnostic testing (as applicable). CONTRACTOR has no obligation to provide neuro-interventional services as part of this Agreement.

- 1.3.2 CONTRACTOR will provide inpatient and outpatients consultation in the Neurosurgery SPECIALTY on a routine and emergency basis.
- 1.3.3 CONTRACTOR will provide Professional Services in Neurosurgery SPECIALTY clinic(s) as required under this Agreement.

1.3.4 CONTRACTOR shall be obligated to:

- B. 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.
- C. 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 sent to an outside provider mutually agreeable to the patient and parties hereto.
- D. Include charting the progress of patients and updating the care plan as needed in a timely fashion.
- E. 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 to do so.

1.4 ON-CALL COVERAGE

CONTRACTOR will provide on-call coverage _fifty-two_ (52) weeks per year, twenty-four (24) hours per day, _seven (7) days per week as coordinated by the Chief of the DEPARTMENT.

EXHIBIT B

TO

AGREEMENT BETWEEN RIVERSIDE COUNTY AND ARROWHEAD NEUROSURGICAL MEDICAL GROUP, INC (CONTRACTOR)

LIST OF CONTRACTOR PHYSICIANS AND ACPS

- 1) Javed Siddiqi, MD, PhD, FACS, FAANS
- 2) Dan Miulli, DO, FACOS
- 3) Margaret Wacker, MD
- 4) Silvio Hoshek, MD
- 5) Rosalinda Menoni, MD
- 6) Yancey Beamer, MD
- 7) Vladimir Cortez, DO
- 8) Blake Berman, DO
- 9) At least two other neurosurgeons to be recruited

EXHIBIT C

TO

AGREEMENT BETWEEN RIVERSIDE COUNTY

AND

ARROWHEAD NEUROSURGICAL MEDICAL GROUP, INC. (CONTRACTOR) PAYMENT PROVISIONS

In consideration of services provided by CONTRACTOR pursuant to this Agreement, CONTRACTOR shall be entitled to receive payment by HOSPITAL in accordance with HOSPITAL policy and procedures as follows:

1.0 Compensation

Subject to the conditions set forth below, HOSPITAL shall pay CONTRACTOR a total of) three million, three hundred ninety-one thousand, three hundred fifty two and fourteen hundredths (\$3,391,352.14) for the first initial year of this Agreement for the services of three (3) full-time equivalent Physicians to provide SPECIALTY clinical services, 0.6 full-time Physician Program Director three (3) days per week, administrative duties, supervisory duties, teaching services, inpatient care, development of treatment protocols, on-call coverage, supervision of neurosurgery SPECIALTY services provided at HOSPITAL, and all other services contemplated by this Agreement. Effective on the second year of this Agreement, HOSPITAL shall pay CONTRACTOR a total of three million, three hundred fifty-one thousand, three hundred fiffty two and fourteen hundredths (\$3,351,352.14) per year for the services of three (3) full-time equivalent Physicians, 0.4 full-time Physician Program Director, two (2) days per week, to provide SPECIALTY clinical services, administrative duties, supervisory duties, teaching services, inpatient care, development of treatment protocols, on-call coverage, supervision of neurosurgery SPECIALTY services provided at HOSPITAL, and all other services contemplated by this Agreement. The parties acknowledge that all amounts paid under this Agreement have been determined to be fair market value and commercially reasonable. Payments to CONTRACTOR shall be made on a monthly

basis during the term of this Agreement. HOSPITAL shall pay CONTRACTOR payments by the invoice method specified below.

2.0 Professional Fees

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Until such time as COUNTY notifies CONTRACTOR of COUNTY's intent to assume responsibility for the billing and collection of fees for CONTRACTOR's Professional Services, the parties agree that CONTRACTOR shall continue to bill and collect professional fees for its Professional Services under CONTRACTOR's tax identification number and provider numbers. The COUNTY will provide at minimum of 120 days prior to assuming responsibility for the billing and collection of fees for CONTRACTOR's Professional Services. Upon execution of this Agreement, during any time period that CONTRACTOR is responsible for billing and collection of professional fees for CONTRACTOR's Professional Services, CONTRACTOR will be paid a Billing Fee that equals nine percent (9%) of Patient Collections, minus Patient Refunds (Collections). Collections, are total case collections during the month for which the Monthly Compensation is due that are attributable to the services rendered by CONTRACTOR under this Agreement Upon execution of this Agreement, CONTRACTOR shall submit to COUNTY a report reflecting past calendar year revenues received from payers as a result of the professional services provided pursuant to this Agreement. Based upon that amount, COUNTY shall, based upon the average monthly amount of the collections for prior year, deduct that amount from the monthly amount payable to CONTRACTOR as set forth in Section 1 of this Exhibit. CONTRACTOR shall submit to COUNTY a report of professional revenues received from payers as a result of the Professional Services ("Collections Report") within thirty (30)) days after the end of each quarter. On a quarterly basis (July, October, December and January), COUNTY shall reconcile Collection Reports with COUNTY payments. Any over or underpayments to CONTRACTOR shall be adjusted and reflected in the following month after the end of each quarter, for example, the October quarterly adjustment will be reflected in the November payment. COUNTY shall have the right to audit CONTRACTOR's billings and collections during normal business hours upon 24 hours advance notice to verify CONTRACTOR's compliance with this Section 2.0. COUNTY shall cooperate with and assist CONTRACTOR (or its billing agent, if applicable) by promptly providing any information needed by CONTRACTOR (or its billing agent, if applicable) to prepare or adjudicate bills in connection with the Professional Services of CONTRACTOR. It is the intent of the parties that the billing and collection of fees for Professional Services by CONTRACTOR shall only last until the COUNTY has the systems in place to assume the billing and collection of fees for Professional Services under the COUNTY's tax identification number and provider numbers.

COUNTY shall provide a minimum of one hundred twenty (120) days' notice to CONTRACTOR of COUNTY's intent to assume the billing and collection of professional fees for CONTRACTOR's Professional Services. Thereafter, no later than 120 days from such notice, CONTRACTOR shall reassign to COUNTY the exclusive right to bill for all professional services performed by CONTRACTOR and its Physicians and ACPs at HOSPITAL and any COUNTY owned or leased facility, and CONTRACTOR agrees not to bill any payer or patient for any professional services performed at the HOSPITAL or any COUNTY owned or leased facility by CONTRACTOR or its Physicians and ACPs. If any professional fees are received by CONTRACTOR, then said amounts shall be turned over to COUNTY immediately. CONTRACTOR shall cause each of the Physicians and, if applicable, ACPs, to execute a form CMS 855-R and any other documents necessary to effectuate the reassignment of professional fees to COUNTY. As required by Medicare: (i) CONTRACTOR and COUNTY agree that they shall be jointly and severally liable for any Medicare overpayments relating to claims for the professional services and (ii) CONTRACTOR shall have unrestricted access to claims submitted by COUNTY for the Professional Services. CONTRACTOR shall fully cooperate with HOSPITAL staff or any COUNTY billing and collection contractor in billing third-party payers and patients for care provided by CONTRACTOR under this Agreement.

3.0 Billing Cycle

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

4.0 Maximum Annual Compensation

Maximum annual compensation payable under this Agreement shall not exceed three million, three hundred ninety-one thousand, three hundred fifty two and fourteen hundredths-(\$3,391,352.14)-

EXHIBIT D

TO

AGREEMENT BETWEEN RIVERSIDE COUNTY

AND

ARROWHEAD NEUROSURGICAL MEDICAL GROUP, INC. (CONTRACTOR) PROFESSIONAL LIABILITY INDEMNITY

- 1.0 As an additional element of compensation to the CONTRACTOR, the COUNTY shall indemnify the CONTRACTOR and provide Professional Liability insurance to the CONTRACTOR (upon approval of County Risk Management) as provided hereunder solely and exclusively to the extent that it pertains to the Professional Services performed under this Agreement on behalf of COUNTY, and so long as the CONTRACTOR (as defined below) follows and does not intentionally ignore COUNTY policies and procedures and other regulatory agencies' rules, laws, and standards of care or commit willful or wanton acts of negligence.
- 2.0 For purposes of this Exhibit, the term "CONTRACTOR" shall include:
 - 2.1 The CONTRACTOR itself:
 - 2.2 The CONTRACTOR's Physician employees and independent Physician contractors; and
 - 2.3 ACPs employed by CONTRACTOR.
- 3.0 The COUNTY shall, subject to the terms, limitations, exclusions, and conditions of this Agreement, including this Exhibit, indemnify, defend, and hold harmless the CONTRACTOR for any and all sums which the CONTRACTOR shall by law be held liable to pay for damages arising out of any demand for money or services by any patient or anyone claiming damages on account of bodily injury or mental injury to or death of any patient caused by or alleged to have been caused by error, omission, or negligence, active or passive, so long as it is not deemed a willful or wanton omission, error, or negligence, nor for punitive damage awards in professional services rendered or that should have been rendered by CONTRACTOR exclusively at HOSPITAL or on behalf of COUNTY, provided always that:
 - 3.1 Such malpractice results in a claim being made or legal action commenced against the

CONTRACTOR, and notice of such claim or action has been given in accordance with the provisions contained in Section 8 of this Exhibit.

- 3.2 There shall be no liability coverage provided hereunder for any claim or action against the CONTRACTOR for malpractice committed or alleged to have been committed prior to the effective date of the Agreement nor following termination of this Agreement except for services provided during the term of the Agreement and/or for the CONTRACTOR or physician rendering service hereunder as described in Section 2 of this Exhibit.
- The indemnification promised hereby shall include all theories of liability against the CONTRACTOR regardless of whether said liability is founded on negligence or strict liability or any other rule or law attributing liability to the CONTRACTOR. Such indemnification as is afforded by this Agreement is extended to include the CONTRACTOR only while it is acting within the scope of duty pursuant to the terms of this Agreement (i.e., for patients of COUNTY performed in COUNTY facilities) and shall not apply to acts or omissions by or at the direction of the CONTRACTOR or if intentionally committed or committed with malice. In addition, the indemnification promised hereby shall not include any exemplary or punitive damages levied against the CONTRACTOR, any act committed in violation of any laws or ordinances resulting in a criminal conviction, professional services rendered while under the influence of intoxicants or narcotics, or any practice or service at a non-COUNTY facility not required by the terms of this Agreement.
- In providing for such indemnification, it is not the intent of either party to waive any applicable statutory or other immunity from liability or of any claims requirements of the Government Code. Such indemnification shall not exceed one million dollars (\$1,000,000) for any single act or omission indemnifiable hereunder, or the sum of three million dollars (\$3,000,000) aggregate for all acts or omissions indemnifiable hereunder per each physician employee or subcontractor of CONTRACTOR which occur in any single operating year of this Agreement. CONTRACTOR acknowledges and agrees that for any claims that exceed one million dollars (\$1,000,000) or three million dollars (\$3,000,000) in the aggregate, CONTRACTOR shall not seek indemnification from COUNTY, and CONTRACTOR shall assume all financial responsibility for such claims. For purposes of this Exhibit, said operating year shall

begin with the date on which this Agreement is executed by the COUNTY Board of Supervisors and shall conclude on June 30 of that fiscal year; thereafter, each operating year shall run from July 1 to June 30.

- 6.0 The COUNTY may provide the indemnification referred to above through a program of self-insurance. The CONTRACTOR shall 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.
- As respects the 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 legal counsel (attorney[ies]) skilled in investigation, defense, and settlement of medical malpractice claims, 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. If the CONTRACTOR in any such claim or suit refuses to consent to any settlement recommended in writing by the COUNTY and elects to contest or continue any legal proceedings, the liability of the COUNTY shall not exceed the amount for which the claim or suit could have been so settled, plus reasonable costs with its consent up to the date of such refusal. Any judgment rendered against the CONTRACTOR in excess of the settlement amount recommended in writing by the COUNTY shall be the sole responsibility of the CONTRACTOR, Including all costs and all attorney's fees relating to such excess amount.
- 8.0 The following are conditions precedent to the right of the CONTRACTOR to be defended and/or indemnified under this Exhibit, provided that the COUNTY may not disclaim 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 promptly, but no less than within two (2) business days, after receiving knowledge of any event described in this subsection (8.1) of this Section 8, give to the persons or persons designated by the COUNTY notice in writing of:

- A. Any conduct or circumstances which the CONTRACTOR believes to give rise to a claim for malpractice being made against the CONTRACTOR; or
 - B. Any claim for malpractice made against the CONTRACTOR; or
- C. The receipt of notice from any person of any intention to hold the CONTRACTOR responsible for any malpractice.
 - 8.2 The CONTRACTOR shall at all times without charge to the COUNTY:
- A. Give to the COUNTY or its duly appointed representative any and all information, assistance, and signed statements as the COUNTY may require; and
- B. 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 settlement of payment and all cases involving persons mentioned in Sections 1 and 2 of this Exhibit.
- 8.3 The COUNTY and/or CONTRACTOR shall not, without the written consent of COUNTY's duly appointed representative, admit liability for, or settle any claim, or:
- A. Incur on behalf of the COUNTY any cost or expense in connection with such claim, or
- B. Give any material or oral or written statements to anyone in connection with admitting or settling such claim.

EXHIBIT E

TO

AGREEMENT BETWEEN RIVERSIDE COUNTY

AND

ARROWHEAD NEUROSURGICAL MEDICAL GROUP, INC. (CONTRACTOR) Performance Requirements

1.0 Performance Requirements

- 1.1 CONTRACTOR shall meet patient care performance requirements (including but not limited to, providing patient and family education in accordance with The Joint Commission standards, timely completion of medical records, Medi-Cal managed care patient-access standards, and on-time attendance for scheduled SPECIALTY clinic services). Starting as of the effective date, the following performance requirements will have penalties deducted as indicated for failure to perform:
- 1.1.1 HOSPITAL may deduct five percent (5%) of the monthly amount owed to CONTRACTOR if more than ten percent (10%) of SPECIALTY services are cancelled because of inadequate work-up or lack of signed medical releases ninety-five percent (95%) of the time per month.
- 1.1.2 HOSPITAL may deduct five percent (5%) of the monthly amount owed to CONTRACTOR if CONTRACTOR provider is more than fifteen (15) minutes late to scheduled appointment/procedure, greater than ninety-five percent (95%) of the time per month.
- 1.2. Full compliance with Medi-Cal managed care access requirements for availability of specialist care services to Medi-Cal managed care members.
- 1.3 CONTRACTOR and HOSPITAL agree to review and discuss quarterly reports of Performance Standards data as monitored by HOSPITAL before deduction in the monthly amount of reimbursement occurs. Report format and data collection will be mutually agreed by the parties hereto.

EXHIBIT F

TO

AGREEMENT BETWEEN RIVERSIDE COUNTY

AND

ARROWHEAD NEUROSURGICAL MEDICAL GROUP, INC. (CONTRACTOR)

Residency Program

- 1) COUNTY, IN CONSULTATION WITH CONTRACTOR shall appoint the Neurosurgery Residency Program Director, which position shall continue after the termination of this contract, subject to the agreement of the Parties, for the purpose of continuing the residency training program.
- 2) Should HOSPITAL be sold, lose funding for Neurosurgery Service or Neurosurgery Residency Program, HOSPITAL and COUNTY will cooperate with CONTRACTOR and the Residency Program Director to relocate the Residency Program to another institution within or within close proximity to the COUNTY.
- 3) HOSPITAL and COUNTY will continue to provide support for the Residency Program, as long as such support is financially viable, and subject to the approval of the COUNTY Board of Supervisors.
- 4) In collaboration with COUNTY, CONTRACTOR will have input on the selection of RUHS Neurosurgery Residency Coordinator.