

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



ITEM
3.33
(ID # 2767)

MEETING DATE:

Tuesday, December 6, 2016

FROM : RUHS-MEDICAL CENTER:

SUBJECT: RUHS-MEDICAL CENTER: Ratification of the Professional Service Agreement with Faculty Physicians and Surgeons of LLUSM, dba Loma Linda University Faculty Medical Group to provide faculty development services without seeking competitive bids for 1 year; District 5; [\$75,000]; Hospital Enterprise Fund

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and execute the Agreement with Faculty Physicians and Surgeons of LLUSM, dba Loma Linda University Faculty Medical Group to provide faculty development services without seeking competitive bids effective July 1, 2016 through June 30, 2017 for an amount of \$75,000; 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.

Zareh S. Sefarian, Chief Executive Officer - Health System 10/25/2016

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 75,000	\$ 0	\$ 75,000	\$ 0
NET COUNTY COST	\$0	\$ 0	\$0	\$ 0
SOURCE OF FUNDS: Hospital Enterprise Fund 40050			Budget Adjustment:	No
			For Fiscal Year:	16/17

C.E.O. RECOMMENDATION:

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington and Ashley
Nays: None
Absent: Benoit
Date: December 6, 2016
xc: RUHS-Medical Center, Purchasing

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

3.33

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

BACKGROUND:

Summary

The requested Board action will allow Riverside University Health System (RUHS) medical staff to enhance their clinical skills through Faculty Physicians and Surgeons of LLUSM, dba Loma Linda University Faculty Medical Group to provide faculty development services.

Faculty Physicians and Surgeons of LLUSM, dba Loma Linda University Faculty Medical Group has a specialized physician Dr. Larry Loo who has extensive knowledge, experience, and education in organizing clinical programs for faculty development. As a teaching hospital, RUHS faculty physicians will benefit from attending the faculty development sessions which Dr. Loo will present. Sessions include preceptoring, rounding, teaching and evaluation skills, and resident supervision. These sessions will help to enhance the current skills of RUHS faculty which consist of both clinical and administrative staff and help to facilitate educational inquiry and scholarship, as required by the Accreditation Council for Graduate Medical Education (ACGME).

Impact on Residents and Businesses

The local economy will experience positive benefits from the presence of a thriving regional health system that is served by a well-paid, educated workforce, and where patients of all incomes can obtain high quality healthcare services that now seek providers in neighboring counties.

Contract History and Price Reasonableness

Recently in early 2016, RUHS conducted a third party, fair market value analysis in an effort to negotiate appropriate economic terms for this type of Agreement. Additionally, Loma Linda has searched within national conferences in which they have attended for individuals who have the education, evidenced based medicine, and clinical research, in which they have found very few persons with the expertise and abilities of Dr. Loo.


Teresa Summers, Assistant Director of Purchasing

11/15/2016


Gregory V. Priamos, Director County Counsel

11/15/2016



Riverside University HEALTH SYSTEM

Date: October 20, 2016

From: Zareh Sarraflan, CEO – Health Systems

To: Board of Supervisors/Purchasing Agent

Via: Naomi Santos, 6-4411

Subject: Sole Source Procurement; Request for Professional Faculty Development Services

The below information is provided in support of my Department requesting approval for a sole source.

1. **Supplier being requested:** Faculty Physicians and Surgeons of LLUSM, dba Loma Linda University Faculty Medical Group
2. **Vendor ID:** 25701
3. **Supply/Service being requested:** Faculty Development Services.
4. **Alternative suppliers that can or might be able to provide supply/service and extent of market search conducted:** None.
5. **Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:** Faculty Physicians and Surgeons of LLUSM, dba Loma Linda University Faculty Medical Group has a specialized physician Dr. Larry Loo who has extensive knowledge, experience, and education in organizing program for faculty development. Partnering with LLU would significantly benefit the clinical staff of RUHS.
6. **Reasons why my department requires these unique features and what benefit will accrue to the county:** As a teaching hospital, RUHS faculty physicians will benefit from attending the faculty development sessions which Dr. L. Loo will present. Sessions include preceptoring, rounding, teaching and evaluation skills, and resident supervision. These sessions will enhance the current skills of RUHS faculty.
7. **Period of Performance:** 07/01/16 – 06/30/17
1 year
Is this an annually renewable contract? No
Is this a fixed-term agreement: Yes
8. **Identify all costs for this requested purchase. If approval is for multiple years, ongoing costs must be identified below. If annual increases apply to ongoing costs such as CPI or other contract increases, provide the estimated annual cost for each consecutive year. If the annual increase may exceed the Purchasing Agent's authority, Board approval must be obtained.**

Description:	FY16/17	FY17/18	FY18/19	FY19/20	FY20/21	Total
One-time Costs:						
<i>Expenses included</i>						
Ongoing Costs:						
<i>(Insert description)</i>						
Total Costs	\$75,000					\$75,000

9. **Price Reasonableness:** Recently in early 2016, RUHS conducted a third party, fair market value analysis in an effort to negotiate appropriate economic terms for this type of Agreement. Additionally, Loma Linda also searched within national conferences they attend for individuals who have the education, evidenced based medicine, and clinical research, in which they have found very few persons with the expertise and abilities of Dr. Loo.

10. **Projected Board of Supervisor Date (if applicable):** November 8 or 15


Zareh Sarrafian
10/25/16
 Department Head Signature Print Name Date

Purchasing Department Comments:

Approve

Approve with Condition/s

Disapprove

Not to exceed: \$ 75,000

One time

Annual Amount through 6/30/17
(Date)


 Purchasing Agent

11/4/16
 Date

17-150
 Approval Number
 (Reference on Purchasing Documents)

List Attachments: Contract Agreement and Form 11

**AGREEMENT FOR
PROFESSIONAL SERVICES
Between
COUNTY OF RIVERSIDE, RIVERSIDE UNIVERSITY HEALTH SYSTEM
AND
FACULTY PHYSICIANS & SURGEONS OF LLUSM
(Faculty Development Services)**

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 Faculty Physicians & Surgeons of LLUSM, dba Loma Linda University Faculty Medical Group (CONTRACTOR).

WHEREAS, Government Code Section 31000 are trained, experienced and competent to perform the services required;

WHEREAS, COUNTY desires to obtain medical faculty development 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 employs Larry Loo M.D. who has the expertise, special skills, knowledge, and experience to perform the duties set out herein;

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 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.

1.3 "DIRECTOR" shall mean Lawrence Loo, M.D., who shall serve as HOSPITAL's Director of Faculty Development.

1.4 "HOSPITAL" shall mean Riverside University Health System Medical Center

1.5 "Medical Staff Bylaws, Rules, and Regulations" shall mean HOSPITAL's Medical staff bylaws, rules and regulations, as amended from time to time.

1.6 "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.

1.7 "Professional Services" shall mean professional medical services in the SPECIALTY.

1.8 "State" shall mean the State of California.

1.9 "TJC" shall mean The Joint Commission.

2.0 DESCRIPTION OF SERVICES

2.1 COMPLIANCE WITH HOSPITAL MISSION, VISION, AND VALUES

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 and DIRECTOR shall provide Professional Services for HOSPITAL in accordance with the services and duties described in this Agreement. CONTRACTOR and DIRECTOR shall not use, or knowingly permit any other person who is under their 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.

3.0 RESPONSIBILITIES

3.1 CONTRACTOR AND COUNTY

Each party agrees to maintain an environment which is conducive to quality medical care provision and training as it pertains to medical 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 Dr. Larry Loo to provide Professional Services as described in Exhibit A. The parties agree that Dr. Loo's individual and personal performance of the services described is essential to this contract and that if he should become unavailable to provide services this Agreement will terminate.

3.2.2 CONTRACTOR Representations, Warranties, and Covenants

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

A. CONTRACTOR and DIRECTOR 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. DIRECTOR's 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.

D. DIRECTOR's 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 DIRECTOR (a) is currently, nor has 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) 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 DIRECTOR 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 DIRECTOR 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 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.

3.2.3 Administrative Obligations

CONTRACTOR and DIRECTOR shall:

A. Assist to establish rules, regulations and best practices for the operation of medical services in COUNTY facilities including, but not limited to, HOSPITAL.

B. 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.

C. Participate and cooperate in the HOSPITAL Performance Improvement and Safety Programs.

D. Cover any other appropriate administrative area of responsibility as requested by the HOSPITAL's Designated Institutional Officer and accepted by CONTRACTOR.

E. Attend any orientation program presented for her by HOSPITAL.

3.2.4 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 DIRECTOR is 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. DIRECTOR shall not perform any services hereunder if he evidences symptoms of any infectious disease.

3.2.5 Miscellaneous

CONTRACTOR and DIRECTOR shall:

A. Comply with all local, State, and federal ordinances, statutes, laws, rules, or regulations applicable to the services provided.

B. Carry out all additional duties and functions of the HOSPITAL as delineated in the HOSPITAL Medical Staff Bylaws, Rules, and Regulations as appropriate.

C. 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 and educational 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. 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 necessary emergency health care or first aid required by an accident occurring at COUNTY facilities.
- C. Retain ultimate professional and administrative accountability for all patient 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 services at HOSPITAL.

3.3.4 Provisions by HOSPITAL

HOSPITAL shall consult with CONTRACTOR as to the support elements HOSPITAL deems necessary for the service and shall furnish, at its expense, for the use of DIRECTOR all such support elements, including but not limited to the following:

3.3.4.1 Space

HOSPITAL shall furnish and make available such 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 Supplies

HOSPITAL shall furnish all expendable and non-expendable supplies, such as computer access, stationery, and similar supplies reasonably necessary for the services

3.3.4.3 Support Services

Clerical and logistical support shall be available through HOSPITAL's graduate medical education office to arrange meetings and conferences.

4.0 COMPENSATION

4.1 CONTRACTOR shall invoice HOSPITAL for the monthly payment due and payable in accordance with **Exhibit B**, attached hereto and incorporated herein. Invoices shall be submitted monthly. Payment shall be due thirty (30) working days from the date of receipt of the invoice. CONTRACTOR shall provide monthly reports identifying the services performed in the prior month, including the Physicians or ACPs who rendered services, the types of services provided, the date services were rendered, the hours worked, and patient encounter information.

4.2 Payment by HOSPITAL shall be deemed to be made for Professional Services only, and HOSPITAL shall not make, nor shall CONTRACTOR or DIRECTOR 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.

4.3 HOSPITAL reserves the right to correct errors on invoices, after prior notification and discussion with CONTRACTOR, and pay to CONTRACTOR the corrected amounts.

4.4 Maximum payments by HOSPITAL to CONTRACTOR per year shall be \$75,000.00

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 June 31, 2017. 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 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) in the event of fraud, dishonesty, or a willful breach of this Agreement by CONTRACTOR, or, (b) at HOSPITAL's election, in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever to perform the duties hereunder, 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, or (d) if CONTRACTOR engages in, or COUNTY has reasonable justification to believe that CONTRACTOR may be engaging in, a course of conduct that poses an imminent danger to the life or health of COUNTY patients. 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 B** only during such period that CONTRACTOR shall, in fact, be performing the duties hereunder.

5.3 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 the HOSPITAL, 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 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 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

5.4 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.

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

As required by California State law.

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 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 knowledge 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 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. 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 shall indemnify and hold harmless COUNTY from the acts of any subcontractor in accordance with Section 6, Indemnification.

13.0 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.

14.0 RECORDS AND REPORTS

14.1 CONTRACTOR shall prepare and maintain accurate and complete records of its services 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.

14.2 To the extent necessary to prevent disallowance of reimbursement under 42 U.S.C. 1395x(v)(1)(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.

14.3 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.

15.0 PERFORMANCE EVALUATION

CONTRACTOR hereby agrees to permit an appropriate official of the HOSPITAL, State or federal government or ACGME to monitor, assess, or evaluate CONTRACTOR's and DIRECTOR's performance under this Agreement.

16.0 CONFIDENTIALITY

16.1 CONTRACTOR and DIRECTOR 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.

16.2 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.

16.3 CONTRACTOR, its officers, employees, and agents and DIRECTOR 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.

17.0 INDEPENDENT CONTRACTOR

17.1 The CONTRACTOR is, for purposes arising out of this Agreement, an Independent Contractor and DIRECTOR 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 DIRECTOR or 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.

17.2 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, 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.

18.0 NONDISCRIMINATION

18.1 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).

18.2 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.

19.0 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.

20.0 COMPLIANCE PROGRAM

It is acknowledged that the HOSPITAL's Compliance Program applies to 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).

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 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.

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 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.

26.0 NO REFERRALS

No term, covenant or condition of this Agreement shall be construed as requiring or inducing CONTRACTOR 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:

Faculty Physicians & Surgeons of LLUSM
11175 Campus St., Suite 11120
Loma Linda, CA 92354
Attention: President

COUNTY:

Riverside University Health System
26520 Cactus Avenue
Moreno Valley, CA 92555
Attn: CEO – Health System

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

30.0 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.

31.0 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.

[Remainder of page left blank; signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

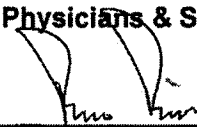
By: 

Name: JOHN J. BENOIT

Title: CHAIRMAN, BOARD OF SUPERVISORS

Date: DEC 06 2016

Faculty Physicians & Surgeons of
LLUSM

By: 

Name: Ricardo Peverini, M.D.

Title: President

Date: 10/10/2016

APPROVED AS TO FORM:

County Counsel

By: 

Martha Ann Knutson,
Deputy County Counsel

By: 

Lawrence Loo, M.D.
Director

ATTEST:

KECIA HARPER-IHEM, Clerk

By: 
DEPUTY

**EXHIBIT A
TO
AGREEMENT
BETWEEN RIVERSIDE COUNTY
AND
LOMA LINDA UNIVERSITY (CONTRACTOR)
Faculty Development Services
SCOPE OF SERVICES**

CONTRACTOR shall provide the services of DIRECTOR to:

- Perform a needs assessment through faculty survey and/or focus groups;
- Participate as a members of the Graduate Medical Education Committee;
- Develop a Faculty Development Program for RUHS with a plan for the academic year;
- Organize quarterly Faculty Development 1-2 hour presentations aimed to educate faculty and residents from all the RUHS residency programs;
- Meet with individual RUHS residency programs to provide advice in faculty development for that particular residency;
- Plan a yearly retreat of one day for all RUHS residency programs to present pertinent topics to develop the educational skills of RUHS faculty;
- Facilitate educational inquiry and scholarship, as required by the ACGME, through poster and workshop presentations at local, regional and national meetings and peer-reviewed publications related to residency teaching and evaluation.

EXHIBIT B
TO
AGREEMENT
BETWEEN RIVERSIDE COUNTY
AND
FACULTY PHYSICIANS & SURGEONS OF LLUSM (CONTRACTOR)
FACULTY DEVELOPMENT SERVICES

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

HOSPITAL shall pay to CONTRACTOR each month 1/ 12th of the total sum of \$69,358, representing .2 FTE support for the salary and benefits CONTRACTOR pays to Dr. Lawrence Loo and a budget of \$4,500 for Dr. Loo's attendance at professional meetings related to the faculty development services that he will be providing.

3.0 Billing Cycle

No later than the fourteenth (14th) working day of each month during the term hereof, CONTRACTOR shall submit to HOSPITAL an invoice for the monthly payment due and payable, in arrears of completion of each month 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 seventy-five thousand dollars (\$75,000).