

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



**ITEM: 15.2**  
(ID # 19883)

**MEETING DATE:**  
Tuesday, September 13, 2022

**FROM :** (RUHS) RIVERSIDE UNIVERSITY HEALTH SYSTEM:

**SUBJECT:** RIVERSIDE UNIVERSITY HEALTH SYSTEM-MEDICAL CENTER: Approve the Professional Service Agreement with Forward Health Group, Inc. for Analytics Software Solutions without seeking competitive bids for the period of performance commencing July 1, 2022 through June 30, 2024 in the amount of \$1,147,800 with the option to renew for two additional one-year periods, All Districts. [Total Cost \$2,230,106; up to \$223,011 in Additional Compensation, 100% Hospital Enterprise Fund - 40050]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the Professional Service Agreement with Forward Health Group, Inc. for Analytics Software Solutions without seeking competitive bids for two years in the amount of \$1,147,800 with the option to renew for two additional one-year periods for a total of \$2,230,106, effective July 1, 2022 through June 30, 2024, and authorize the Chair of the Board to sign the Agreement on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved as to form by County Counsel to: sign amendments that exercise the options of the agreement, that make modifications to the statement of work that stay within the intent of the Agreement, and to sign amendments to the compensation provisions that do not exceed the sum total of \$223,011 of the total cost of the contract.

**ACTION:Policy**


  
Jennifer Crulkshank, Chief Executive Officer - Health System 8/30/2022

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: September 13, 2022  
xc: RUHS

Kecia R. Harper  
Clerk of the Board  
By   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$631,000	\$516,800	\$2,230,106	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS: 100% Hospital Enterprise Fund-40050</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 22/23 – 25/26</b>	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The requested Board action will approve the Professional Service Agreement with Forward Health Group, Inc. (FHG) to provide data analytics software as a service to Riverside University Health System Medical Center (RUHS-MC). With these data analytics services, RUHS intends to satisfy reporting requirements for the California Department of Health Care Services (DHCS) Quality Incentive Pool (QIP).

QIP is a pay-for-performance program for California's public health system that converts funding from previously existing supplemental payments into a value-based structure. The RUHS QIP program is tied to the achievement of performance on a set of clinically established quality measures for Medi-Cal managed care enrollees. FHG has helped RUHS-MC meet 100% of the target measures in 2019 and 2020. PRIME and QIP were combined and are now approximately worth \$103,000,000 in the FHG contract.

**Impact on Residents and Businesses**

The incentive dollars for the QIP program have averaged over \$30,000,000 annually, with a projected award of \$103,000,000 for the 2021 reporting year. RUHS' participation in this program allows for the reinvestment of funds back into clinical operations and patient care programs that Riverside County residents will benefit from.

**Additional Fiscal Information**

The table below illustrates the budgeted amount per fiscal year.

<b>Description</b>	<b>FY22/23</b>	<b>FY23/24</b>	<b>FY24/25</b> (Optional Renewal Year)	<b>FY25/26</b> (Optional Renewal Year)	<b>TOTAL</b>
Agreement	\$631,000	\$516,800	\$532,924	\$549,382	<b>\$2,230,106</b>

\*This Agreement ratifies FY21/22 expenses of \$125,000 and is shown above added to FY22/23 expenses of \$485,000 for a total of \$610,000. Semi-annual subscription fee of \$10,500 is added and will cover the ongoing maintenance and support of the clinic level QIP results report for an added total of \$21,000.

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

**Contract History and Price Reasonableness**

On June 7, 2016, Agenda Item No. 3-33, the Board of Supervisors approved a sole source (#16-556) and four-year Services Agreement with Forward Health Group, Inc. to purchase software services that were essential to achieve cost of care and quality goals that satisfied state requirements for the PRIME and Global Payment Program (GPP) for a total contract amount of \$1,715,760.

On January 15, 2019, Agenda Item No. 15.2, the Board of Supervisors approved Amendment No. 1 to the Services Agreement with FHG to extend the contract term to December 31, 2020, and add Statement of Work No. 2 to build and deploy up to twenty-six (26) total measures addressing clinical quality and performance measurement. This amendment added \$1,007,576 bringing the new contract total to \$2,723,336.

On November 3, 2020, Agenda Item No. 15.1, the Board of Supervisors ratified and approved a sole source (#21-037) and Amendment No. 2 to the Services Agreement with FHG to cover prior fiscal year expenses in the amount of \$402,336 for work associated with Statement of Work No. 3 and extend the contract term to June 30, 2021, with a one-year renewal option through June 30, 2022 without seeking competitive bids. This amendment added \$1,064,504 bringing the new contract total to \$3,786,840.

FHG is once again extending a comprehensive 42% pricing discount for all services covered under this Agreement.

This Agreement requires Board of Supervisors approval per Ordinance 459.6 because it is a purchase of a service costing more than \$50,000 made without securing competitive bids.


**ATTACHMENTS:**

**Attachment A:**

**PROFESSIONAL SERVICES AGREEMENT FOR ANALYTICS  
SOFTWARE SOLUTIONS BETWEEN COUNTY OF RIVERSIDE  
AND FORWARD HEALTH GROUP, INC.**

**Attachment B:**

**SOLE SOURCE JUSTIFICATION #SSJ 23-029**

  
Suzanna Hickley, Assistant Director of Purchasing and Fleet Service

8/31/2022

  
Jacqueline Ruiz, Sr. Management Analyst

9/7/2022

WHEN DOCUMENT IS FULLY EXECUTED RETURN  
**CLERK'S COPY**  
to Riverside County Clerk of the Board, Stop 1010  
Post Office Box 1147, Riverside, Ca 92502-1147  
Thank you.

**PROFESSIONAL SERVICE AGREEMENT**

for

**ANALYTICS SOFTWARE SOLUTIONS**

between

**COUNTY OF RIVERSIDE**

and

**FORWARD HEALTH GROUP, INC.**



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This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between FORWARD HEALTH GROUP, INC., (herein referred to as "CONTRACTOR"), a Delaware corporation, and the COUNTY OF RIVERSIDE, (herein referred to as "COUNTY") a political subdivision of the State of California, on behalf of Riverside University Health System. The parties agree as follows:

**1. Description of Services**

1.1 CONTRACTOR shall provide all services as outlined in Exhibit A, Individual Statement of Work No. 1, consisting of eight (8) pages, Exhibit B, Individual Statement of Work No. 2, consisting of five (5) pages, and Attachment I, HIPAA Business Associate Attachment to the Agreement, consisting of ten (10) pages, at the fees outlined in Exhibit A and Exhibit B.

1.2 CONTRACTOR grants to COUNTY during the term of this Agreement, a non-exclusive, non-transferable right to access and use the software products as described in Exhibits A and B, at the prices stated in Exhibits A and B ("Software").

1.3 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.4 CONTRACTOR affirms that it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibits A and B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.5 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

**2. Period of Performance**

2.1 This Agreement shall be effective July 1, 2022 ("Effective Date") and continues in effect through June 30, 2024, with the option to renew for two (2) additional years in one-year increments through June 30, 2026, unless terminated earlier. Such renewals shall be by execution of a formal written amendment extending the term. CONTRACTOR shall commence performance upon the Effective Date and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

**3. Compensation**

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit A and Exhibit B. Maximum payments by COUNTY

to CONTRACTOR shall not exceed two million four hundred fifty three thousand one hundred seventeen dollars (\$2,453,117) including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit A or B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

**3.2** No price increases will be permitted during the first year of this Agreement (If applicable). All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

**3.3** CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

Riverside University Health System  
Attn: Accounts Payable  
26520 Cactus Avenue  
Moreno Valley, CA 92555

- a) Email invoices to Accounts Payable at, [AP@ruhealth.org](mailto:AP@ruhealth.org)
- b) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; and an invoice total.
- c) Invoices shall be rendered thirty (30) days in advance of the subscription periods outlined in Exhibits A and B.

**3.4** The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made, and

invoices shall be rendered "monthly" in arrears. In the State of California, Government agencies are not allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

**4. Alteration or Changes to the Agreement**

**4.1** The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee are the only authorized COUNTY representatives who may at any time, by written order, alter the terms of this Agreement, subject to Section 23.12. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly, pursuant to Section 23.12.

**4.2** Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

**5. Termination**

**5.1.** COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

**5.2** COUNTY may terminate this Agreement for CONTRACTOR's default if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger performance, provided that COUNTY provides written notice of the default to CONTRACTOR and CONTRACTOR fails to cure such default within thirty (30) days of its receipt of the notice. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY. The COUNTY may charge to CONTRACTOR for any costs incurred by COUNTY due to CONTRACTOR's default or failure to perform.

**5.3** After receipt of the notice of termination, CONTRACTOR shall:



- (a) Discontinue all applicable services and stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products prepared by CONTRACTOR in the course of performing the Services.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever, subject to Section 19, to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 If the Agreement is federally or State funded, CONTRACTOR cannot be debarred from the System for Award Management (SAM). CONTRACTOR must notify the COUNTY immediately of a debarment. Reference: System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

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

## 6. Ownership/Use of Contract Materials and Products

6.1 The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY. The material, reports or products may be used by the COUNTY for any purpose that the COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

6.2 Nothing in this Agreement grants any right, title, or interest in or to (including any license under) any Intellectual Property Rights in or relating to: (1) the Software, and all changes, improvements, modifications or additions thereto; (2) any specifications, documentation or other information provided or used by CONTRACTOR or any in connection with the Software (the "CONTRACTOR Materials"); or (3) any materials and information, in any form or medium, including any open-source or other software, documents, data, content, specifications, products, equipment, or components of or relating to the services that are not proprietary to CONTRACTOR ("Third-Party Materials"). All right, title, and interest in and to the Software, the CONTRACTOR Materials, and the Third-Party Materials are and will remain with CONTRACTOR and the respective rights holders in the Third-Party Materials. "Intellectual Property Rights" means any registered and unregistered rights granted, applied for, or otherwise now or hereafter in existence under or related to any patent, copyright, trademark, trade secret, database protection, or other intellectual property rights laws, and all similar or equivalent rights or forms of protection, in any part of the world.

7. **Conduct of Contractor**

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. **Inspection of Service; Quality Control/Assurance**

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's

conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected; the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement in accordance with Section 5.2.

**8.2** CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon reasonable notice to the CONTRACTOR.

**9. Independent Contractor/Employment Eligibility**

**9.1** The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

**9.2** CONTRACTOR warrants that it shall make its best effort to fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C.

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

**10. Subcontract for Work or Services**

**Agreement**

Such individual or entity shall be promptly removed from participating in any activity associated with this or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.

**9.6** CONTRACTOR shall notify COUNTY within five (5) business days if a Covered Individual related to this Agreement shall remove such individual from responsibility for, or involvement with, COUNTY business operations

CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person, CONTRACTOR currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency. If federal and state funded health care services by contract with COUNTY in the event that they are

**9.5** CONTRACTOR acknowledges that Ineligible Persons are precluded from providing becomes an Ineligible Person.

Individual providing services directly relative to this Agreement becomes debarred, excluded or otherwise CONTRACTOR shall notify COUNTY within five (5) business days after it becomes aware if a Covered any debarment, exclusion or other event that makes the Covered Individual an Ineligible Person. the past six (6) months. Covered Individuals shall be required to disclose to CONTRACTOR immediately performed such screening on same Covered Individuals under a separate agreement with COUNTY within of this Agreement to ensure that they have not become Ineligible Persons unless CONTRACTOR has Agreement. CONTRACTOR shall screen all current Covered Individuals within sixty (60) days of execution CONTRACTOR shall not hire or engage any Ineligible Person to provide services directly relative to this

**9.4** CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement. federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

criminal offense related to the provision of health care items or services and has not been reinstated in the debarred or otherwise ineligible to participate in the federal health care programs; or has been convicted of a

**9.3** "Ineligible Person" shall be any individual or entity who: Is currently excluded, suspended, such documentation for all covered employees, for the period prescribed by the law.

§1324 et seq., as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain all

## **11. Disputes**

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

## **12. Licensing and Permits**

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

## **13. Use By Other Political Entities**

The CONTRACTOR in its sole discretion may agree to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

## **14. Non-Discrimination**

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply

with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. §1210 et seq.) and all other applicable laws or regulations.

**15. Records and Documents**

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY at the COUNTY's sole expense. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

**16. Confidentiality**

**16.1** The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

**16.2** The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

**16.3** The CONTRACTOR is subject to and shall operate in compliance with all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public

Law 104-191, enacted August 21, 1996, and the related laws and regulations promulgated subsequent thereto. Please refer to Attachment 1 of this agreement.

**17. Administration/Contract Liaison**

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

**18. Notices**

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

**COUNTY OF RIVERSIDE**

Riverside University Health System  
14375 Nason Street, Ste 208  
Moreno Valley, CA 92555

**CONTRACTOR**

Forward Health Group, Inc.  
1 S. Pinckney St, Suite 301  
Madison, WI 53703

**19. Force Majeure**

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, newly emerging pandemics or epidemics, or other similar acts, such party shall not be held liable for such failure to comply.

**20. EDD Reporting Requirements**

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax

Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

**21. Hold Harmless/Indemnification**

**21.1** CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as COUNTY Indemnitees) from any third-party liability, action, claim or damage whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to CONTRACTOR's breach of this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature. CONTRACTOR shall defend the COUNTY Indemnitees at its sole expense including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services.

**21.2** COUNTY shall indemnify and hold harmless CONTRACTOR and its directors, officers, employees, agents and representatives (individually and collectively hereinafter referred to as CONTRACTOR Indemnitees, and together with the COUNTY Indemnitees, the Indemnitees) from any third-party liability, action, claim or damage whatsoever arising out of or in any way relating to COUNTY's breach of this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature. COUNTY shall defend the CONTRACTOR Indemnitees at its sole expense including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services.

**21.3** With respect to any action or claim subject to indemnification herein, the indemnifying party shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of the other party; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes indemnification to Indemnitees as set forth herein.

**21.4** The indemnifying party's obligation hereunder shall be satisfied when they have provided to the Indemnitees the appropriate form of dismissal relieving the Indemnitees from any liability for the action or claim involved.



21.5 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the COUNTY Indemnitees herein from third party claims.

**22. Insurance**

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

**A. Workers' Compensation:**

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

**B. Commercial General Liability:**

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 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.

**C. Vehicle Liability:**

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain 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 as Additional Insureds.

**D. Professional Liability:**

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

**E. Cyber Liability:**

Insurance, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach of response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County. Policy shall name the COUNTY as Additional Insureds.

**F. General Insurance Provisions - All lines:**

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

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of

the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention 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.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or 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. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside 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 of Riverside 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 coverage's 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 and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

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

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

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

reasonable facilities and timely access to COUNTY data, information, and personnel. performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR'S in this Agreement.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement or Exhibit A or Exhibit B.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.2 Any waiver by either party 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 of this Agreement. Failure on the part of either party 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 the other party from enforcement of the terms of this Agreement.

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

### **23. General**

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

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

**23.8** CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures provided to CONTRACTOR. In the event that a new COUNTY policy or procedure requires CONTRACTOR to make changes, CONTRACTOR has 30 days upon notification to comply. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

**23.9** CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

**23.10** CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

**23.11** This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event 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.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

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: Jeff Hewitt  
Jeff Hewitt, Chair  
Board of Supervisors

Dated: SEP 13 2022

FORWARD HEALTH GROUP, INC., a Delaware corporation

By: Michael Barbouffe  
Name: MICHAEL BARBOUFFE  
Title: CEO

Dated: 9 JUNE 2022

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By: Yvonne Kasso  
Deputy

APPROVED AS TO FORM:  
County Counsel

By: Escn Sainz  
Escn Sainz  
Deputy County Counsel



**Individual Statement of Work No. 1  
Quality Incentive Pool**

Presented by:

**Forward Health Group, Inc.**



**Riverside University Health System Executive Sponsor:**

Angela Simpkins

Chief Clinical Integration Officer

**FHG Executive Sponsor:**

Kerra Guffey

Chief Administrative Officer

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This Individual Statement of Work No. 1, Quality Incentive Pool ("ISOW No. 1"), effective July 1, 2022 ("the Effective Date"), is made pursuant to and governed by the County of Riverside Services Agreement (the "Agreement") between the County of Riverside, California on behalf of Riverside University Health System ("RUHS") and Forward Health Group, Inc. ("FHG"), also effective July 1, 2022, and incorporated herein by this reference. FHG shall perform the services and provide the deliverables specified below on or before the specified due dates and shall perform all its duties and obligations as set forth in the Agreement and this ISOW No. 1 unless otherwise amended as stated below. FHG's compensation shall be as stipulated below. Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement or the MSOW.

**A. Services & Scope**

Under this ISOW No. 1, the intention of both parties is to extend the existing support that FHG has provided to RUHS related to the California Quality Incentive Pool (QIP) program since its inception in 2018. QIP is a performance improvement statewide waiver program that fully replaced the Public Hospital Redesign and Incentives in Medi-Cal (PRIME) waiver program in 2021 and represents an important revenue stream to RUHS. FHG has consistently demonstrated the flexibility required to make necessary adjustments when the State of California changed rules, timelines and measurement requirements. In addition, FHG has played a key role in supporting RUHS with timely and successful improvement and reporting initiatives related to the program. Based upon FHG's knowledge and familiarity with RUHS, which FHG gained and demonstrated in their previous analytics work for both the PRIME and QIP programs, RUHS believes that this experience uniquely positions FHG to provide the most efficient and comprehensive tools and support for future program years as well. FHG will continue to closely partner with RUHS to ensure the reporting required under the QIP program is completed timely and accurately based on the inputs provided by RUHS. RUHS expects that the required number of quality metrics, and some of the metrics themselves, may be changed by California Department of Health Care Services (DHCS) from time to time.

Project Solutions	Item	Scope
PopulationManager	Current Data Source(s)	Epic EHR IEHP Data Molina Data CA DOC Inmates File
	Measures	Forty-five (45) Measures
	Deliverable	Output Files
	Refresh Cadence	Monthly

Additional services not in scope under this ISOW No. 1 will be managed in accordance with the Project Change Control Procedure outlined in the MSOW Appendix A-1.

## B. Term and Termination

The initial term of this ISOW No. 1 shall be the twenty-four (24) month period commencing on the Effective Date of July 1, 2022 and terminating on June 30, 2024, and may be extended for two (2) additional one (1) year terms upon the written agreement of the Parties that would extend it to either June 30, 2025 for Option Year 1, or June 30, 2026 for Option Year 2. Notwithstanding the foregoing, the term of ISOW No. 1 is subject to Termination, as provided in the Agreement, Section 14. This document supersedes all other Statements of Work executed previously by the Parties.

## C. Fees

For this ISOW No. 1, the services and software solution will be conducted on a fixed fee basis depending on the following services provided by FHG.

**Subscription, Monthly Refreshes, and Deep Dives** will be charged a flat fee of \$180,000 per six (6) month period in a year (total of \$360,000 for 12 months) for the first year. This amount will increase annually on the contract anniversary date by 3% to account for increasing costs inherent in the FHG services provided under this Agreement. FHG will withhold \$2,000 per month to allow RUHS recourse in the event that the monthly refresh services provided by FHG are mutually unsatisfactory, either due to a missed timeline or errors that are fully within FHG's control. RUHS will provide written notice to FHG of an unsatisfactory refresh within five (5) days of the missed refresh date, or the monthly refresh will be deemed accepted and the withhold fee for that month will be due to FHG. At the end of the six (6) month period, FHG will invoice for the total amount of withholds earned for the completed period.

**Report Submission Cycles** will be charged a flat fee of \$125,000 per reporting cycle for the initial two years of this Agreement to cover costs related to measure development, fine tuning, and output files for each measure until completion to RUHS satisfaction for filing with the State. For each Option Year, the fee will increase by \$5,000 to cover FHG's increased costs. Each reporting cycle will also include a 15% withhold fee, calculated from the flat fee, until the reporting requirements are complete to support timely filing by RUHS. Once timely filing has been completed, FHG may invoice the withhold amount. The initial reporting period under this agreement is expected to be the report due on June 15, 2022, encompassing the data from January 2021 through December 2021, that FHG has been assisting RUHS to manage and monitor via the monthly refreshes and deep dives as discussed above in their current agreement.

**Table 4: Contract Fee Schedule**

Subscription Date Period	Service	Invoice Due Date	Fee	Holdback	Fee Less Holdback
1/1/2021 - 12/31/2021	Reporting Period due 06/15/2022	Contract Signature	\$125,000	\$18,750	\$106,250
1/1/2022 - 12/31/2022	Reporting Period due date TBD	TBD	\$125,000	\$18,750	\$106,250
1/1/2023 - 12/31/2023	Reporting Period due date TBD	TBD	\$125,000	\$18,750	\$106,250
7/1/22-12/31/22	Subscription, Monthly Refreshes & Deep Dive	July 1, 2022	\$180,000	\$12,000	\$168,000
1/1/23 - 6/30/23	Subscription, Monthly Refreshes & Deep Dive	January 1, 2023	\$180,000	\$12,000	\$168,000
7/1/23 - 12/31/23	Subscription, Monthly Refreshes & Deep Dive	July 1, 2023	\$185,400	\$12,000	\$173,400
1/1/24-6/30/24	Subscription, Monthly Refreshes & Deep Dive	January 1, 2024	\$185,400	\$12,000	\$173,400
		<b>SUBTOTAL</b>	<b>\$1,105,800</b>	<b>\$104,250</b>	<b>\$1,001,550</b>
<b>Option Year 1:</b>					
1/1/2024 - 12/31/2024	Reporting Period due date TBD	TBD	\$130,000	\$19,500	\$110,500
7/1/24-12/31/24	Subscription, Monthly Refreshes & Deep Dive	July 1, 2024	\$190,962	\$12,000	\$178,962
1/1/25 - 6/30/25	Subscription, Monthly Refreshes & Deep Dive	January 1, 2025	\$190,962	\$12,000	\$178,962
		<b>SUBTOTAL</b>	<b>\$511,924</b>	<b>\$43,500</b>	<b>\$468,424</b>
<b>Option Year 2:</b>					
1/1/2025 - 12/31/2025	Reporting Period due date prior to 6/30/26	TBD	\$135,000	\$20,250	\$114,750
7/1/25-12/31/25	Subscription, Monthly Refreshes & Deep Dive	July 1, 2025	\$196,691	\$12,000	\$184,691
1/1/26 - 6/30/26	Subscription, Monthly Refreshes & Deep Dive	January 1, 2026	\$196,691	\$12,000	\$184,691
		<b>SUBTOTAL</b>	<b>\$528,382</b>	<b>\$44,250</b>	<b>\$484,132</b>
		<b>TOTAL</b>	<b>\$2,146,106</b>	<b>\$192,000</b>	<b>\$1,954,106</b>

Note: Reporting periods are assumed to occur annually within the contracted period. If additional cycles are required, the pricing shown above will apply.

Fees noted above are inclusive of an annual data optimization and logic deep dive Program Refinement and Stabilization between RUHS and FHG to ensure the continued accuracy of the data and that the logic used in the measure software continues to reflect the approved measure documents/ DHCS requirements. This price excludes charges incurred in terminating the services, other reasonable expenses incurred in connection with the services, travel, and any applicable taxes. All payment terms are NET thirty (30) days.

\* Blocks of five (5) measures may be procured and will be implemented in up to three (3) phases per year. The annual recurring fee will be prorated based upon the number of remaining months in the contract year.

Analytics	One Time Fee	Annual Recurring Fee
Single Measure	\$17,000	\$9,000
Block of 5 Measures *	\$50,000	\$32,000

**Table 6: Additional Measures**

In the event that additional measures are added to the program, the following fees will apply and will be addressed via the Project Change Control Procedure outlined in the MSOW Appendix A-1.

**Additional Measures**

This contract and pricing are inclusive only of those reporting cycles that are due for filing with the State of California within the period covered by this ISOW No. 1.

**\*\*Monthly Refresh** success criteria assumes that the monthly output files are delivered by the mutually agreed upon delivery date. Should there need to be a change to the date due to a delay or priority change that is out of FHG's control, the Parties will agree to a new mutually negotiated date, which will be the new monthly target. These fees will be invoiced and paid annually per the schedule in Table 5.

**\*Reporting Period** success criteria assumes that the reporting output files are delivered prior to the reporting submission date in accordance with the mutually agreed upon delivery date. Should there need to be a change to the date due to RUIH's delay in submitting data or responses to FHG, need for additional review cycles, or additional measure changes, the Parties will agree to a new mutually negotiated date, which will be the new delivery target.

PHG Holdback Item	Invoice Date	Holdback
Reporting for 2023 due June 15, 2022	June 15, 2022	\$18,750
Reporting for 2022 due TBD	TBD	\$18,750
Reporting for 2023 due TBD	TBD	\$18,750
Completion of 2nd half 2022 Monthly Refreshes	December 31, 2022	\$12,000
Completion of 1st half 2023 Monthly Refreshes	June 30, 2023	\$12,000
Completion of 2nd half 2023 Monthly Refreshes	December 31, 2023	\$12,000
Completion of 1st half 2024 Monthly Refreshes	June 30, 2024	\$12,000
<b>Option Year 1:</b>		
Reporting for 2024 due TBD	TBD	\$19,500
Completion of 2nd half 2024 Monthly Refreshes	December 31, 2024	\$12,000
Completion of 1st half 2025 Monthly Refreshes	June 30, 2025	\$12,000
<b>Option Year 2:</b>		
Reporting for 2024 due TBD	TBD	\$20,250
Completion of 2nd half 2025 Monthly Refreshes	December 31, 2025	\$12,000
Completion of 1st half 2026 Monthly Refreshes	June 30, 2026	\$12,000
<b>SUBTOTAL</b>		
		\$104,250
<b>TOTAL</b>		
		\$192,000

**Table 5: Holdback Schedule**

### Expenses

During the course of the QIP Project, FHG may incur out-of-pocket expenses ("Expenses") including travel related expenses on RUHS's behalf. RUHS agrees to reimburse FHG all reasonable, actual out-of-pocket travel, lodging, meals, and other expenses ("Expenses") incurred in the provision of the services and approved in advance by RUHS, in addition to the other fees due for services rendered in accordance with this ISOW No. 1.

### D. Additional Terms

- Teams will work together on mutually agreed upon measure revisions for scope, timeline, and frequency as directed by RUHS.
- RUHS and FHG agree to participate in a Program Refinement and Stabilization review (aka Deep Dive) to ensure the quality of data from the EHR has not been negatively impacted by the annual software updates that occur typically in November. This activity will occur during a mutually agreed upon time period.
- RUHS will utilize FHG's eMPI solution not more frequently than quarterly however FHG agrees that the eMPI will be refreshed 90 calendar days prior to reporting for QIP and PRIME.
- RUHS may choose to extend this Amendment and exercise either of the Option Years by providing FHG with written notice of intent to do so on or before March 1 prior to the renewal date.
- RUHS will provide or facilitate the necessary tasks to obtain data from any of RUHS's third party vendors. The data and the required connectivity will be mutually agreed by FHG and RUHS. The data and connectivity will be deployed using industry standard data extraction methods and standard database readable output such as web services or standard delimited based file output and comply with SOC II Type 2 procedures. Should RUHS determine data acquisition is outside of the scope of ability of its team, RUHS can request assistance from FHG in harvesting data. If FHG needs to employ an outside resource to facilitate data acquisition, a change order may be required to outline scope of work and any related expense.
- FHG National Committee for Quality Assurance ("NCQA") certification for this QIP program is out of scope for this ISOW No. 1.
- It is acknowledged that the National Council for Quality Assurance (NCQA) has required both RUHS and FHG to execute separate licensing agreements to access the HEDIS Value Set information that is required for the purposes of completion of the measures as defined by the State of California. Both parties have executed the required licenses and are solely responsible for compliance with the licenses as executed by their respective organizations. NCQA has represented that sharing the information between the FHG and RUHS is allowable so long as both licensing agreements are in force.
- FHG will also maintain audit ready documentation and provide representation and availability in response to an audit as is reasonable and mutually agreeable to both parties related to creation of these new measures for RUHS.

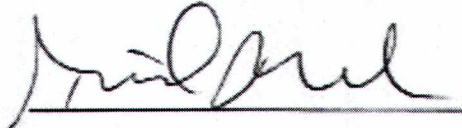
- FHG understands that DHCS recently clarified that all data must be retained and archived for a period of ten (10) years post filing for the QIP program and will proceed accordingly to retain RUHS data as required.

**This ISOW No. 1 is made and entered into by both parties as of the Effective Date specified herein.**

**The County of Riverside, on behalf of its  
Riverside University Health System**

**Forward Health Group, Inc.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: MICHAEL BARBOUCHE

Title: \_\_\_\_\_

Title: CEO

Date: \_\_\_\_\_

Date: 9 June 2022

**EXHIBIT B: ISOW NO. 2**



**Individual Statement of Work No. 2  
Clinic Level QIP Results Reporting**

Presented by:

**Forward Health Group, Inc.**



**Riverside University Health System Executive Sponsor:**

Angela Simpkins

Chief Clinical Integration Officer

**FHG Executive Sponsor:**

Kerra Guffey

Chief Administrative Officer

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This Individual Statement of Work No. 2, Clinic Level Quality Improvement Program (QIP) Results Reporting ("ISOW No. 2"), effective July 1, 2022 (the "Effective Date"), is made pursuant to and governed by the County of Riverside Services Agreement (the "Agreement") between the County of Riverside, California on behalf of Riverside University Health System ("RUHS") and Forward Health Group, Inc. ("FHG"), also effective July 1, 2022 and incorporated herein by this reference. FHG shall perform the services and provide the deliverables specified below on or before the specified due dates and shall perform all its duties and obligations as set forth in the Agreement and this ISOW No. 2 unless otherwise amended as stated below. FHG's compensation shall be as stipulated below. Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

**A. Services & Scope**

Under this ISOW No. 2, the intention of both parties is for FHG to provide RUHS with detailed reports illustrating individual clinic level outcomes based on the QIP results calculated monthly and at the end of the annual prescribed QIP reporting period. RUHS expects that the required number of quality metrics, and some of the metrics themselves, may be changed by California Department of Health Care Services (DHCS) from time to time. FHG will prepare the reports for RUHS' use immediately following each monthly data refresh and at the end of the annual reporting period and will post them so RUHS may accomplish the following goals:

- Identify clinic specific metrics (i.e., denominators and numerators) and results for each of the QIP measures that their results contribute to during each month and the overall annual reporting period that may be displayed both by measure and by clinic location; and
- Identify results trends over time as appropriate for each measure; and
- Compare clinic level results to overall organizational results, and allow results to be sorted to identify high and low performing clinics; and
- Provide graphic visualizations of results compared to benchmarks or overall averages as directed by RUHS.

Project Solutions	Item	Scope
Clinic Level QIP Results Reporting	Data Source	QIP Results (Calculated monthly and for the annual reporting period)
	Measures	Currently Forty-five (45) QIP Measures (Includes adjustments for new measures that are adopted or existing measures that are discontinued by the State)
	Deliverable	Clinic Level QIP Results Reports (By measure and by clinic location)
	Refresh Cadence	Monthly

Please note that these reports do not include drilldown capabilities or any interactive features beyond column sorting as appropriate. Additional services not in scope under this ISOW No. 2 will be managed in accordance with the Project Change Control Procedure outlined in the MSOW Appendix A-1.

Clinic Level QIP Results Reports Subscription Fee	July 1 and January 1 of each Contract Year	\$10,500
Semi-Annual Subscription Fee	Invoice Due Date	

Table 2: Payment Schedule

These fees exclude charges incurred in terminating the services, other reasonable expenses incurred in connection with the services, travel, and any applicable taxes. All payment terms are NET thirty (30) days.

EHG Solution	Waived	\$1,750
Monthly Subscription Fee	Installation Fee	

Table 1: Fees

Subscription costs will cover the ongoing maintenance and support of the clinic level QIP results reports and will be charged at a flat fee of \$1,750 per month, or \$10,500 semi-annually. The subscription fee will be included in the semi-annual QIP program subscription invoices issued to RUHS as stipulated in ISOW No. 1, which are due and payable on July 1 and January 1 of each contract year.

For this ISOW No. 2, fees for services and software subscription will be conducted on a fixed fee basis as specified below:

C. Fees

The initial term of this ISOW No. 2 shall be the twenty-four (24) month period commencing on the Effective Date of July 1, 2022, and terminating on June 30, 2024. This ISOW No. 2 may be extended for two (2) additional one (1) year terms upon the written agreement of the Parties that would extend it to either June 30, 2025, for Option Year 1, or June 30, 2026, for Option Year 2. Notwithstanding the foregoing, the term of this ISOW No. 2 is subject to Termination, as provided in the Agreement, Section 14. This document supersedes all other Statements of Work executed previously by the Parties.

B. Term and Termination

**D. Additional Terms**

- The clinic level results reports will be updated upon the periodic receipt of new data and calculation of updated QIP results at the completion of each monthly refresh process and once annually upon finalization and approval of the output files to be used for the final annual reporting cycle.
- RUHS may choose to extend this Amendment and exercise either of the Option Years by providing FHG with written notice of intent to do so on or before March 1 prior to the renewal date.
- Results reports may be posted to a centralized website that will allow RUHS to download such reports as needed and will also serve as an archive for previously issued reports.

**This ISOW No. 2 is made and entered into by both parties as of the Effective Date specified herein.**

**The County of Riverside, on behalf of its  
Riverside University Health System**

**Forward Health Group, Inc.**

By: \_\_\_\_\_

By: Michael Barbouche

Name: \_\_\_\_\_

Name: MICHAEL BARBOUCHE

Title: \_\_\_\_\_

Title: CEO

Date: \_\_\_\_\_

Date: 9 June 2022

## Attachment I

### HIPAA Business Associate Agreement Addendum to Contract

Between the County of Riverside and Forward Health Group, Inc.

This HIPAA Business Associate Agreement (the "Addendum") supplements, and is made part of the Underlying Agreement between the County of Riverside ("County") and Contractor and shall be effective as of the date the Underlying Agreement approved by both Parties (the "Effective Date").

#### RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which the Contractor provides services to County, and in conjunction with the provision of such services certain protected health information ("PHI") and/or certain electronic protected health information ("ePHI") may be created by or made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Public Law 104-191 enacted August 21, 1996, and the Health Information Technology for Economic and Clinical Health Act ("HITECH") of the American Recovery and Reinvestment Act of 2009, Public Law 111-5 enacted February 17, 2009, and the laws and regulations promulgated subsequent thereto, as may be amended from time to time, are applicable to the protection of any use or disclosure of PHI and/or ePHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a covered entity, as defined in the Privacy Rule; and,

WHEREAS, to the extent County discloses PHI and/or ePHI to Contractor or Contractor creates, receives, maintains, transmits, or has access to PHI and/or ePHI of County, Contractor is a business associate, as defined in the Privacy Rule; and,

WHEREAS, pursuant to 42 USC §17931 and §17934, certain provisions of the Security Rule and Privacy Rule apply to a business associate of a covered entity in the same manner that they apply to the covered entity, the additional security and privacy requirements of HITECH are applicable to business associates and must be incorporated into the business associate agreement, and a business associate is liable for civil and criminal penalties for failure to comply with these security and/or privacy provisions; and,

WHEREAS, the parties mutually agree that any use or disclosure of PHI and/or ePHI must be in compliance with the Privacy Rule, Security Rule, HIPAA, HITECH and any other applicable law; and,

WHEREAS, the parties intend to enter into this Addendum to address the requirements and obligations set forth in the Privacy Rule, Security Rule, HITECH and HIPAA as they apply to Contractor as a business associate of County, including the establishment of permitted and required uses and disclosures of PHI and/or ePHI created or received by Contractor during the course of performing functions, services and activities on behalf of County, and appropriate limitations and conditions on such uses and disclosures;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

- I. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in HITECH, HIPAA, Security Rule and/or Privacy Rule, as may be amended from time to time.
  - A. "Breach" when used in connection with PHI means the acquisition, access, use or disclosure of PHI in a manner not permitted under subpart E of the Privacy Rule which compromises the security or privacy of the PHI, and shall have the meaning given such term in 45 CFR §164.402.
    - (1) Except as provided below in Paragraph (2) of this definition, acquisition, access, use, or disclosure of PHI in a manner not permitted by subpart E of the Privacy Rule is presumed to be a breach unless Contractor demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following four factors:

- (a) Any unintentional acquisition, access or use of PHI by a workforce member or person acting under the authority of a covered entity or business associate, if such acquisition, access or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under subpart E of the Privacy Rule.
- (b) Any inadvertent disclosure by a person who is authorized to access PHI at a covered entity or business associate to another person authorized to access PHI at the same covered entity, business associate, or organized health care arrangement in which County participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted by subpart E of the Privacy Rule.
- (c) A disclosure of PHI where a covered entity or business associate has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.
- B. "Business associate" has the meaning given such term in 45 CFR §164.501, including but not limited to a subcontractor that creates, receives, maintains, transmits or accesses PHI on behalf of the business associate.
- C. "Data aggregation" has the meaning given such term in 45 CFR §164.501.
- D. "Designated record set" as defined in 45 CFR §164.501 means a group of records maintained by or for a covered entity that may include: the medical records and billing records about individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or, used, in whole or in part, by or for the covered entity to make decisions about individuals.
- E. "Electronic protected health information" ("ePHI") as defined in 45 CFR §160.103 means protected health information transmitted by or maintained in electronic media.
- F. "Electronic health record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff, and shall have the meaning given such term in 42 USC §17921(5).
- G. "Health care operations" has the meaning given such term in 45 CFR §164.501.
- H. "Individual" as defined in 45 CFR §160.103 means the person who is the subject of protected health information.
- I. "Person" as defined in 45 CFR §160.103 means a natural person, trust or estate, partnership, corporation, professional association or corporation, or other entity, public or private.
- J. "Privacy Rule" means the HIPAA regulations codified at 45 CFR Parts 160 and 164, Subparts A and E.
- K. "Protected health information" ("PHI") has the meaning given such term in 45 CFR §160.103, which includes ePHI.
- L. "Required by law" has the meaning given such term in 45 CFR §164.103.
- M. "Secretary" means the Secretary of the U.S. Department of Health and Human Services ("HHS").
- (2) Breach excludes:
- (a) The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
- (b) The unauthorized person who used the PHI or to whom the disclosure was made;
- (c) Whether the PHI was actually acquired or viewed; and
- (d) The extent to which the risk to the PHI has been mitigated.

C. Notwithstanding the foregoing, in any instance where applicable state and/or federal laws and/or regulations are more stringent in their requirements than the provisions of HIPAA, including, but not limited to, prohibiting disclosure of mental health and/or substance abuse records, the applicable state and/or federal laws and/or regulations shall control the disclosure of records.

- 4) De-identify all PHI and/or ePHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and/or Security Rule and does not preclude timely payment and/or claims processing and receipt.
- 3) Use PHI to provide data aggregation services relating to the health care operations of County pursuant to the Underlying Agreement or as requested by County; and,

- i. Hold such PHI and/or ePHI in confidence and use or further disclose it only for the purpose for which Contractor disclosed it to the person, or as required by law; and,
- ii. Notify County of any instances of which it becomes aware in which the confidentiality of the information has been breached; and,

- a) The disclosure is required by law; or,
- b) Contractor obtains reasonable assurances, in writing, from the person to whom Contractor will disclose such PHI and/or ePHI that the person will:
  - 1) Use PHI and/or ePHI if necessary for Contractor's proper management and administration and to carry out its legal responsibilities; and,
  - 2) Disclose PHI and/or ePHI for the purpose of Contractor's proper management and administration or to carry out its legal responsibilities; only if:

B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or required by law, in accordance with 45 CFR §164.504(e)(2), Contractor may:

- A. Except as otherwise provided in this Addendum, Contractor may use, disclose, or access PHI and/or ePHI as necessary to perform any and all obligations of Contractor under the Underlying Agreement or to perform functions, activities or services for, or on behalf of, County as specified in this Addendum, if such use or disclosure does not violate HIPAA, HITECH, the Privacy Rule and/or Security Rule.

**2. Scope of Use and Disclosure by Contractor of County's PHI and/or ePHI.**

- Q. "Unsecured protected health information" and "unsecured PHI" as defined in 45 CFR §164.402 means PHI not rendered unusable, unreadable, or indecipherable to unauthorized persons through use of a technology or methodology specified by the Secretary in the guidance issued under 42 USC §17932(h)(2).
- R. "Subcontractor" as defined in 45 CFR §160.103 means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.
- O. "Security Rule" means the HIPAA Regulations codified at 45 CFR Parts 160 and 164, Subparts A and C.
- N. "Security incident" as defined in 45 CFR §164.304 means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

3. **Prohibited Uses and Disclosures.**

- A. Contractor may neither use, disclose, nor access PHI and/or ePHI in a manner not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI and/or ePHI and as authorized in writing from County.
- B. Contractor may neither use, disclose, nor access PHI and/or ePHI it receives from County or from another business associate of County, except as permitted or required by this Addendum, or as required by law.
- C. Contractor agrees not to make any disclosure of PHI and/or ePHI that County would be prohibited from making.
- D. Contractor shall not use or disclose PHI for any purpose prohibited by the Privacy Rule, Security Rule, HIPAA and/or HITECH, including, but not limited to 42 USC §17935 and §17936. Contractor agrees:
  - 1) Not to use or disclose PHI for fundraising, unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.514(f) or 45 CFR §164.508;
  - 2) Not to use or disclose PHI for marketing, as defined in 45 CFR §164.501, unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.508(a)(3);
  - 3) Not to disclose PHI, except as otherwise required by law, to a health plan for purposes of carrying out payment or health care operations, if the individual has requested this restriction pursuant to 42 USC §17935(a) and 45 CFR §164.522, and has paid out of pocket in full for the health care item or service to which the PHI solely relates; and,
  - 4) Not to receive, directly or indirectly, remuneration in exchange for PHI, or engage in any act that would constitute a sale of PHI, as defined in 45 CFR §164.502(a)(5)(ii), unless permitted by the Underlying Agreement and in compliance with the requirements of a valid authorization under 45 CFR §164.508(a)(4). This prohibition shall not apply to payment by County to Contractor for services provided pursuant to the Underlying Agreement.

4. **Obligations of County.**

- A. County agrees to make its best efforts to notify Contractor promptly in writing of any restrictions on the use or disclosure of PHI and/or ePHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees to make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any individual to use or disclose PHI and/or ePHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees to make its best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use or disclosure of PHI and/or ePHI.
- D. County agrees not to request Contractor to use or disclose PHI and/or ePHI in any manner that would not be permissible under HITECH, HIPAA, the Privacy Rule, and/or Security Rule.
- E. County agrees to obtain any authorizations necessary for the use or disclosure of PHI and/or ePHI, so that Contractor can perform its obligations under this Addendum and/or Underlying Agreement.

5. **Obligations of Contractor.** In connection with the use or disclosure of PHI and/or ePHI, Contractor agrees to:

- A. Use or disclose PHI only if such use or disclosure complies with each applicable requirement of 45 CFR §164.504(e). Contractor shall also comply with the additional privacy requirements that are applicable to covered entities in HITECH, as may be amended from time to time.

- B. Not use or further disclose PHI and/or ePHI other than as permitted or required by this Addendum or as required by law. Contractor shall promptly notify County if Contractor is required by law to disclose PHI and/or ePHI.
- C. Use appropriate safeguards and comply, where applicable, with the Security Rule with respect to ePHI, to prevent use or disclosure of PHI and/or ePHI other than as provided for by this Addendum.
- D. Mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI and/or ePHI by Contractor in violation of this Addendum.
- E. Report to County any use or disclosure of PHI and/or ePHI not provided for by this Addendum or otherwise in violation of HITTECH, HIPAA, the Privacy Rule, and/or Security Rule of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410.
- F. In accordance with 45 CFR §164.502(e)(1)(ii), require that any subcontractors that create, receive, maintain, transmit or access PHI on behalf of the Contractor agree through contract to the same restrictions and conditions that apply to Contractor with respect to such PHI and/or ePHI, including the restrictions and conditions pursuant to this Addendum.
- G. Make available to County or the Secretary, in the time and manner designated by County or Secretary, Contractor's internal practices, books and records relating to the use, disclosure and privacy protection of PHI received from County, or created or received by Contractor on behalf of County, for purposes of determining, investigating or auditing Contractor's and/or County's compliance with the Privacy Rule.
- H. Request, use or disclose only the minimum amount of PHI necessary to accomplish the intended purpose of the request, use or disclosure in accordance with 42 USC §17935(b) and 45 CFR §164.502(b)(1).
- I. Comply with requirements of satisfactory assurances under 45 CFR §164.512 relating to notice or qualified protective order in response to a third party's subpoena, discovery request, or other lawful process for the disclosure of PHI, which Contractor shall promptly notify County upon Contractor's receipt of such request from a third party.
- J. Not require an individual to provide patient authorization for use or disclosure of PHI as a condition for treatment, payment, enrollment in any health plan (including the health plan administered by County), or eligibility of benefits, unless otherwise excepted under 45 CFR §164.508(b)(4) and authorized in writing by County.
- K. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use, disclosure, or access of PHI and/or ePHI.
- L. Obtain and maintain knowledge of applicable laws and regulations related to HIPAA and HITTECH, as may be amended from time to time.
- M. Comply with the requirements of the Privacy Rule that apply to the County to the extent Contractor is to carry out County's obligations under the Privacy Rule.
- N. Take reasonable steps to cure or end any pattern of activity or practice of its subcontractor of which Contractor becomes aware that constitute a material breach or violation of the subcontractor's obligations under the business associate contract with Contractor, and if such steps are unsuccessful, Contractor agrees to terminate its contract with the subcontractor if feasible.

**Access to PHI, Amendment and Disclosure Accounting.** Contractor agrees to:

- A. Access to PHI, including ePHI. Provide access to PHI, including ePHI if maintained electronically, in a designated record set to County or an individual as directed by County, within five (5) business days of request from County, to satisfy the requirements of 45 CFR §164.524.

6.



- B. Amendment of PHI.** Make PHI available for amendment and incorporate amendments to PHI in a designated record set County directs or agrees to at the request of an individual, within fifteen (15) days of receiving a written request from County, in accordance with 45 CFR §164.526.
- C. Accounting of disclosures of PHI and electronic health record.** Assist County to fulfill its obligations to provide accounting of disclosures of PHI under 45 CFR §164.528 and, where applicable, electronic health records under 42 USC §17935(c) if Contractor uses or maintains electronic health records. Contractor shall:
- 1) Document such disclosures of PHI and/or electronic health records, and information related to such disclosures, as would be required for County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record in accordance with 45 CFR §164.528.
  - 2) Within fifteen (15) days of receiving a written request from County, provide to County or any individual as directed by County information collected in accordance with this section to permit County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record.
  - 3) Make available for County information required by this Section 6.C for six (6) years preceding the individual's request for accounting of disclosures of PHI, and for three (3) years preceding the individual's request for accounting of disclosures of electronic health record.
- Security of ePHI.** In the event County discloses ePHI to Contractor or Contractor needs to create, receive, maintain, transmit or have access to County ePHI, in accordance with 42 USC §17931 and 45 CFR §164.314(a)(2)(i), and §164.306, Contractor shall:
- A. Comply with the applicable requirements of the Security Rule, and implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that Contractor creates, receives, maintains, or transmits on behalf of County in accordance with 45 CFR §164.308, §164.310, and §164.312.
  - B. Comply with each of the requirements of 45 CFR §164.316 relating to the implementation of policies, procedures and documentation requirements with respect to ePHI;
  - C. Protect against any reasonably anticipated threats or hazards to the security or integrity of ePHI;
  - D. Protect against any reasonably anticipated uses or disclosures of ePHI that are not permitted or required under the Privacy Rule;
  - E. Ensure compliance with the Security Rule by Contractor's workforce;
  - F. In accordance with 45 CFR §164.308(b)(2), require that any subcontractors that create, receive, maintain, transmit, or access ePHI on behalf of Contractor agree through contract to the same restrictions and requirements contained in this Addendum and comply with the applicable requirements of the Security Rule;
  - G. Report to County any security incident of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410; and,
  - H. Comply with any additional security requirements that are applicable to covered entities in Title 42 (Public Health and Welfare) of the United States Code, as may be amended from time to time, including but not limited to HITTECH.
- Breach of Unsecured PHI.** In the case of breach of unsecured PHI, Contractor shall comply with the applicable provisions of 42 USC §17932 and 45 CFR Part 164, Subpart D, including but not limited to 45 CFR §164.410.
- Discovery and notification.** Following the discovery of a breach of unsecured PHI, Contractor shall notify County in writing of such breach without unreasonable delay and in no case later than 60 calendar days after discovery of a breach, except as provided in 45 CFR §164.412.

**Additional State Reporting Requirements.** The parties agree that this Section 8.G applies only if and/or when County, in its capacity as a licensed clinic, health facility, home health agency, or hospice, is required to report unlawful or unauthorized access, use, or disclosure of medical information under the more stringent requirements

G.

**Documentation.** Pursuant to 45 CFR §164.414(b), in the event Contractor's use or disclosure of PHI and/or ePHI violates the Privacy Rule, Contractor shall maintain documentation sufficient to demonstrate that all notifications were made by Contractor as required by 45 CFR Part 164, Subpart D, or that such use or disclosure did not constitute a breach, including Contractor's completed risk assessment and investigation documentation.

F.

**Payment of costs.** With respect to any breach of unsecured PHI caused solely by the Contractor's failure to comply with one or more of its obligations under this Addendum and/or the provisions of HITRACH, HIPAA, the Privacy Rule or the Security Rule, Contractor agrees to pay any and all costs associated with providing all legally required notifications to individuals, media outlets, and the Secretary.

E.

**Delay of notification authorized by law enforcement.** If Contractor delays notification of breach of unsecured PHI pursuant to a law enforcement official's statement that required notification, notice or posting would impede a criminal investigation or cause damage to national security, Contractor shall maintain documentation sufficient to demonstrate its compliance with the requirements of 45 CFR §164.412.

D.

**Breach log.** To the extent breach of unsecured PHI involves less than 500 individuals, Contractor shall maintain a log or other documentation of such breaches and provide such log or other documentation on an annual basis to County not later than fifteen (15) days after the end of each calendar year for submission to the Secretary.

C.

**Cooperation.** With respect to any breach of unsecured PHI reported by Contractor, Contractor shall cooperate with County and shall provide County with any information requested by County to enable County to fulfill in a timely manner its own reporting and notification obligations, including but not limited to providing notice to individuals, prompt media outlets and the Secretary in accordance with 42 USC §17932 and 45 CFR §164.404, §164.406 and §164.408.

B.

Contact procedures for individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.

f)

Any steps individuals should take to protect themselves from potential harm resulting from the breach;  
A brief description of what Contractor is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and  
Contract procedures for individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.

e)

d)

A description of the types of unsecured PHI involved in the breach, such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved;

c)

A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known;

b)

The identification of each individual whose unsecured PHI has been, or is reasonably believed by Contractor to have been accessed, acquired, used or disclosed during the breach;

a)

**2) Content of notification.** The written notification to County relating to breach of unsecured PHI shall include, to the extent possible, the following information if known (or can be reasonably obtained) by Contractor:

2)

**1) Breaches treated as discovered.** A breach is treated as discovered by Contractor as of the first day on which such breach is known to Contractor or, by exercising reasonable diligence, would have been known to Contractor, which includes any person, other than the person committing the breach, who is an employee, officer, or other agent of Contractor (determined in accordance with the federal common law of agency).

1)

- 3) If termination of the Underlying Agreement is not feasible, the breaching party, upon the request of the non-breaching party, shall implement, at its own expense, a plan to cure the breach and report regularly on its compliance with such plan to the non-breaching party.
- 2) Provide the other party with an opportunity to cure the alleged material breach and in the event the other party fails to cure the breach to the satisfaction of the non-breaching party in a timely manner, the non-breaching party has the right to immediately terminate the Underlying Agreement and this Addendum.
- 1) Terminate the Underlying Agreement and this Addendum, effective immediately, if the other party breaches a material provision of this Addendum.

**A. Termination for Breach of Contract.** A breach of any provision of this Addendum by either party shall constitute a material breach of the Underlying Agreement and will provide grounds for terminating this Addendum and the Underlying Agreement with or without an opportunity to cure the breach, notwithstanding any provision in the Underlying Agreement to the contrary. Either party, upon written notice to the other party describing the breach, may take any of the following actions:

- 11. **Termination.**
  - 1) Terminate the Underlying Agreement and this Addendum, effective immediately, if the other party breaches a material provision of this Addendum.
- 10. **Term.** This Addendum shall commence upon the Effective Date and shall terminate when all PHI and/or ePHI provided by County to Contractor, or created or received by Contractor on behalf of County, is destroyed or returned to County, or, if it is infeasible to return or destroy PHI and/ePHI, protections are extended to such information, in accordance with section 11.B of this Addendum.

Intentionally omitted.

- 2) Contractor agrees to report to County any unlawful or unauthorized access, use, or disclosure of patient's medical information without unreasonable delay and no later than two (2) business days after Contractor detects such incident. Contractor further agrees such report shall be made in writing, and shall include substantially the same types of information listed above in Section 8.A.2 (Content of Notification) as applicable to the unlawful or unauthorized access, use, or disclosure as defined above in this section, understanding and acknowledging that the term "breach" as used in Section 8.A.2 does not apply to California Health & Safety Code §1280.15.
- 1) Contractor agrees to assist County to fulfill its reporting obligations to affected patients and to the California Department of Public Health ("CDPH") in a timely manner under the California Health & Safety Code §1280.15.

of California Health & Safety Code §1280.15. For purposes of this Section 8.C, "unauthorized" has the meaning given such term in California Health & Safety Code §1280.15(j)(2).

**B. Effect of Termination.**

- 1) Upon termination of this Addendum, for any reason, Contractor shall return or, if agreed to in writing by County, destroy all PHI and/or ePHI received from County, or created or received by the Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI and/or ePHI which are in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of PHI and/or ePHI, except as provided below in paragraph (2) of this section.
- 2) In the event that Contractor determines that returning or destroying the PHI and/or ePHI is not feasible, Contractor shall provide written notification to County of the conditions that make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI and/or ePHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and/or ePHI and limit further uses and disclosures of such PHI and/or ePHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI and/or ePHI.

**12. General Provisions.**

- A. **Retention Period.** Whenever Contractor is required to document or maintain documentation pursuant to the terms of this Addendum, Contractor shall retain such documentation for 6 years from the date of its creation or as otherwise prescribed by law, whichever is later.
- B. **Amendment.** The parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with HITECH, the Privacy Rule, Security Rule, and HIPAA generally.
- C. **Survival.** The obligations of Contractor under Sections 3, 5, 6, 7, 8, 11.B and 12.A of this Addendum shall survive the termination or expiration of this Addendum.
- D. **Regulatory and Statutory References.** A reference in this Addendum to a section in HITECH, HIPAA, the Privacy Rule and/or Security Rule means the section(s) as in effect or as amended.
- E. **Conflicts.** The provisions of this Addendum shall prevail over any provisions in the Underlying Agreement that conflict or appear inconsistent with any provision in this Addendum.
- F. **Interpretation of Addendum.**
  - 1) This Addendum shall be construed to be part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of the Privacy Rule, Security Rule, HIPAA and HITECH.
  - 2) Any ambiguity between this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule, Security Rule, HIPAA and HITECH generally.
- G. **Notices to County.** All notifications required to be given by Contractor to County pursuant to the terms of this Addendum shall be made in writing and delivered to the County both by fax and to both of the addresses listed below by either registered or certified mail return receipt requested or guaranteed overnight mail with tracing capability, or at such other address as County may hereafter designate. All notices to County provided by Contractor pursuant to this Section shall be deemed given or made when received by County.

County HIPAA Privacy Officer:     HIPAA Privacy Manager

County HIPAA Privacy Officer Address:     26520 Cactus Avenue,  
Moreno Valley, CA 92555

County HIPAA Privacy Officer Phone Number: (951) 486-6471










# PSA for Forward Health Group

Final Audit Report

2022-07-11

Created:	2022-06-20
By:	Jose Curiel (jo.curiel@ruhealth.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAADry6cc3JYfX-yoi6mDxXUX6bZXjD0IYk

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-  Document emailed to e.sainz@rivco.org for signature  
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-  Jose Curiel (jo.curiel@ruhealth.org) replaced signer e.sainz@rivco.org with Esen Sainz (esainz@rivco.org)  
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-  Document emailed to Esen Sainz (esainz@rivco.org) for signature  
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**CLERK'S COPY**  
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Post Office Box 1147, Riverside, Ca 92502-1147  
Thank you.

**PROFESSIONAL SERVICE AGREEMENT**

for

**ANALYTICS SOFTWARE SOLUTIONS**

between

**COUNTY OF RIVERSIDE**

and

**FORWARD HEALTH GROUP, INC.**



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This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_, 2022, by and between FORWARD HEALTH GROUP, INC., (herein referred to as "CONTRACTOR"), a Delaware corporation, and the COUNTY OF RIVERSIDE, (herein referred to as "COUNTY") a political subdivision of the State of California, on behalf of Riverside University Health System. The parties agree as follows:

**1. Description of Services**

**1.1** CONTRACTOR shall provide all services as outlined in Exhibit A, Individual Statement of Work No. 1, consisting of eight (8) pages, Exhibit B, Individual Statement of Work No. 2, consisting of five (5) pages, and Attachment I, HIPAA Business Associate Attachment to the Agreement, consisting of ten (10) pages, at the fees outlined in Exhibit A and Exhibit B.

**1.2** CONTRACTOR grants to COUNTY during the term of this Agreement, a non-exclusive, non-transferable right to access and use the software products as described in Exhibits A and B, at the prices stated in Exhibits A and B ("Software").

**1.3** CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

**1.4** CONTRACTOR affirms that it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibits A and B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

**1.5** Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

**2. Period of Performance**

**2.1** This Agreement shall be effective July 1, 2022 ("Effective Date") and continues in effect through June 30, 2024, with the option to renew for two (2) additional years in one-year increments through June 30, 2026, unless terminated earlier. Such renewals shall be by execution of a formal written amendment extending the term. CONTRACTOR shall commence performance upon the Effective Date and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

**3. Compensation**

**3.1** The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit A and Exhibit B. Maximum payments by COUNTY

to CONTRACTOR shall not exceed two million four hundred fifty three thousand one hundred seventeen dollars (\$2,453,117) including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit A or B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

**3.2** No price increases will be permitted during the first year of this Agreement (If applicable). All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

**3.3** CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

Riverside University Health System  
Attn: Accounts Payable  
26520 Cactus Avenue  
Moreno Valley, CA 92555

- a) Email invoices to Accounts Payable at, [AP@ruhealth.org](mailto:AP@ruhealth.org)
- b) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; and an invoice total.
- c) Invoices shall be rendered thirty (30) days in advance of the subscription periods outlined in Exhibits A and B.

**3.4** The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made, and

invoices shall be rendered "monthly" in arrears. In the State of California, Government agencies are not allowed to pay excess interest and late charges, per Government Codes, Section 926.10. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

**4. Alteration or Changes to the Agreement**

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee are the only authorized COUNTY representatives who may at any time, by written order, alter the terms of this Agreement, subject to Section 23.12. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly, pursuant to Section 23.12.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

**5. Termination**

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

5.2 COUNTY may terminate this Agreement for CONTRACTOR's default if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger performance, provided that COUNTY provides written notice of the default to CONTRACTOR and CONTRACTOR fails to cure such default within thirty (30) days of its receipt of the notice. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY. The COUNTY may charge to CONTRACTOR for any costs incurred by COUNTY due to CONTRACTOR's default or failure to perform.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Discontinue all applicable services and stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products prepared by CONTRACTOR in the course of performing the Services.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever, subject to Section 19, to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 If the Agreement is federally or State funded, CONTRACTOR cannot be debarred from the System for Award Management (SAM). CONTRACTOR must notify the COUNTY immediately of a debarment. Reference: System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS.

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

## 6. Ownership/Use of Contract Materials and Products

6.1 The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY. The material, reports or products may be used by the COUNTY for any purpose that the COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

6.2 Nothing in this Agreement grants any right, title, or interest in or to (including any license under) any Intellectual Property Rights in or relating to: (1) the Software, and all changes, improvements, modifications or additions thereto; (2) any specifications, documentation or other information provided or used by CONTRACTOR or any in connection with the Software (the "CONTRACTOR Materials"); or (3) any materials and information, in any form or medium, including any open-source or other software, documents, data, content, specifications, products, equipment, or components of or relating to the services that are not proprietary to CONTRACTOR ("Third-Party Materials"). All right, title, and interest in and to the Software, the CONTRACTOR Materials, and the Third-Party Materials are and will remain with CONTRACTOR and the respective rights holders in the Third-Party Materials. "Intellectual Property Rights" means any registered and unregistered rights granted, applied for, or otherwise now or hereafter in existence under or related to any patent, copyright, trademark, trade secret, database protection, or other intellectual property rights laws, and all similar or equivalent rights or forms of protection, in any part of the world.

## 7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

## 8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's

conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected; the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement in accordance with Section 5.2.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon reasonable notice to the CONTRACTOR.

9. **Independent Contractor/Employment Eligibility**

9.1 The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

9.2 CONTRACTOR warrants that it shall make its best effort to fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C.

§1324 et seq., as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered employees, for the period prescribed by the law.

9.3 "Ineligible Person" shall be any individual or entity who: Is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal health care programs; or has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

9.4 CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement. CONTRACTOR shall not hire or engage any Ineligible Person to provide services directly relative to this Agreement. CONTRACTOR shall screen all current Covered Individuals within sixty (60) days of execution of this Agreement to ensure that they have not become Ineligible Persons unless CONTRACTOR has performed such screening on same Covered Individuals under a separate agreement with COUNTY within the past six (6) months. Covered Individuals shall be required to disclose to CONTRACTOR immediately any debarment, exclusion or other event that makes the Covered Individual an Ineligible Person. CONTRACTOR shall notify COUNTY within five (5) business days after it becomes aware if a Covered Individual providing services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an Ineligible Person.

9.5 CONTRACTOR acknowledges that Ineligible Persons are precluded from providing federal and state funded health care services by contract with COUNTY in the event that they are currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency. If CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person, CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY business operations related to this Agreement.

9.6 CONTRACTOR shall notify COUNTY within five (5) business days if a Covered Individual or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened. Such individual or entity shall be promptly removed from participating in any activity associated with this Agreement.

#### 10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

## **11. Disputes**

**11.1** The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

**11.2** Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

## **12. Licensing and Permits**

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

## **13. Use By Other Political Entities**

The CONTRACTOR in its sole discretion may agree to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

## **14. Non-Discrimination**

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply



with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. §1210 et seq.) and all other applicable laws or regulations.

**15. Records and Documents**

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY at the COUNTY's sole expense. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

**16. Confidentiality**

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

16.3 The CONTRACTOR is subject to and shall operate in compliance with all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public

Law 104-191, enacted August 21, 1996, and the related laws and regulations promulgated subsequent thereto. Please refer to Attachment 1 of this agreement.

**17. Administration/Contract Liaison**

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

**18. Notices**

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

**COUNTY OF RIVERSIDE**

Riverside University Health System  
14375 Nason Street, Ste 208  
Moreno Valley, CA 92555

**CONTRACTOR**

Forward Health Group, Inc.  
1 S. Pinckney St, Suite 301  
Madison, WI 53703

**19. Force Majeure**

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, newly emerging pandemics or epidemics, or other similar acts, such party shall not be held liable for such failure to comply.

**20. EDD Reporting Requirements**

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax

Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at [www.edd.ca.gov](http://www.edd.ca.gov).

**21. Hold Harmless/Indemnification**

**21.1** CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as COUNTY Indemnitees) from any third-party liability, action, claim or damage whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to CONTRACTOR's breach of this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature. CONTRACTOR shall defend the COUNTY Indemnitees at its sole expense including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services.

**21.2** COUNTY shall indemnify and hold harmless CONTRACTOR and its directors, officers, employees, agents and representatives (individually and collectively hereinafter referred to as CONTRACTOR Indemnitees, and together with the COUNTY Indemnitees, the Indemnitees) from any third-party liability, action, claim or damage whatsoever arising out of or in any way relating to COUNTY's breach of this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature. COUNTY shall defend the CONTRACTOR Indemnitees at its sole expense including all costs and fees (including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards) in any claim or action based upon such acts, omissions or services.

**21.3** With respect to any action or claim subject to indemnification herein, the indemnifying party shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of the other party; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes indemnification to Indemnitees as set forth herein.

**21.4** The indemnifying party's obligation hereunder shall be satisfied when they have provided to the Indemnitees the appropriate form of dismissal relieving the Indemnitees from any liability for the action or claim involved.

**21.5** The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the COUNTY Indemnitees herein from third party claims.

**22. Insurance**

**22.1** Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

**A. Workers' Compensation:**

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

**B. Commercial General Liability:**

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 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.

**C. Vehicle Liability:**

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain 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 as Additional Insureds.

**D. Professional Liability:**

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

**E. Cyber Liability:**

Insurance, with limits not less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this agreement and shall include, but not limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well as credit monitoring expenses with limits sufficient to respond to these obligations.

If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the County requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County. Policy shall name the COUNTY as Additional Insureds.

**F. General Insurance Provisions - All lines:**

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

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of

the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention 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.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or 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. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside 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 of Riverside 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 coverage's 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 and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

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

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

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

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

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

**23. General**

**23.1** CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

**23.2** Any waiver by either party 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 of this Agreement. Failure on the part of either party 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 the other party from enforcement of the terms of this Agreement.

**23.3** In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

**23.4** CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement or Exhibit A or Exhibit B.

**23.5** CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

**23.6** Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

**23.7** The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

**23.8** CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures provided to CONTRACTOR. In the event that a new COUNTY policy or procedure requires CONTRACTOR to make changes, CONTRACTOR has 30 days upon notification to comply. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

**23.9** CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

**23.10** CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

**23.11** This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event 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.



23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

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: Jeff Hewitt  
Jeff Hewitt, Chair  
Board of Supervisors

Dated: SEP 13 2022

FORWARD HEALTH GROUP, INC., a Delaware corporation

By: Michael Barbone  
Name: MICHAEL BARBONE  
Title: CEO

Dated: 9 JUNE 2022

ATTEST:

Kecia Harper-Ihem  
Clerk of the Board

By: Yvonne Raso  
Deputy

APPROVED AS TO FORM:  
County Counsel

By: Esen Sainz  
Esen Sainz  
Deputy County Counsel

EXHIBIT A: ISOW NO. 1



**Riverside  
University  
HEALTH SYSTEM**

**Individual Statement of Work No. 1  
Quality Incentive Pool**

Presented by:

**Forward Health Group, Inc.**



**Riverside University Health System Executive Sponsor:**

Angela Simpkins

Chief Clinical Integration Officer

**FHG Executive Sponsor:**

Korra Guffay

Chief Administrative Officer

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This Individual Statement of Work No. 1, Quality Incentive Pool ("ISOW No. 1"), effective July 1, 2022 ("the Effective Date"), is made pursuant to and governed by the County of Riverside Services Agreement (the "Agreement") between the County of Riverside, California on behalf of Riverside University Health System ("RUHS") and Forward Health Group, Inc. ("FHG"), also effective July 1, 2022, and incorporated herein by this reference. FHG shall perform the services and provide the deliverables specified below on or before the specified due dates and shall perform all its duties and obligations as set forth in the Agreement and this ISOW No. 1 unless otherwise amended as stated below. FHG's compensation shall be as stipulated below. Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement or the MSOW.

**A. Services & Scope**

Under this ISOW No. 1, the intention of both parties is to extend the existing support that FHG has provided to RUHS related to the California Quality Incentive Pool (QIP) program since its inception in 2018. QIP is a performance improvement statewide waiver program that fully replaced the Public Hospital Redesign and Incentives in Medi-Cal (PRIME) waiver program in 2021 and represents an important revenue stream to RUHS. FHG has consistently demonstrated the flexibility required to make necessary adjustments when the State of California changed rules, timelines and measurement requirements. In addition, FHG has played a key role in supporting RUHS with timely and successful improvement and reporting initiatives related to the program. Based upon FHG's knowledge and familiarity with RUHS, which FHG gained and demonstrated in their previous analytics work for both the PRIME and QIP programs, RUHS believes that this experience uniquely positions FHG to provide the most efficient and comprehensive tools and support for future program years as well. FHG will continue to closely partner with RUHS to ensure the reporting required under the QIP program is completed timely and accurately based on the inputs provided by RUHS. RUHS expects that the required number of quality metrics, and some of the metrics themselves, may be changed by California Department of Health Care Services (DHCS) from time to time.

Project Solutions	Item	Scope
PopulationManager	Current Data Source(s)	Epic EHR IEHP Data Molina Data CA DOC Inmates File
	Measures	Forty-five (45) Measures
	Deliverable	Output Files
	Refresh Cadence	Monthly

Additional services not in scope under this ISOW No. 1 will be managed in accordance with the Project Change Control Procedure outlined in the MSOW Appendix A-1.

## B. Term and Termination

The initial term of this ISOW No. 1 shall be the twenty-four (24) month period commencing on the Effective Date of July 1, 2022 and terminating on June 30, 2024, and may be extended for two (2) additional one (1) year terms upon the written agreement of the Parties that would extend it to either June 30, 2025 for Option Year 1, or June 30, 2026 for Option Year 2. Notwithstanding the foregoing, the term of ISOW No. 1 is subject to Termination, as provided in the Agreement, Section 14. This document supersedes all other Statements of Work executed previously by the Parties.

## C. Fees

For this ISOW No. 1, the services and software solution will be conducted on a fixed fee basis depending on the following services provided by FHG.

**Subscription, Monthly Refreshes, and Deep Dives** will be charged a flat fee of \$180,000 per six (6) month period in a year (total of \$360,000 for 12 months) for the first year. This amount will increase annually on the contract anniversary date by 3% to account for increasing costs inherent in the FHG services provided under this Agreement. FHG will withhold \$2,000 per month to allow RUHS recourse in the event that the monthly refresh services provided by FHG are mutually unsatisfactory, either due to a missed timeline or errors that are fully within FHG's control. RUHS will provide written notice to FHG of an unsatisfactory refresh within five (5) days of the missed refresh date, or the monthly refresh will be deemed accepted and the withhold fee for that month will be due to FHG. At the end of the six (6) month period, FHG will invoice for the total amount of withholds earned for the completed period.

**Report Submission Cycles** will be charged a flat fee of \$125,000 per reporting cycle for the initial two years of this Agreement to cover costs related to measure development, fine tuning, and output files for each measure until completion to RUHS satisfaction for filing with the State. For each Option Year, the fee will increase by \$5,000 to cover FHG's increased costs. Each reporting cycle will also include a 15% withhold fee, calculated from the flat fee, until the reporting requirements are complete to support timely filing by RUHS. Once timely filing has been completed, FHG may invoice the withhold amount. The initial reporting period under this agreement is expected to be the report due on June 15, 2022, encompassing the data from January 2021 through December 2021, that FHG has been assisting RUHS to manage and monitor via the monthly refreshes and deep dives as discussed above in their current agreement.

**Table 4: Contract Fee Schedule**

Subscription Date Period	Service	Invoice Due Date	Fee	Holdback	Fee Less Holdback
1/1/2021 - 12/31/2021	Reporting Period due 06/15/2022	Contract Signature	\$125,000	\$18,750	\$106,250
1/1/2022 - 12/31/2022	Reporting Period due date TBD	TBD	\$125,000	\$18,750	\$106,250
1/1/2023 - 12/31/2023	Reporting Period due date TBD	TBD	\$125,000	\$18,750	\$106,250
7/1/22 - 12/31/22	Subscription, Monthly Refreshes & Deep Dive	July 1, 2022	\$180,000	\$12,000	\$168,000
1/1/23 - 6/30/23	Subscription, Monthly Refreshes & Deep Dive	January 1, 2023	\$180,000	\$12,000	\$168,000
7/1/23 - 12/31/23	Subscription, Monthly Refreshes & Deep Dive	July 1, 2023	\$185,400	\$12,000	\$173,400
1/1/24 - 6/30/24	Subscription, Monthly Refreshes & Deep Dive	January 1, 2024	\$185,400	\$12,000	\$173,400
		<b>SUBTOTAL</b>	<b>\$1,205,800</b>	<b>\$104,250</b>	<b>\$1,001,550</b>
<b>Option Year 1:</b>					
1/1/2024 - 12/31/2024	Reporting Period due date TBD	TBD	\$130,000	\$19,500	\$110,500
7/1/24 - 12/31/24	Subscription, Monthly Refreshes & Deep Dive	July 1, 2024	\$190,962	\$12,000	\$178,962
1/1/25 - 6/30/25	Subscription, Monthly Refreshes & Deep Dive	January 1, 2025	\$190,962	\$12,000	\$178,962
		<b>SUBTOTAL</b>	<b>\$511,924</b>	<b>\$43,500</b>	<b>\$468,424</b>
<b>Option Year 2:</b>					
1/1/2025 - 12/31/2025	Reporting Period due date prior to 6/30/26	TBD	\$135,000	\$20,250	\$114,750
7/1/25 - 12/31/25	Subscription, Monthly Refreshes & Deep Dive	July 1, 2025	\$196,691	\$12,000	\$184,691
1/1/26 - 6/30/26	Subscription, Monthly Refreshes & Deep Dive	January 1, 2026	\$196,691	\$12,000	\$184,691
		<b>SUBTOTAL</b>	<b>\$528,382</b>	<b>\$44,250</b>	<b>\$484,132</b>
		<b>TOTAL</b>	<b>\$2,146,106</b>	<b>\$192,000</b>	<b>\$1,954,106</b>

Note: Reporting periods are assumed to occur annually within the contracted period. If additional cycles are required, the pricing shown above will apply.

Fees noted above are inclusive of an annual data optimization and logic deep dive Program Refinement and Stabilization between RUHS and FHG to ensure the continued accuracy of the data and that the logic used in the measure software continues to reflect the approved measure documents/ DHCS requirements. This price excludes charges incurred in terminating the services, other reasonable expenses incurred in connection with the services, travel, and any applicable taxes. All payment terms are NET thirty (30) days.

**Table 5: Holdback Schedule**

FHG Holdback Item	Invoice Date	Holdback
Reporting for 2021 due June 15, 2022	June 15, 2022	\$18,750
Reporting for 2022 due TBD	TBD	\$18,750
Reporting for 2023 due TBD	TBD	\$18,750
Completion of 2nd half 2022 Monthly Refreshes	December 31, 2022	\$12,000
Completion of 1st half 2023 Monthly Refreshes	June 30, 2023	\$12,000
Completion of 2nd half 2023 Monthly Refreshes	December 31, 2023	\$12,000
Completion of 1st half 2024 Monthly Refreshes	June 30, 2024	\$12,000
<b>SUBTOTAL</b>		<b>\$104,250</b>
<b>Option Year 1:</b>		
Reporting for 2024 due TBD	TBD	\$19,500
Completion of 2nd half 2024 Monthly Refreshes	December 31, 2024	\$12,000
Completion of 1st half 2025 Monthly Refreshes	June 30, 2025	\$12,000
<b>SUBTOTAL</b>		<b>\$43,500</b>
<b>Option Year 2:</b>		
Reporting for 2024 due TBD	TBD	\$20,250
Completion of 2nd half 2025 Monthly Refreshes	December 31, 2025	\$12,000
Completion of 1st half 2026 Monthly Refreshes	June 30, 2026	\$12,000
<b>SUBTOTAL</b>		<b>\$44,250</b>
<b>TOTAL</b>		<b>\$192,000</b>

**\*Reporting Period** success criteria assumes that the reporting output files are delivered prior to the reporting submission date in accordance with the mutually agreed upon delivery date. Should there need to be a change to the date due to RUHS's delay in submitting data or responses to FHG, need for additional review cycles, or additional measure changes, the Parties will agree to a new mutually negotiated date, which will be the new delivery target.

**\*\*Monthly Refresh** success criteria assumes that the monthly output files are delivered by the mutually agreed upon delivery date. Should there need to be a change to the date due to a delay or priority change that is out of FHG's control, the Parties will agree to a new mutually negotiated date, which will be the new monthly target. These fees will be invoiced and paid annually per the schedule in Table 5.

This contract and pricing are inclusive only of those reporting cycles that are due for filing with the State of California within the period covered by this ISOW No. 1.

**Additional Measures**

In the event that additional measures are added to the program, the following fees will apply and will be addressed via the Project Change Control Procedure outlined in the MSOW Appendix A-1.

**Table 6: Additional Measures**

Analytics	One Time Fee	Annual Recurring Fee
Single Measure	\$17,000	\$9,000
Block of 5 Measures *	\$50,000	\$32,000

\* Blocks of five (5) measures may be procured and will be implemented in up to three (3) phases per year. The annual recurring fee will be prorated based upon the number of remaining months in the contract year.



### Expenses

During the course of the QIP Project, FHG may incur out-of-pocket expenses ("Expenses") including travel related expenses on RUHS's behalf. RUHS agrees to reimburse FHG all reasonable, actual out-of-pocket travel, lodging, meals, and other expenses ("Expenses") incurred in the provision of the services and approved in advance by RUHS, in addition to the other fees due for services rendered in accordance with this ISOW No. 1.

### **D. Additional Terms**

- Teams will work together on mutually agreed upon measure revisions for scope, timeline, and frequency as directed by RUHS.
- RUHS and FHG agree to participate in a Program Refinement and Stabilization review (aka Deep Dive) to ensure the quality of data from the EHR has not been negatively impacted by the annual software updates that occur typically in November. This activity will occur during a mutually agreed upon time period.
- RUHS will utilize FHG's eMPI solution not more frequently than quarterly however FHG agrees that the eMPI will be refreshed 90 calendar days prior to reporting for QIP and PRIME.
- RUHS may choose to extend this Amendment and exercise either of the Option Years by providing FHG with written notice of intent to do so on or before March 1 prior to the renewal date.
- RUHS will provide or facilitate the necessary tasks to obtain data from any of RUHS's third party vendors. The data and the required connectivity will be mutually agreed by FHG and RUHS. The data and connectivity will be deployed using industry standard data extraction methods and standard database readable output such as web services or standard delimited based file output and comply with SOC II Type 2 procedures. Should RUHS determine data acquisition is outside of the scope of ability of its team, RUHS can request assistance from FHG in harvesting data. If FHG needs to employ an outside resource to facilitate data acquisition, a change order may be required to outline scope of work and any related expense.
- FHG National Committee for Quality Assurance ("NCQA") certification for this QIP program is out of scope for this ISOW No. 1.
- It is acknowledged that the National Council for Quality Assurance (NCQA) has required both RUHS and FHG to execute separate licensing agreements to access the HEDIS Value Set information that is required for the purposes of completion of the measures as defined by the State of California. Both parties have executed the required licenses and are solely responsible for compliance with the licenses as executed by their respective organizations. NCQA has represented that sharing the information between the FHG and RUHS is allowable so long as both licensing agreements are in force.
- FHG will also maintain audit ready documentation and provide representation and availability in response to an audit as is reasonable and mutually agreeable to both parties related to creation of these new measures for RUHS.

- FHG understands that DHCS recently clarified that all data must be retained and archived for a period of ten (10) years post filing for the QIP program and will proceed accordingly to retain RUHS data as required.

This ISOW No. 1 is made and entered into by both parties as of the Effective Date specified herein.

The County of Riverside, on behalf of its  
Riverside University Health System

Forward Health Group, Inc.

By: \_\_\_\_\_

By: 

Name: \_\_\_\_\_

Name: MICHAEL BARBOCHE

Title: \_\_\_\_\_

Title: CEO

Date: \_\_\_\_\_

Date: 9 June 2022

EXHIBIT B: ISOW NO. 2



Individual Statement of Work No. 2  
Clinic Level QIP Results Reporting

Presented by:

Forward Health Group, Inc.



**Riverside University Health System Executive Sponsor:**

Angela Simpkins  
Chief Clinical Integration Officer

**FHG Executive Sponsor:**

Kerra Guffey  
Chief Administrative Officer

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This Individual Statement of Work No. 2, Clinic Level Quality Improvement Program (QIP) Results Reporting ("ISOW No. 2"), effective July 1, 2022 (the "Effective Date"), is made pursuant to and governed by the County of Riverside Services Agreement (the "Agreement") between the County of Riverside, California on behalf of Riverside University Health System ("RUHS") and Forward Health Group, Inc. ("FHG"), also effective July 1, 2022 and incorporated herein by this reference. FHG shall perform the services and provide the deliverables specified below on or before the specified due dates and shall perform all its duties and obligations as set forth in the Agreement and this ISOW No. 2 unless otherwise amended as stated below. FHG's compensation shall be as stipulated below. Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

## A. Services & Scope

Under this ISOW No. 2, the intention of both parties is for FHG to provide RUHS with detailed reports illustrating individual clinic level outcomes based on the QIP results calculated monthly and at the end of the annual prescribed QIP reporting period. RUHS expects that the required number of quality metrics, and some of the metrics themselves, may be changed by California Department of Health Care Services (DHCS) from time to time. FHG will prepare the reports for RUHS' use immediately following each monthly data refresh and at the end of the annual reporting period and will post them so RUHS may accomplish the following goals:

- Identify clinic specific metrics (i.e., denominators and numerators) and results for each of the QIP measures that their results contribute to during each month and the overall annual reporting period that may be displayed both by measure and by clinic location; and
- Identify results trends over time as appropriate for each measure; and
- Compare clinic level results to overall organizational results, and allow results to be sorted to identify high and low performing clinics; and
- Provide graphic visualizations of results compared to benchmarks or overall averages as directed by RUHS.

Project Solutions	Item	Scope
Clinic Level QIP Results Reporting	Data Source	QIP Results (Calculated monthly and for the annual reporting period)
	Measures	Currently Forty-five (45) QIP Measures (Includes adjustments for new measures that are adopted or existing measures that are discontinued by the State)
	Deliverable	Clinic Level QIP Results Reports (By measure and by clinic location)
	Refresh Cadence	Monthly

Please note that these reports do not include drilldown capabilities or any interactive features beyond column sorting as appropriate. Additional services not in scope under this ISOW No. 2 will be managed in accordance with the Project Change Control Procedure outlined in the MSOW Appendix A-1.

## B. Term and Termination

The initial term of this ISOW No. 2 shall be the twenty-four (24) month period commencing on the Effective Date of July 1, 2022, and terminating on June 30, 2024. This ISOW No. 2 may be extended for two (2) additional one (1) year terms upon the written agreement of the Parties that would extend it to either June 30, 2025, for Option Year 1, or June 30, 2026, for Option Year 2. Notwithstanding the foregoing, the term of this ISOW No. 2 is subject to Termination, as provided in the Agreement, Section 14. This document supersedes all other Statements of Work executed previously by the Parties.

## C. Fees

For this ISOW No. 2, fees for services and software subscription will be conducted on a fixed fee basis as specified below:

**Subscription** costs will cover the ongoing maintenance and support of the clinic level QIP results reports and will be charged at a flat fee of \$1,750 per month, or \$10,500 semi-annually. The subscription fee will be included in the semi-annual QIP program subscription invoices issued to RUHS as stipulated in ISOW No. 1, which are due and payable on July 1 and January 1 of each contract year.

Table 1: Fees

FHG Solution	Installation Fee	Monthly Subscription Fee
Clinic Level QIP Results Reports	Waived	\$1,750

These fees exclude charges incurred in terminating the services, other reasonable expenses incurred in connection with the services, travel, and any applicable taxes. All payment terms are NET thirty (30) days.

Table 2: Payment Schedule

	Invoice Due Date	Semi-Annual Subscription Fee
Clinic Level QIP Results Reports Subscription Fee	July 1 and January 1 of each Contract Year	\$10,500

**D. Additional Terms**

- The clinic level results reports will be updated upon the periodic receipt of new data and calculation of updated QIP results at the completion of each monthly refresh process and once annually upon finalization and approval of the output files to be used for the final annual reporting cycle.
- RUHS may choose to extend this Amendment and exercise either of the Option Years by providing FHG with written notice of intent to do so on or before March 1 prior to the renewal date.
- Results reports may be posted to a centralized website that will allow RUHS to download such reports as needed and will also serve as an archive for previously issued reports.

This ISOW No. 2 is made and entered into by both parties as of the Effective Date specified herein.

The County of Riverside, on behalf of its  
Riverside University Health System

Forward Health Group, Inc.

By: \_\_\_\_\_

By: Michael Barboche

Name: \_\_\_\_\_

Name: MICHAEL BARBOCHE

Title: \_\_\_\_\_

Title: CEO

Date: \_\_\_\_\_

Date: 9 June 2022

## Attachment I

### HIPAA Business Associate Agreement Addendum to Contract

Between the County of Riverside and Forward Health Group, Inc.

This HIPAA Business Associate Agreement (the "Addendum") supplements, and is made part of the Underlying Agreement between the County of Riverside ("County") and Contractor and shall be effective as of the date the Underlying Agreement approved by both Parties (the "Effective Date").

#### RECITALS

WHEREAS, County and Contractor entered into the Underlying Agreement pursuant to which the Contractor provides services to County, and in conjunction with the provision of such services certain protected health information ("PHI") and/or certain electronic protected health information ("ePHI") may be created by or made available to Contractor for the purposes of carrying out its obligations under the Underlying Agreement; and,

WHEREAS, the provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Public Law 104-191 enacted August 21, 1996, and the Health Information Technology for Economic and Clinical Health Act ("HITECH") of the American Recovery and Reinvestment Act of 2009, Public Law 111-5 enacted February 17, 2009, and the laws and regulations promulgated subsequent thereto, as may be amended from time to time, are applicable to the protection of any use or disclosure of PHI and/or ePHI pursuant to the Underlying Agreement; and,

WHEREAS, County is a covered entity, as defined in the Privacy Rule; and,

WHEREAS, to the extent County discloses PHI and/or ePHI to Contractor or Contractor creates, receives, maintains, transmits, or has access to PHI and/or ePHI of County, Contractor is a business associate, as defined in the Privacy Rule; and,

WHEREAS, pursuant to 42 USC §17931 and §17934, certain provisions of the Security Rule and Privacy Rule apply to a business associate of a covered entity in the same manner that they apply to the covered entity, the additional security and privacy requirements of HITECH are applicable to business associates and must be incorporated into the business associate agreement, and a business associate is liable for civil and criminal penalties for failure to comply with these security and/or privacy provisions; and,

WHEREAS, the parties mutually agree that any use or disclosure of PHI and/or ePHI must be in compliance with the Privacy Rule, Security Rule, HIPAA, HITECH and any other applicable law; and,

WHEREAS, the parties intend to enter into this Addendum to address the requirements and obligations set forth in the Privacy Rule, Security Rule, HITECH and HIPAA as they apply to Contractor as a business associate of County, including the establishment of permitted and required uses and disclosures of PHI and/or ePHI created or received by Contractor during the course of performing functions, services and activities on behalf of County, and appropriate limitations and conditions on such uses and disclosures;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. **Definitions.** Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in HITECH, HIPAA, Security Rule and/or Privacy Rule, as may be amended from time to time.
  - A. "Breach" when used in connection with PHI means the acquisition, access, use or disclosure of PHI in a manner not permitted under subpart E of the Privacy Rule which compromises the security or privacy of the PHI, and shall have the meaning given such term in 45 CFR §164.402.
    - (1) Except as provided below in Paragraph (2) of this definition, acquisition, access, use, or disclosure of PHI in a manner not permitted by subpart E of the Privacy Rule is presumed to be a breach unless Contractor demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following four factors:



- (a) The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;
- (b) The unauthorized person who used the PHI or to whom the disclosure was made;
- (c) Whether the PHI was actually acquired or viewed; and
- (d) The extent to which the risk to the PHI has been mitigated.

(2) Breach excludes:

- (a) Any unintentional acquisition, access or use of PHI by a workforce member or person acting under the authority of a covered entity or business associate, if such acquisition, access or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under subpart E of the Privacy Rule.
- (b) Any inadvertent disclosure by a person who is authorized to access PHI at a covered entity or business associate to another person authorized to access PHI at the same covered entity, business associate, or organized health care arrangement in which County participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted by subpart E of the Privacy Rule.
- (c) A disclosure of PHI where a covered entity or business associate has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.

- B. "Business associate" has the meaning given such term in 45 CFR §164.501, including but not limited to a subcontractor that creates, receives, maintains, transmits or accesses PHI on behalf of the business associate.
- C. "Data aggregation" has the meaning given such term in 45 CFR §164.501.
- D. "Designated record set" as defined in 45 CFR §164.501 means a group of records maintained by or for a covered entity that may include: the medical records and billing records about individuals maintained by or for a covered health care provider; the enrollment, payment, claims adjudication, and case or medical management record systems maintained by or for a health plan; or, used, in whole or in part, by or for the covered entity to make decisions about individuals.
- E. "Electronic protected health information" ("ePHI") as defined in 45 CFR §160.103 means protected health information transmitted by or maintained in electronic media.
- F. "Electronic health record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff, and shall have the meaning given such term in 42 USC §17921(5).
- G. "Health care operations" has the meaning given such term in 45 CFR §164.501.
- H. "Individual" as defined in 45 CFR §160.103 means the person who is the subject of protected health information.
- I. "Person" as defined in 45 CFR §160.103 means a natural person, trust or estate, partnership, corporation, professional association or corporation, or other entity, public or private.
- J. "Privacy Rule" means the HIPAA regulations codified at 45 CFR Parts 160 and 164, Subparts A and E.
- K. "Protected health information" ("PHI") has the meaning given such term in 45 CFR §160.103, which includes ePHI.
- L. "Required by law" has the meaning given such term in 45 CFR §164.103.
- M. "Secretary" means the Secretary of the U.S. Department of Health and Human Services ("HHS").

- N. "Security incident" as defined in 45 CFR §164.304 means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.
- O. "Security Rule" means the HIPAA Regulations codified at 45 CFR Parts 160 and 164, Subparts A and C.
- P. "Subcontractor" as defined in 45 CFR §160.103 means a person to whom a business associate delegates a function, activity, or service, other than in the capacity of a member of the workforce of such business associate.
- Q. "Unsecured protected health information" and "unsecured PHI" as defined in 45 CFR §164.402 means PHI not rendered unusable, unreadable, or indecipherable to unauthorized persons through use of a technology or methodology specified by the Secretary in the guidance issued under 42 USC §17932(h)(2).

2. **Scope of Use and Disclosure by Contractor of County's PHI and/or ePHI.**

- A. Except as otherwise provided in this Addendum, Contractor may use, disclose, or access PHI and/or ePHI as necessary to perform any and all obligations of Contractor under the Underlying Agreement or to perform functions, activities or services for, or on behalf of, County as specified in this Addendum, if such use or disclosure does not violate HIPAA, HITECH, the Privacy Rule and/or Security Rule.
- B. Unless otherwise limited herein, in addition to any other uses and/or disclosures permitted or authorized by this Addendum or required by law, in accordance with 45 CFR §164.504(e)(2), Contractor may:
  - 1) Use PHI and/or ePHI if necessary for Contractor's proper management and administration and to carry out its legal responsibilities; and,
  - 2) Disclose PHI and/or ePHI for the purpose of Contractor's proper management and administration or to carry out its legal responsibilities, only if:
    - a) The disclosure is required by law; or,
    - b) Contractor obtains reasonable assurances, in writing, from the person to whom Contractor will disclose such PHI and/or ePHI that the person will:
      - i. Hold such PHI and/or ePHI in confidence and use or further disclose it only for the purpose for which Contractor disclosed it to the person, or as required by law; and,
      - ii. Notify County of any instances of which it becomes aware in which the confidentiality of the information has been breached; and,
  - 3) Use PHI to provide data aggregation services relating to the health care operations of County pursuant to the Underlying Agreement or as requested by County; and,
  - 4) De-identify all PHI and/or ePHI of County received by Contractor under this Addendum provided that the de-identification conforms to the requirements of the Privacy Rule and/or Security Rule and does not preclude timely payment and/or claims processing and receipt.
- C. Notwithstanding the foregoing, in any instance where applicable state and/or federal laws and/or regulations are more stringent in their requirements than the provisions of HIPAA, including, but not limited to, prohibiting disclosure of mental health and/or substance abuse records, the applicable state and/or federal laws and/or regulations shall control the disclosure of records.

3. **Prohibited Uses and Disclosures.**

- A. Contractor may neither use, disclose, nor access PHI and/or ePHI in a manner not authorized by the Underlying Agreement or this Addendum without patient authorization or de-identification of the PHI and/or ePHI and as authorized in writing from County.
- B. Contractor may neither use, disclose, nor access PHI and/or ePHI it receives from County or from another business associate of County, except as permitted or required by this Addendum, or as required by law.
- C. Contractor agrees not to make any disclosure of PHI and/or ePHI that County would be prohibited from making.
- D. Contractor shall not use or disclose PHI for any purpose prohibited by the Privacy Rule, Security Rule, HIPAA and/or HITECH, including, but not limited to 42 USC §17935 and §17936. Contractor agrees:
  - 1) Not to use or disclose PHI for fundraising, unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.514(f) or 45 CFR §164.508;
  - 2) Not to use or disclose PHI for marketing, as defined in 45 CFR §164.501, unless pursuant to the Underlying Agreement and only if permitted by and in compliance with the requirements of 45 CFR §164.508(a)(3);
  - 3) Not to disclose PHI, except as otherwise required by law, to a health plan for purposes of carrying out payment or health care operations, if the individual has requested this restriction pursuant to 42 USC §17935(a) and 45 CFR §164.522, and has paid out of pocket in full for the health care item or service to which the PHI solely relates; and,
  - 4) Not to receive, directly or indirectly, remuneration in exchange for PHI, or engage in any act that would constitute a sale of PHI, as defined in 45 CFR §164.502(a)(5)(ii), unless permitted by the Underlying Agreement and in compliance with the requirements of a valid authorization under 45 CFR §164.508(a)(4). This prohibition shall not apply to payment by County to Contractor for services provided pursuant to the Underlying Agreement.

4. **Obligations of County.**

- A. County agrees to make its best efforts to notify Contractor promptly in writing of any restrictions on the use or disclosure of PHI and/or ePHI agreed to by County that may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- B. County agrees to make its best efforts to promptly notify Contractor in writing of any changes in, or revocation of, permission by any individual to use or disclose PHI and/or ePHI, if such changes or revocation may affect Contractor's ability to perform its obligations under the Underlying Agreement, or this Addendum.
- C. County agrees to make its best efforts to promptly notify Contractor in writing of any known limitation(s) in its notice of privacy practices to the extent that such limitation may affect Contractor's use or disclosure of PHI and/or ePHI.
- D. County agrees not to request Contractor to use or disclose PHI and/or ePHI in any manner that would not be permissible under HITECH, HIPAA, the Privacy Rule, and/or Security Rule.
- E. County agrees to obtain any authorizations necessary for the use or disclosure of PHI and/or ePHI, so that Contractor can perform its obligations under this Addendum and/or Underlying Agreement.

5. **Obligations of Contractor.** In connection with the use or disclosure of PHI and/or ePHI, Contractor agrees to:

- A. Use or disclose PHI only if such use or disclosure complies with each applicable requirement of 45 CFR §164.504(e). Contractor shall also comply with the additional privacy requirements that are applicable to covered entities in HITECH, as may be amended from time to time.

- B. Not use or further disclose PHI and/or ePHI other than as permitted or required by this Addendum or as required by law. Contractor shall promptly notify County if Contractor is required by law to disclose PHI and/or ePHI.
- C. Use appropriate safeguards and comply, where applicable, with the Security Rule with respect to ePHI, to prevent use or disclosure of PHI and/or ePHI other than as provided for by this Addendum.
- D. Mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI and/or ePHI by Contractor in violation of this Addendum.
- E. Report to County any use or disclosure of PHI and/or ePHI not provided for by this Addendum or otherwise in violation of HITECH, HIPAA, the Privacy Rule, and/or Security Rule of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410.
- F. In accordance with 45 CFR §164.502(e)(1)(ii), require that any subcontractors that create, receive, maintain, transmit or access PHI on behalf of the Contractor agree through contract to the same restrictions and conditions that apply to Contractor with respect to such PHI and/or ePHI, including the restrictions and conditions pursuant to this Addendum.
- G. Make available to County or the Secretary, in the time and manner designated by County or Secretary, Contractor's internal practices, books and records relating to the use, disclosure and privacy protection of PHI received from County, or created or received by Contractor on behalf of County, for purposes of determining, investigating or auditing Contractor's and/or County's compliance with the Privacy Rule.
- H. Request, use or disclose only the minimum amount of PHI necessary to accomplish the intended purpose of the request, use or disclosure in accordance with 42 USC §17935(b) and 45 CFR §164.502(b)(1).
- I. Comply with requirements of satisfactory assurances under 45 CFR §164.512 relating to notice or qualified protective order in response to a third party's subpoena, discovery request, or other lawful process for the disclosure of PHI, which Contractor shall promptly notify County upon Contractor's receipt of such request from a third party.
- J. Not require an individual to provide patient authorization for use or disclosure of PHI as a condition for treatment, payment, enrollment in any health plan (including the health plan administered by County), or eligibility of benefits, unless otherwise excepted under 45 CFR §164.508(b)(4) and authorized in writing by County.
- K. Use appropriate administrative, technical and physical safeguards to prevent inappropriate use, disclosure, or access of PHI and/or ePHI.
- L. Obtain and maintain knowledge of applicable laws and regulations related to HIPAA and HITECH, as may be amended from time to time.
- M. Comply with the requirements of the Privacy Rule that apply to the County to the extent Contractor is to carry out County's obligations under the Privacy Rule.
- N. Take reasonable steps to cure or end any pattern of activity or practice of its subcontractor of which Contractor becomes aware that constitute a material breach or violation of the subcontractor's obligations under the business associate contract with Contractor, and if such steps are unsuccessful, Contractor agrees to terminate its contract with the subcontractor if feasible.

6. **Access to PHI, Amendment and Disclosure Accounting.** Contractor agrees to:

- A. **Access to PHI, including ePHI.** Provide access to PHI, including ePHI if maintained electronically, in a designated record set to County or an individual as directed by County, within five (5) business days of request from County, to satisfy the requirements of 45 CFR §164.524.

- B. **Amendment of PHI.** Make PHI available for amendment and incorporate amendments to PHI in a designated record set County directs or agrees to at the request of an individual, within fifteen (15) days of receiving a written request from County, in accordance with 45 CFR §164.526.
- C. **Accounting of disclosures of PHI and electronic health record.** Assist County to fulfill its obligations to provide accounting of disclosures of PHI under 45 CFR §164.528 and, where applicable, electronic health records under 42 USC §17935(c) if Contractor uses or maintains electronic health records. Contractor shall:
- 1) Document such disclosures of PHI and/or electronic health records, and information related to such disclosures, as would be required for County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record in accordance with 45 CFR §164.528.
  - 2) Within fifteen (15) days of receiving a written request from County, provide to County or any individual as directed by County information collected in accordance with this section to permit County to respond to a request by an individual for an accounting of disclosures of PHI and/or electronic health record.
  - 3) Make available for County information required by this Section 6.C for six (6) years preceding the individual's request for accounting of disclosures of PHI, and for three (3) years preceding the individual's request for accounting of disclosures of electronic health record.
7. **Security of ePHI.** In the event County discloses ePHI to Contractor or Contractor needs to create, receive, maintain, transmit or have access to County ePHI, in accordance with 42 USC §17931 and 45 CFR §164.314(a)(2)(i), and §164.306, Contractor shall:
- A. Comply with the applicable requirements of the Security Rule, and implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI that Contractor creates, receives, maintains, or transmits on behalf of County in accordance with 45 CFR §164.308, §164.310, and §164.312;
  - B. Comply with each of the requirements of 45 CFR §164.316 relating to the implementation of policies, procedures and documentation requirements with respect to ePHI;
  - C. Protect against any reasonably anticipated threats or hazards to the security or integrity of ePHI;
  - D. Protect against any reasonably anticipated uses or disclosures of ePHI that are not permitted or required under the Privacy Rule;
  - E. Ensure compliance with the Security Rule by Contractor's workforce;
  - F. In accordance with 45 CFR §164.308(b)(2), require that any subcontractors that create, receive, maintain, transmit, or access ePHI on behalf of Contractor agree through contract to the same restrictions and requirements contained in this Addendum and comply with the applicable requirements of the Security Rule;
  - G. Report to County any security incident of which Contractor becomes aware, including breaches of unsecured PHI as required by 45 CFR §164.410; and,
  - H. Comply with any additional security requirements that are applicable to covered entities in Title 42 (Public Health and Welfare) of the United States Code, as may be amended from time to time, including but not limited to HITECH.
8. **Breach of Unsecured PHI.** In the case of breach of unsecured PHI, Contractor shall comply with the applicable provisions of 42 USC §17932 and 45 CFR Part 164, Subpart D, including but not limited to 45 CFR §164.410.
- A. **Discovery and notification.** Following the discovery of a breach of unsecured PHI, Contractor shall notify County in writing of such breach without unreasonable delay and in no case later than 60 calendar days after discovery of a breach, except as provided in 45 CFR §164.412.

- 1) **Breaches treated as discovered.** A breach is treated as discovered by Contractor as of the first day on which such breach is known to Contractor or, by exercising reasonable diligence, would have been known to Contractor, which includes any person, other than the person committing the breach, who is an employee, officer, or other agent of Contractor (determined in accordance with the federal common law of agency).
- 2) **Content of notification.** The written notification to County relating to breach of unsecured PHI shall include, to the extent possible, the following information if known (or can be reasonably obtained) by Contractor:
  - a) The identification of each individual whose unsecured PHI has been, or is reasonably believed by Contractor to have been accessed, acquired, used or disclosed during the breach;
  - b) A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known;
  - c) A description of the types of unsecured PHI involved in the breach, such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved;
  - d) Any steps individuals should take to protect themselves from potential harm resulting from the breach;
  - e) A brief description of what Contractor is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and,
  - f) Contact procedures for individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.
- B. **Cooperation.** With respect to any breach of unsecured PHI reported by Contractor, Contractor shall cooperate with County and shall provide County with any information requested by County to enable County to fulfill in a timely manner its own reporting and notification obligations, including but not limited to providing notice to individuals, prominent media outlets and the Secretary in accordance with 42 USC §17932 and 45 CFR §164.404, §164.406 and §164.408.
- C. **Breach log.** To the extent breach of unsecured PHI involves less than 500 individuals, Contractor shall maintain a log or other documentation of such breaches and provide such log or other documentation on an annual basis to County not later than fifteen (15) days after the end of each calendar year for submission to the Secretary.
- D. **Delay of notification authorized by law enforcement.** If Contractor delays notification of breach of unsecured PHI pursuant to a law enforcement official's statement that required notification, notice or posting would impede a criminal investigation or cause damage to national security, Contractor shall maintain documentation sufficient to demonstrate its compliance with the requirements of 45 CFR §164.412.
- E. **Payment of costs.** With respect to any breach of unsecured PHI caused solely by the Contractor's failure to comply with one or more of its obligations under this Addendum and/or the provisions of HITECH, HIPAA, the Privacy Rule or the Security Rule, Contractor agrees to pay any and all costs associated with providing all legally required notifications to individuals, media outlets, and the Secretary.
- F. **Documentation.** Pursuant to 45 CFR §164.414(b), in the event Contractor's use or disclosure of PHI and/or ePHI violates the Privacy Rule, Contractor shall maintain documentation sufficient to demonstrate that all notifications were made by Contractor as required by 45 CFR Part 164, Subpart D, or that such use or disclosure did not constitute a breach, including Contractor's completed risk assessment and investigation documentation.
- G. **Additional State Reporting Requirements.** The parties agree that this Section 8.G applies only if and/or when County, in its capacity as a licensed clinic, health facility, home health agency, or hospice, is required to report unlawful or unauthorized access, use, or disclosure of medical information under the more stringent requirements

of California Health & Safety Code §1280.15. For purposes of this Section 8.G, "unauthorized" has the meaning given such term in California Health & Safety Code §1280.15(j)(2).

- 1) Contractor agrees to assist County to fulfill its reporting obligations to affected patients and to the California Department of Public Health ("CDPH") in a timely manner under the California Health & Safety Code §1280.15.
- 2) Contractor agrees to report to County any unlawful or unauthorized access, use, or disclosure of patient's medical information without unreasonable delay and no later than two (2) business days after Contractor detects such incident. Contractor further agrees such report shall be made in writing, and shall include substantially the same types of information listed above in Section 8.A.2 (Content of Notification) as applicable to the unlawful or unauthorized access, use, or disclosure as defined above in this section, understanding and acknowledging that the term "breach" as used in Section 8.A.2 does not apply to California Health & Safety Code §1280.15.

9. **Intentionally omitted.**

10. **Term.** This Addendum shall commence upon the Effective Date and shall terminate when all PII and/or ePHI provided by County to Contractor, or created or received by Contractor on behalf of County, is destroyed or returned to County, or, if it is infeasible to return or destroy PII and/ePHI, protections are extended to such information, in accordance with section 11.B of this Addendum.

11. **Termination.**

A. **Termination for Breach of Contract.** A breach of any provision of this Addendum by either party shall constitute a material breach of the Underlying Agreement and will provide grounds for terminating this Addendum and the Underlying Agreement with or without an opportunity to cure the breach, notwithstanding any provision in the Underlying Agreement to the contrary. Either party, upon written notice to the other party describing the breach, may take any of the following actions:

- 1) Terminate the Underlying Agreement and this Addendum, effective immediately, if the other party breaches a material provision of this Addendum.
- 2) Provide the other party with an opportunity to cure the alleged material breach and in the event the other party fails to cure the breach to the satisfaction of the non-breaching party in a timely manner, the non-breaching party has the right to immediately terminate the Underlying Agreement and this Addendum.
- 3) If termination of the Underlying Agreement is not feasible, the breaching party, upon the request of the non-breaching party, shall implement, at its own expense, a plan to cure the breach and report regularly on its compliance with such plan to the non-breaching party.

**B. Effect of Termination.**

- 1) Upon termination of this Addendum, for any reason, Contractor shall return or, if agreed to in writing by County, destroy all PHI and/or ePHI received from County, or created or received by the Contractor on behalf of County, and, in the event of destruction, Contractor shall certify such destruction, in writing, to County. This provision shall apply to all PHI and/or ePHI which are in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of PHI and/or ePHI, except as provided below in paragraph (2) of this section.
- 2) In the event that Contractor determines that returning or destroying the PHI and/or ePHI is not feasible, Contractor shall provide written notification to County of the conditions that make such return or destruction not feasible. Upon determination by Contractor that return or destruction of PHI and/or ePHI is not feasible, Contractor shall extend the protections of this Addendum to such PHI and/or ePHI and limit further uses and disclosures of such PHI and/or ePHI to those purposes which make the return or destruction not feasible, for so long as Contractor maintains such PHI and/or ePHI.

**12. General Provisions.**

- A. **Retention Period.** Whenever Contractor is required to document or maintain documentation pursuant to the terms of this Addendum, Contractor shall retain such documentation for 6 years from the date of its creation or as otherwise prescribed by law, whichever is later.
- B. **Amendment.** The parties agree to take such action as is necessary to amend this Addendum from time to time as is necessary for County to comply with HITECH, the Privacy Rule, Security Rule, and HIPAA generally.
- C. **Survival.** The obligations of Contractor under Sections 3, 5, 6, 7, 8, 11.B and 12.A of this Addendum shall survive the termination or expiration of this Addendum.
- D. **Regulatory and Statutory References.** A reference in this Addendum to a section in HITECH, HIPAA, the Privacy Rule and/or Security Rule means the section(s) as in effect or as amended.
- E. **Conflicts.** The provisions of this Addendum shall prevail over any provisions in the Underlying Agreement that conflict or appear inconsistent with any provision in this Addendum.
- F. **Interpretation of Addendum.**
  - 1) This Addendum shall be construed to be part of the Underlying Agreement as one document. The purpose is to supplement the Underlying Agreement to include the requirements of the Privacy Rule, Security Rule, HIPAA and HITECH.
  - 2) Any ambiguity between this Addendum and the Underlying Agreement shall be resolved to permit County to comply with the Privacy Rule, Security Rule, HIPAA and HITECH generally.
- G. **Notices to County.** All notifications required to be given by Contractor to County pursuant to the terms of this Addendum shall be made in writing and delivered to the County both by fax and to both of the addresses listed below by either registered or certified mail return receipt requested or guaranteed overnight mail with tracing capability, or at such other address as County may hereafter designate. All notices to County provided by Contractor pursuant to this Section shall be deemed given or made when received by County.

County HIPAA Privacy Officer:     HIPAA Privacy Manager

County HIPAA Privacy Officer Address:     26520 Cactus Avenue,  
Moreno Valley, CA 92555

County HIPAA Privacy Officer Phone Number: (951) 486-6471












# PSA for Forward Health Group

Final Audit Report

2022-07-11

Created:	2022-06-20
By:	Jose Curiel (jo.curiel@ruhealth.org)
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