



**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH SYSTEM MEDICAL CENTER GOVERNING BOARD  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 15.5**  
(ID # 21721)

**MEETING DATE:**  
Tuesday, May 02, 2023

**FROM :** RUHS-MEDICAL CENTER:

**SUBJECT:** SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM: Ratification and Approval of a Professional Service Agreement with OptumInsight, Inc., for Quality Program Opportunity Assessment Services Without Seeking Competitive Bids, Effective February 28, 2023, through June 30, 2023; All Districts; [Cost \$236,250; up to 10% in Additional Compensation] 100% - Hospital Enterprise Fund 40050

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

1. Ratify and approve a Professional Service Agreement with OptumInsight, Inc., for quality program opportunity assessment services without seeking competitive bids effective February 28, 2023, through June 30, 2023, for a not to exceed amount of \$236,250, and authorize the Chair of the Board to sign the amendment on behalf of the County; and
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based upon the availability of funding and as approved as to form by County Counsel, to sign amendments that make modifications to the scope of services that stay within the intent of the agreement and to sign amendments to the compensation provisions that do not exceed the total sum of ten percent (10%) of the total annual cost of the agreement.

**ACTION:**

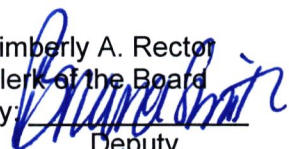
  
 Jennifer Cruikshank, Chief Executive Officer - Health System 4/17/2023

---

**MINUTES OF THE GOVERNING BOARD**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
 Nays: None  
 Absent: None  
 Date: May 2, 2023  
 xc: RUHS-Medical Center

Kimberly A. Rector  
 Clerk of the Board  
 By:   
 Deputy

**SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH  
SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS  
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>	\$236,250	\$0	\$0	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> 100% - Hospital Enterprise Fund - 40050			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 22/23	

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

**BACKGROUND:**

**Summary**

Currently, the Riverside University Health System (RUHS) participate in programs such as IEHP P4P, CalAIM Enhanced Care Management, Leapfrog, CMS Star Rating, and QIP – that reimburse for services provided based on quality metrics and types of services offered to RUHS patients. OptumInsight will provide assessments of the processes currently used at RUHS to measure and report such metrics to these programs and the overall quality efforts used to improve RUHS’s provision of care to the community.

The requested Board of Supervisors action will ratify and approve a Professional Service Agreement (Agreement) with OptumInsight, Inc., to provide Quality Program Opportunity Assessment Services for sixteen (16) weeks, effective February 28, 2023, through June 30, 2023, with a total compensation amount of \$236,250.

This Agreement will ensure that adequate funding is in place to provide quality program opportunity assessment services, supporting RUHS’s ability to meet the patient services needs of the surrounding community.

**Impact on Residents and Businesses**

The services that will be assessed are a component of RUHS’s system of care aimed at improving the health and safety of its patients and the community.

**Additional Fiscal Information**

**Price Reasonableness**

The current proposed Agreement requires Board approval as its compensation provisions exceed the Purchasing Agent’s authority and the \$50,000 delegation threshold for contracting with a sole-source vendor for professional services per Ordinance 459.6 and California Government Code 255502.5.

SUBMITTAL TO THE RIVERSIDE UNIVERSITY HEALTH  
SYSTEM MEDICAL CENTER GOVERNING BOARD OF DIRECTORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

ATTACHMENTS:

Attachment A:      PROFESSIONAL SERVICE AGREEMENT FOR QUALITY PROGRAM  
OPPORTUNITY ASSESSMENT SERVICES BETWEEN COUNTY OF  
RIVERSIDE AND OPTUMINSIGHT INC., SSJ

  
\_\_\_\_\_  
Meghan Hahn, Deputy Director of Procurement

4/17/2023

  
\_\_\_\_\_  
Steven Atkeson

4/20/2023

  
\_\_\_\_\_  
Gregg Gu, Chief Deputy County Counsel

4/18/2023

**PROFESSIONAL SERVICE AGREEMENT**

**for**

**QUALITY OPPORTUNITY ASSESSMENT**

**between**

**COUNTY OF RIVERSIDE**

**and**

**OPTUMINSIGHT, INC.**



MAY 2 2023 15.5

**TABLE OF CONTENTS**

<b><u>SECTION HEADING</u></b>	<b><u>PAGE NUMBER</u></b>
1. Description of Services.....	4
2. Period of Performance.....	4
3. Compensation.....	4
4. Alteration or Changes to the Agreement .....	5
5. Termination .....	6
6. Ownership/Use of Contract Materials and Products .....	7
7. Conduct of Contractor .....	8
8. Inspection of Service: Quality Control/Assurance .....	8
9. Independent Contractor/Employment Eligibility .....	9
10. Subcontract for Work or Services .....	10
11. Disputes .....	10
12. Licensing and Permits .....	10
13. Use by Other Political Entities .....	11
14. Non-Discrimination .....	11
15. Records and Documents .....	11
16. Confidentiality .....	11
17. Administration/Contract Liaison.....	12
18. Notices.....	13
19. Force Majeure.....	13
20. EDD Reporting Requirements.....	13
21. Hold Harmless/Indemnification .....	13
22. Insurance .....	15
23. General .....	17
24. Electronic Signatures .....	18
25. Exhibit A-Scope of Service.....	21

26. Exhibit B- Payment Provisions .....24  
27. Attachment I-HIPAA Business Associate Attachment to the Agreement.....26

This Agreement made and entered into this 1<sup>st</sup> day of March, 2023, by and between OptumInsight, Inc., a Delaware Corporation (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY") on behalf of Riverside University Health System (herein referred to as "RUHS"). The parties agree as follows:

**1. Description of Services**

**1.1** CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services (the "Services"), at the prices stated in Exhibit B, Payment Provisions, and Attachment I, HIPAA Business Associate Attachment to the Agreement.

**1.2** CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR represents and warrants that no subcontractors will be used on the Services covered by this Agreement.

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

**1.4** 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 upon signature of this Agreement by both parties and continues in effect for sixteen (16) weeks following Optum's initiation of the Services, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties 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 and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed \$236,250 excluding expense reimbursement. 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 B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

**3.2** [Reserved]

**3.3** CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, 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 in accordance with the payment schedule set forth in Exhibit B. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

RIVERSIDE UNIVERSITY HEALTH SYSTEM – MEDICAL CENTER  
ATTN: HOSPITAL ADMINISTRATION  
26520 CACTUS AVENUE  
MORENO VALLEY, CALIFORNIA 92555

- a) 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; Agreement number (4300186100); quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) Invoices shall be rendered monthly in arrears.

**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 is the only authorized COUNTY representatives who may at any time, by written order, request to alter this Agreement with the mutual agreement of CONTRACTOR. 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 which such written amendment must be signed by both COUNTY and CONTRACTOR.



**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 and COUNTY shall pay CONTRACTOR all fees and expenses incurred up through such date of termination.

**5.2** Either party may, upon five (5) days written notice terminate this Agreement for the other party's default, if the other party refuses or fails to comply with the material terms of this Agreement or fails to make progress that may endanger performance and does not cure such failure within such five (5) day time period. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY at COUNTY's expense.

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

- (a) 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 completed Deliverables (as defined in Section 6 below), which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

**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 material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever 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 any

such 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 Deliverables.** 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 and which are identified as “Deliverables” in Exhibit A (the “Deliverables”), except for any Contractor Tools (as defined below), shall be the sole property of the COUNTY from and after the date on which COUNTY pays CONTRACTOR the undisputed fees with respect to the applicable Deliverable. The Deliverables 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 Deliverables without prior written authorization of the COUNTY.

**6.2 Contractor Tools.** CONTRACTOR may use Contractor Tools to perform the Services for COUNTY hereunder. COUNTY acknowledges that the Contractor Tools are and will remain the sole and exclusive property of CONTRACTOR. For purposes of this Agreement, “Contractor Tools” means CONTRACTOR’s proprietary tools, content, computer programs, algorithms, databases, including, but not limited to, CONTRACTOR’s (i) claims and administrative health care data, (ii) electronic health records and (iii) variables created by natural language processing or other programming algorithms, methods, techniques, processes, inventions, research and research materials and other materials, including all updates, translations, customized versions, or derivative works thereof, and ideas developed by itself, CONTRACTOR affiliates or others, including any modifications, improvements, adaptations, or enhancements thereto or new versions thereof. To the extent Contractor Tools are embedded or incorporated into the Deliverables, CONTRACTOR hereby grants COUNTY a nonexclusive, nontransferable license to use such Contractor Tools solely to use the Deliverables for COUNTY’s internal business purposes, without the right to resell or distribute any Deliverables that contain Contractor Tools. COUNTY shall not reverse engineer, decompile, disassemble or

otherwise attempt to determine the source code for the Contractor Tools. CONTRACTOR represents and warrants that no information received from the COUNTY during the work under this Agreement will remain in the Contractor Tools or be used by CONTRACTOR during work for any other client.

**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 books and records related to CONTRACTOR's compliance with its obligations under this Agreement shall be subject to inspection and test by the COUNTY or other regulatory agencies at all reasonable times mutually agreed upon by the parties, provided 1) COUNTY provides CONTRACTOR with at least fifteen (15) days prior written notice of such inspection, and 2) such inspection will not occur more than once during the term of this Agreement unless COUNTY has reason to believe CONTRACTOR has materially breached its obligations under this Agreement. The CONTRACTOR shall provide adequate cooperation to any such inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. CONTRACTOR warrants to COUNTY that each of CONTRACTOR's employees, agents and subcontractors assigned to perform any Services will have the proper skill, training, and experience to perform the Services, the Services will be performed in a competent and professional manner, and CONTRACTOR's employees, agents and subcontractors will observe any working rules of COUNTY, while on COUNTY's premises to the extent conveyed by COUNTY. If any Services performed by CONTRACTOR are not in conformance with such warranty and which are

brought to CONTRACTOR's attention in writing within sixty (60) days after delivery to COUNTY of such Services, the COUNTY shall have the right to require the CONTRACTOR to perform the Services at no additional cost to the COUNTY. When the Services to be performed are of such nature that the difference cannot be corrected; the COUNTY shall have the right to: (1) require the CONTRACTOR promptly to take all necessary and reasonable steps to verify 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. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform subject to Section 5.2 of this Agreement. **Except as expressly provided in this Agreement, CONTRACTOR and its licensors make no representations or warranties relating to the Services, express or implied, and specifically disclaim the warranties of merchantability and fitness for a particular purpose.**

**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 individuals prior to hire or engagement anticipated to perform under this Agreement (“Covered Individuals”). 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, then CONTRACTOR shall promptly replace any individual performing under this Agreement with another individual of substantially similar skill set.

**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.

## **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.

## **12. Licensing and Permits**

CONTRACTOR shall comply with all applicable State or other licensing requirements, which may include but not be limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All applicable 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 applicable 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 Intentionally omitted**

**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. S1210 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.

**16. Confidentiality**

**16.1** Neither party shall 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; either party's information or data which is not subject to public disclosure; either party's operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

**16.2** Each party 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. Neither party shall use such information for any purpose other than carrying out such party's obligations under this Agreement. If legally permissible, each party shall promptly transmit to the other party all third party requests for disclosure of such information. Neither party shall disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the other party, any such information to anyone other than the other party, unless otherwise required by law. 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** If either party believes it is required by law or by a subpoena or court order to disclose any of the other party's privileged or confidential information, it shall, if legally permissible, promptly notify the other party and shall use all reasonable efforts to allow the other party an opportunity to seek a protective order or other judicial relief prior to any disclosure. If a protective order or other remedy is not obtained, the party subject to the compelled disclosure shall disclose only that portion of the privileged or confidential information that it is legally required to disclose and will exercise reasonable efforts to obtain assurances that the recipient will hold the privileged or confidential information in confidence. The parties agree that the Deliverables are not privilege and Confidential Information of CONTRACTOR.

**16.4** Nothing in this Agreement will be construed to restrict disclosure or use of information that (a) was rightfully in the possession of the recipient, without an obligation to maintain its confidentiality, prior to receipt from the other party; (b) at the time of disclosure is, or thereafter becomes generally available to and known by the public without violation of this Agreement; (c) is obtained by the recipient in good faith from a third party having the right to disclose it without an obligation of confidentiality; or (d) is independently developed by the receiving party without reference to, or use of, the other party's privileged or confidential information.

**16.5** 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  
26520 Cactus Avenue  
Moreno Valley, California 92555

**CONTRACTOR**

OptumInsight, Inc.  
11000 Optum Circle  
Eden Prairie, MN 55344  
Attn: General Counsel

**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, 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 COUNTY's written request for the same, to the extent applicable to CONTRACTOR, and only 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 legally 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 applicable to CONTRACTOR or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment applicable to CONTRACTOR 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; Limitation of Liability**

**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 actions of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to 1) CONTRACTOR's breach of this Agreement, including but not limited to property damage, bodily injury, or death, 2) CONTRACTOR'S gross negligence, willful misconduct or fraud in its performance under this Agreement, or 3) CONTRACTOR's violation of law. CONTRACTOR shall defend the COUNTY Indemnitees at its sole expense including all costs and fees (including, but not limited, to reasonable attorney fees, cost of investigation, defense and settlements or awards) in any such third party claim or action based upon such breach by CONTRACTOR.

**21.2** With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR 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 COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR indemnification to COUNTY Indemnitees as set forth herein.

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

**21.4** The specified insurance limits required in this Agreement shall in no way limit or circumscribe either party obligations to indemnify and hold harmless the other party herein from third party claims.

**21.5** To the extent permitted by law COUNTY shall indemnify and hold harmless the CONTRACTOR and its respective directors, officers, employees, agents and representatives (individually and collectively hereinafter referred to as CONTRACTOR Indemnitees) from any third party liability, action, claim or damage whatsoever, based or asserted solely upon COUNTY, its officers, employees, subcontractors, agents or representatives breach of this Agreement, including but not limited to property damage, bodily injury, or death. In the event of such a claim COUNTY shall defend the CONTRACTOR Indemnitees at its sole expense including all costs and fees (including, but not limited, to reasonable attorney fees, cost of investigation, defense and settlements or awards) in any such third party claim or action.

**21.6** Each party's liability to the other party for direct damages arising out of this Agreement will not exceed the amount COUNTY has paid or owes CONTRACTOR under this Agreement. Neither party will be responsible to the other party under this Agreement for any indirect, incidental, punitive, special or consequential damages, even if such party has been advised of the possibility of such damages arising from

performance or failure to perform under this Agreement. Notwithstanding the above, this Section 21.6 does not limit (a) the parties' liability for obligations to each other under Section 21.1 of this Agreement; (b) the liability either party may have to the other party for breach of Sections 16 (Confidentiality) of this Agreement and Attachment I (HIPAA Business Associate Agreement); (c) the parties' liability for violation of law; or (d) COUNTY's liability to CONTRACTOR for failure to pay amounts due under this Agreement.

## **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, with the exception of workers' compensation and professional liability, 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, 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 \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall 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 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 claim 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 its 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. 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 retentions which exceed \$500,000 per occurrence for each coverage required herein before the commencement of operations under this Agreement.

2) 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 copies of Endorsements effecting coverage as required herein. Further, said Certificate(s) 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 copies of endorsements, including endorsements 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 copies of endorsements 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.

3) 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.

4) 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 request adjustments to 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. In the event of such request, the parties agree to negotiate in good faith an appropriate amendment to this Agreement.

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

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** Neither party shall delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of the other party, provided such consent will not be unreasonably withheld, conditioned or delayed. 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 such party from enforcement of the terms of this Agreement.

**23.3** 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.

**23.4** 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.

**23.5** CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. 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.

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

**23.7** 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), which apply to CONTRACTOR's performance under this Agreement.

**23.8** 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.

**23.9** 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.

#### **24. Electronic Signatures.**

**24.1** This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party to this Agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Agreement. The parties further agree that the electronic signatures of the parties are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of

a manual signature, and shall be reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

[Signatures Following Next Page]

1000000

1000000000

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 on behalf of Riverside University Health System

OPTUMINSIGHT, INC., a Delaware corporation

By: [Signature]



By: [Signature]  
Matthew Blackwell Kinney (Apr 10, 2023 09:53 EDT)

Name: KEVIN JEFFRIES

Name: Matthew Blackwell Kinney

Title: Chair, Board of Supervisors

Title: SVP Optum

Date: 5/4/23

Date: 04/10/2023

ATTEST

**KIMBERLY A. RECTOR**  
Clerk of the Board

By: [Signature]  
Deputy



APPROVED AS TO FORM

County Counsel  
Minh C. Tran

By: Martha Ann Knutson

Name: Martha Knutson

Title: Deputy County Counsel

Date: Apr 12, 2023

MAY 2 2023 15.5



Exhibit A  
Scope of Services

I. Services.

A. Scope of Services. CONTRACTOR shall provide the Services set forth below specific to COUNTY's Riverside University Health System facilities.

- a. CONTRACTOR will perform a Quality Program Opportunity Assessment across quality programs (IEHP P4P, CalAIM Enhanced Care Management, Leapfrog, CMS Star Rating and QIP). Specifically, CONTRACTOR will:
  - i. Inventory the five quality programs: goals, measures, scoring methodology (if available), data collection, reporting process, current performance (and historical – if available);
  - ii. Review available applications, dashboards, reporting and data sets related to the programs for understanding of what software/systems/applications are available, what is tracked and trended and benchmarked, cadence and completeness of the data to the program requirements;
  - iii. Conduct COUNTY interviews across program sponsors and supporters to understand current perception across the organization: strengths, challenges, improvement goals, level of collaboration to achieve program success, level of comfort with data interpretation aligned to clinical/operational process changes to drive scores;
  - iv. Review chart audit reports/information and/or audit 30 inpatient and 30 outpatient charts to understand gaps in EHR design, operational and clinical workflow, and/or patient availability and engagement as factors to quality measures, and;
  - v. Develop recommendations for programs and the associated workstreams with prioritization of opportunities by value of program impact, scale of impact and relative ease of implementation.
- b. CONTRACTOR will perform a Quality Organizational Infrastructure Assessment. Specifically, CONTRACTOR will:
  - i. Inventory current state quality program organizational structure, leadership, roles/responsibilities, processes, committees, workgroups, and cross-department collaboration for the quality programs (IEHP P4P, CalAIM Enhanced Care Management, Leapfrog, CMS Star Rating and QIP);
  - ii. Conduct stakeholder interviews to understand team dynamics, mechanisms for decision-making/responsibility matrix, resource utilization, planned strategic initiatives, and any identifiable overlaps in work efforts, and;
  - iii. Provide a summary of strengths, challenges, and recommend areas for potential improvements for quality organizational structure;
  - iv. Provide on-site assessment of quality initiatives and workflows as needed.

B. Timeline. The Services have been estimated to take (4) months following Optum's receipt of all necessary information from COUNTY.

COUNTY understands that failure to meet its obligations, delays caused in scheduling meetings, changes in the objectives or scope of the project and/or new information acquired during the course of the project, may impact CONTRACTOR’s ability to deliver the Services within the estimated timeline.

C. Deliverables.

CONTRACTOR will provide to COUNTY the following Deliverables.

- i. **Quality Program Opportunity reports** summarizing CONTRACTOR’s findings, recommendations and detailing the most significant areas of opportunity based on the Services performed in Section I.A.a. above.
  - 1. CONTRACTOR will deliver to COUNTY **an interim Quality Program Opportunity report** delivered in the last week of month two of the project and considering CONTRACTOR’s receipt of all necessary information from COUNTY for the IEHP P4P program specifically and **a final Quality Program Opportunity report** summarizing all programs at the end of the Services.
- ii. CONTRACTOR will deliver to COUNTY **a Quality Organizational Infrastructure report** summarizing CONTRACTOR’s findings, recommendations, and areas of opportunity to optimize quality governance (roles, responsibilities and hierarchy), improve efficiencies in teams, support streamlined processes and enhance effective collaboration based on the Services performed in Section I.A.b. above and delivered in the last week of month four of the project

D. Resource Plan. The resource plan for the Services assumes the following roles and participation from CONTRACTOR:

Role	Description
Senior Engagement Executive	Executive Sponsorship
Project Leader	Oversight, Subject Matter Expertise
Consultant	Day-to-day project and milestone management
Consultant	Subject Matter Expertise, Clinical Quality Measures
Business Analyst	Data analysis support

E. Out of Scope. Any services outside the Services set forth herein are considered out of scope, including but not limited to the following:

- Quality programs not specifically listed in the scope of services
- Gap assessment of technologies supporting best practices for quality programs
- Facilities/entities that are outside of Riverside University Health System
- Implementation and operationalization of the recommendations

II. COUNTY Responsibilities. COUNTY shall be responsible for any delays, additional costs, or other liabilities caused by any deficiencies in regard to COUNTY's compliance with its obligations set forth in this Agreement. CONTRACTOR is not responsible for any deficiency or failure to complete Services if such deficiency or failure results from COUNTY's failure to fully and timely comply at all times with COUNTY's obligations which include, but are not limited to, the following:

1. COUNTY will provide CONTRACTOR resources with appropriate logins, system access, workspace and tools to perform the Services in a timely manner.
2. COUNTY resources shall provide adequate guidance to the CONTRACTOR resources and shall provide timely decision-making.
3. COUNTY commits to making the necessary COUNTY resources, available to support the successful execution of the Services.
4. COUNTY will be responsible for procuring *prior* to commencement of the Services, and for maintaining, any and all applicable software licenses or hardware necessary for supporting the Services.
5. COUNTY will provide CONTRACTOR access to any COUNTY technology only to the extent CONTRACTOR needs such access to provide the Services.
6. COUNTY will provide any data, information, processes, documentation, or any other documents and information required by CONTRACTOR for supporting the Services in a timely manner (a timely manner is typically within five (5) working days).

III. Acknowledgment. COUNTY acknowledges and agrees that any interpretation, implementation or use of the Services, or decisions based on CONTRACTOR's recommendations, are solely and exclusively at COUNTY's discretion. COUNTY is ultimately and solely responsible for the decisions it makes and actions it takes using the recommendations and best practices provided as part of the Services, and CONTRACTOR is not responsible for any action of, or failure to act by, COUNTY in reliance upon the Services or information provided as part of the Services.

Moreover, in no event shall the Services be construed as the provision of legal, financial, regulatory or compliance advice by CONTRACTOR, and COUNTY shall consult with its own attorneys and advisors for any legal, financial, regulatory, or compliance advice. In addition to the above, COUNTY acknowledges and agrees that in performing Services, CONTRACTOR shall be entitled to rely, without further diligence, inquiry or investigation, on the business or medical records and other written information, any data, or other material provided to CONTRACTOR by COUNTY or a third party (collectively, for purposes of this Section, the "Information"). CONTRACTOR shall not be liable or responsible for any errors, omissions, illegible text or false or misleading statements contained in any Information.

Exhibit B  
Payment Provisions

I. Applicable Fees.

A. Services Fee. This is a fixed fee project; accordingly, COUNTY shall pay CONTRACTOR the fixed fee amount of \$236,250 (US\$) for the Services (the "Services Fee"), excluding expenses which are set forth in Section I.B. (Expenses) below. COUNTY understands that delays caused in scheduling meetings, changes in the objectives or scope of the project and/or new information acquired during the course of the project, may impact Optum's ability to deliver the Services within the Services Fee.

B. Expenses. As of the Effective Date, CONTRACTOR and COUNTY reasonably believe that no CONTRACTOR travel will be required to provide the Services outlined in this Agreement. In the event, however, that COUNTY and CONTRACTOR determine that CONTRACTOR travel is required in order for CONTRACTOR to provide the Services under this Agreement, travel, lodging, meal and other related expenses will be billed by CONTRACTOR to COUNTY, and paid by COUNTY to CONTRACTOR, as incurred. CONTRACTOR agrees to reimbursement of approved expenses in accordance with COUNTY's Policy D-1 attached hereto. Travel shall not be initiated without prior Customer approval.

C. Billing. CONTRACTOR shall invoice COUNTY for the Services Fee in four (4) monthly payments of \$59,062.50 each as follows: CONTRACTOR will invoice COUNTY for the first payment on the Effective Date and the remaining payments prior to the first day of each month thereafter for the following three months. Should any invoice go sixty (60) days past due, all work on the applicable Services may cease until payment in full is received, upon CONTRACTOR's notice to COUNTY.

**Expense Policy**  
**COUNTY OF RIVERSIDE, CALIFORNIA**  
**BOARD OF SUPERVISORS POLICY**

<b>Subject:</b>	<b><u>Number</u> <u>Page</u></b>
<b>REIMBURSEMENT FOR GENERAL TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES</b>	<b>D-1      1 of 9</b>

**Policy:**

**1.      Scope**

This policy establishes procedures and standards for reimbursement of necessary actual expenses incurred by appointed department heads, employees, and other authorized persons, for whom allowance of expenses is authorized by or pursuant to law, resolution, or ordinance because they occur during performance of official county business. The Board of Supervisors and elective constitutional officers as well as their employees are exempt from this portion of the Board policy. This policy also specifies the types of occurrences that qualify a member of the Board of Supervisors to receive reimbursement for expenses relating to travel, meals, lodging, and other actual and necessary expenses in accordance with Government Code Section 53232.2(b). The Board of Supervisors, elective constitutional officers and each department head is charged with the responsibility of authorizing travel and including it in the proposed budget and ensuring such expenditures are within the approved budget.

The Auditor-Controller shall refer to the Executive Officer any reimbursement claim that is considered to not be in conformance with Board policy. The Executive Officer shall have the authority to approve the payment of any claim if there is lack of certainty regarding the application of Board policy to the questioned claim, or if the action of the department head was not unreasonable in light of all the circumstances. If the Executive Officer denies approval, the department head may place the matter on the agenda of the Board of Supervisors for final disposition.

**Board of Supervisors**

Members of the Board of Supervisors shall be allowed their actual expenses in going to, attendance at, and returning from state association meetings and their actual and necessary traveling expenses when traveling outside of the county on official business pursuant to Government Code Section 25008. Members of the Board of Supervisors may receive reimbursement for expenses relating to travel, meals, lodging, and other actual and necessary expenses incurred in the performance of official duties. Reimbursement for such expenses is subject to the provisions of this policy and California Government Code Sections 53232.2 and 53232.3. In accordance with Government Code section 53232.2(c), the Internal Revenue Service rates for reimbursement of travel, meals, lodging, and other actual and necessary expenses as established in Publication 463, or any successor publication, shall be used to determine reimbursement rates for members of the Board of Supervisors. Types of occurrences that qualify a legislative body member to receive reimbursement of expenses relating to travel, meals, lodging and other actual and necessary expenses include the following:

- A. Meeting with representatives of regional, state, national and foreign government on policy positions adopted by the Board of Supervisors;

**COUNTY OF RIVERSIDE, CALIFORNIA  
BOARD OF SUPERVISORS POLICY**

<b>Subject:</b>	<b><u>Number</u> <u>Page</u></b>
<b>REIMBURSEMENT FOR GENERAL TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES</b>	<b>D-1      2 of 9</b>

- B. Attending educational seminars designed to improve officials' skill and information levels;
- C. Participating in regional, state, and national organizations whose activities affect the county's interests;
- D. Attending county events;
- E. Implementing a county-approved strategy for attracting or retaining businesses to the county, which will typically involve at least one staff member and;
- F. Attending meetings for which a meeting stipend is expressly authorized.

In accordance with Government Code Section 53232.2(f), all expenses that do not fall within this policy shall be considered for approval by the Board of Supervisors prior to incurring the expense, unless the expense involves a meeting in which a member of the Board of Supervisors is required to make a public report (see section 12). All expenses must be verified by a valid original receipt, as required by Government Code Section 53232.3(c), which includes the name of the vendor (e.g. hotel, restaurant) date of service and actual amount charged.

Members of the Board of Supervisors and elective constitutional officers, as well as their employees, shall be exempt from Sections 2 through and including 10 of this Board Policy.

**2. Lodging**

Actual cost for lodging, not to exceed \$159 per night inclusive of all occupancy and accommodation taxes and other room related taxes and fees, is allowed provided such cost is reasonable for the location and is consistent with government and/or conference/convention rates, if available, or usual charges established for the general public. For lodging in high cost cities as defined by the Internal Revenue Service (e.g., San Francisco, New York, Washington D.C., as described in IRS publication 1542) or by the Board of Supervisors (Sacramento) actual cost not to exceed \$239 per night, or applicable conference rate at conference hosting hotel is allowed. Lodging costs exceeding the established limit may be reimbursed at a higher rate if a written statement explaining the reason for the expense is submitted by the department head to the designated Executive Office analyst along with a completed employee reimbursement form. Lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the member of a legislative body at the time of the booking. Higher rates based upon late registration or negligence by the department head in making an early reservation will be reimbursed at the \$159 rate.

An employee reimbursement claim for lodging must provide an explanation of the business purpose of the stay and be supported by a receipt/facility folio.

**COUNTY OF RIVERSIDE, CALIFORNIA  
BOARD OF SUPERVISORS POLICY**

<b>Subject:</b>	<b><u>Number</u> <u>Page</u></b>
<b>REIMBURSEMENT FOR GENERAL TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES</b>	<b>D-1      3 of 9</b>

A government rate, if available, should be requested when booking a room (county employees should be prepared to provide proof of employment with the county). Only the single occupancy rate may be claimed for the reimbursement except when two or more county employees participating in the same function share a room; then a double occupancy rate may be claimed by dividing the cost between two claim forms and providing a memorandum explaining the shared room along with the lodging folio.

The department head may approve extended lodging if the cost is less than daily travel expenses without the extended stay. Approval of extended lodging for any location in Riverside, Orange, San Diego, Imperial, Los Angeles and San Bernardino counties is required prior to the travel occurrence and must be less costly than a daily commute.

**3. Meal Expenses**

Actual (not to exceed maximum, see below) cost shall be allowed for meals related to attendance at conventions, scheduled meetings, conferences, seminars, special assignments or an assignment **that requires an overnight stay. A meal/s during attendance at any single day event will not be reimbursed.**

- A. The maximum reimbursement for meals per day is \$51, inclusive of taxes and tip. Tips in excess of 20% of the cost of a meal will not be reimbursed. Tips made at fast food restaurants and/or convenience stores will not be reimbursed even if the meal cost is less than the maximum reimbursement rate (e.g. meal at \$6.00, tip \$1.20 equals a reimbursement of \$7.20).

The maximum reimbursement for meals per day in high cost cities (as described in item 2 above) is \$71, inclusive of taxes and tip.

- B. An employee reimbursement claim is based on actual (not to exceed maximum) cost.
- C. Reimbursement for meals may exceed the maximum amounts of \$51, but no more than \$71, only if the meal is organized by a non-county entity where the established price of the meal includes facility, speaker, or other costs and is a required portion of the meeting and/or conference. A written statement explaining the necessity for incurring such expense and supporting documentation (e.g. flyer, agenda or brochure) must be submitted with the employee reimbursement claim.
- D. Where the cost of a meal is included as part of a registration charge or fee, no additional employee reimbursement may be claimed for that meal.
- E. For same day travel, expenses for meals are limited to activities outside normal work duties. No reimbursement for meals will be made for same day travel. Reimbursement for a meal is provided

**COUNTY OF RIVERSIDE, CALIFORNIA  
BOARD OF SUPERVISORS POLICY**

<b>Subject:</b>	<b><u>Number</u> <u>Page</u></b>
<b>REIMBURSEMENT FOR GENERAL TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES</b>	<b>D-1      4 of 9</b>

when it is not reasonable for employees to provide their own meal. Special situations may be considered on a case-by- case basis. A memo from the employee to the department head is required and the department head’s concurrence must be noted before the memo is forwarded to the designated Executive Office analyst for review and approval.

- F. Travel to a temporary worksite does not qualify an employee for meal reimbursement.
- G. No reimbursement shall be made for alcoholic beverages of any kind.
- H. Employees attending training or conferences for an extended period of time, more than seven consecutive days, may elect to purchase groceries and prepare their meals during the training/conference. In this event, grocery receipts are to be retained and submitted for reimbursement. Grocery charges exceeding the maximum daily cost will not be reimbursed. An employee electing to purchase and prepare food during an extended stay may purchase only food to be consumed during the designated period; no reimbursement will be made for incidentals including kitchen utensils, cookware, kitchen supplies and sundries.

**4. Transportation**

Actual cost of common carrier services, including taxicabs, car rentals and baggage fees, when necessary, shall be allowed. Departments are to utilize on-line travel services and secure the least expensive flights and car rental arrangements possible. Upon request from the Auditor/Controller supporting documentation that the flights and car reservations made were the least expensive option available is to be provided by the department. Travel in business class, first class or any category on any flight above the coach/economy level is allowable if (1) the traveler pays the cost difference or (2) the department can document that no other option exists and the selected flight is the only option for travel. Reservations for air transportation should be booked as early as is reasonable to take advantage of lower cost air fares. Airline government and group rates must be used when available.

Claims for payment or employee reimbursement shall be accompanied by a receipt for the purchase and a copy of the ticket purchased or other voucher for common carrier expense. Flight insurance is covered in Policy D-5.

**5. Rental Cars**

The county maintains a contract with a vehicle rental company and every effort should be made to use the contract company. If available, a county issued corporate rental vehicle card or Purchasing Card (P-card) shall be used for all travel requiring the use of a rental vehicle when the contract company cannot be used.

Government and group rates must be used when available. Actual costs evidenced by an original, dated receipt **COUNTY OF RIVERSIDE, CALIFORNIA**



**BOARD OF SUPERVISORS POLICY****Subject:****Number Page****REIMBURSEMENT FOR GENERAL TRAVEL  
AND OTHER ACTUAL AND NECESSARY EXPENSES****D-1 5 of 9**

and inclusive of all related taxes and other rental fees should be submitted along with actual gas receipts (dated, vendor name printed on the receipt) obtained for the purchase of gas for the rental vehicle.

The rental vehicle may include a global positioning system if said equipment is standard; only standard equipment is allowed and no rental car reimbursement will be made for cars above the mid-range size unless four or more employees are traveling in the same vehicle and this information is documented in the reimbursement information.

If a county issued corporate card is unavailable, the county requires employees to purchase the Loss Damage Waiver (LDW) so the employee is not held responsible for damage (under normal circumstances) to the rental vehicle and such cost will be reimbursed. However, the county will not reimburse employees for the cost of other optional insurance. (e.g. liability, uninsured/underinsured motorist, personal accident & personal effects), as the county is self-insured for vehicle liability & third party physical damage and provides worker's compensation coverage.

Employees are required to notify Human Resources, Risk Management Division at (951) 955-3540 and the employee's supervisor as soon as possible (within 24 hours) of any event, incident or accident related to the rental car. The employee must complete "County Vehicle Accident/Incident Report," Form 942-6 (Safety Division form).

**6. Private Automobile**

Reimbursement for use of a private vehicle shall be allowed upon authorization of the department head, Executive Officer, or the Board of Supervisors. The county's private vehicle mileage reimbursement rate is the same rate as the Internal Revenue Service (IRS) standard mileage rate for private vehicles and will be effective concurrently with IRS' periodic establishment of such a rate.

If an employee is required to use the employee's personal vehicle while in the course and scope of employment, the employee must, prior to using said vehicle, do the following:

- A. Complete the "Authorization to Drive Riverside County Vehicle or Private Vehicle for County Business," Form 30, authorizing the employee to use a personal vehicle which must be approved by the department head.
- B. Insure the vehicle to at least the minimum limits required by the State of California, or if registered/licensed out of state, the insurance must be equal to or greater than the minimum limits required by the State of California. Although not required, it is recommended that employees who use their personal vehicle while in the course of and scope of employment place a business use endorsement on their personal automobile policy. The expense of adding a business use endorsement is the sole responsibility of the employee.

**COUNTY OF RIVERSIDE, CALIFORNIA  
BOARD OF SUPERVISORS POLICY**

<b>Subject:</b>	<b><u>Number</u> <u>Page</u></b>
<b>REIMBURSEMENT FOR GENERAL TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES</b>	<b>D-1      6 of 9</b>

- C. Maintain a valid driver's license, which is appropriate for the class of vehicle to be operated. If any restrictions apply, the employee must notify his/her supervisor of the restrictions and/or any and all changes in the license (i.e. suspended, etc.).

The use of motorcycles, mopeds, and similar types of vehicles for the conduct of county business is expressly prohibited, with the exception of Sheriff's Department sworn personnel on duty in a specific assignment.

When a department head authorizes use of a private vehicle for the convenience of the driver, instead of more economical travel by air, reimbursement shall not exceed the cost of usual airfare.

Employees are required to notify Human Resources, Risk Management Division's representative, and the employee's supervisor as soon as possible (within 24 hours) of any incident or accident. Employees must complete "County Vehicle Accident/Incident Report," Form 942-6 (Human Resources Safety Division form).

**7. Private Aircraft**

The use of private aircraft for the conduct of county business is expressly prohibited unless prior authorization is given by the Board of Supervisors.

**8. Miscellaneous Expenses**

Miscellaneous expenses, including charges for business telephone calls, fax service, internet service, e-mail services, the cost of usual or necessary services and supplies, including emergency repairs, parts or towing for county vehicles, conference registration fees, vehicle parking, bridge tolls, and any other justifiable business expenses shall be allowed if they represent a valid business need.

A satisfactory explanation of the circumstances is required for these expenditures. An employee reimbursement for actual miscellaneous expenses shall be accompanied by an original receipt or other original voucher. Personal telephone calls and personal internet usage are not reimbursed.

**9. Special Provisions for County Employees on Indefinite Assignments**

When approved by the department head and Executive Officer or designee, employees assigned indefinitely (for periods of 90 days or more) out of town are provided the following compensation options:

- A. Standard reimbursements as provided herein (or limited by program provisions); or
- B. Commuter compensation model:
  - Meals: \$50.00 per day or portion thereof in travel status
  - Lodging: \$1,500 per month (prorated at \$50.00 per day)
  - Transportation Allowance: \$600 per month (Parking, Car Rental, etc):

**COUNTY OF RIVERSIDE, CALIFORNIA  
BOARD OF SUPERVISORS POLICY**

<b>Subject:</b>	<b><u>Number</u> <u>Page</u></b>
<b>REIMBURSEMENT FOR GENERAL TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES</b>	<b>D-1      7 of 9</b>

Under the commuter compensation model, no receipts or records are required by the county. However, the employee must substantiate deductible expenses on his/her personal tax return.

No tax deduction is allowed by IRS if the assignment is expected to exceed one year. The “commuter compensation model” will be grossed up by a factor of 20% to recognize this tax impact for employees whose assignments are expected to exceed one year.

**10. Travel Authorization**

Reimbursement for travel expenses requires prior authorization as follows:

- A. By County Executive Officer or designee:  
All travel wherein the estimated total cost (including registration, transportation, lodging, and meals) is not included in the approved budget, or is expected to cost \$1,000 or more per person or if the travel is out of state. Prior approval for travel estimated as costing more than \$1,000 or travel out of state is required even if the travel was anticipated and approved in the department’s budget.

Each request should be in the form of a memorandum that details costs to be incurred and substantiates the need for said travel. Attendance must be required for purposes of maintaining a professional license, participation in professional activities which benefit the County of Riverside and not solely for the purpose of professional enhancement or to collect an award. Funding availability for the proposed travel is not a guarantee that the travel will be approved. The travel must provide a clear benefit to the County of Riverside.

**Exception: extraditions, travel that involves the health/safety/security of a minor, and/or an individual 60 or more years of age or any individual who is the victim of domestic violence.**

- B. By Department Head:  
All travel wherein the estimated total cost (including registration, transportation, lodging and meals) is less than \$1,000 per person. This travel should also be requested on an email prepared by the employee and outlining all anticipated expenditures. If the travel involves participation at a conference or training venue the proposed agenda should be included. The memorandum should explicitly detail how the proposed travel benefits Riverside County.

The Department Head’s approval is an indication that the travel is included in the approved departmental budget. If the travel is not in the approved budget the Department Head should make a recommendation and forward the memo to the designated analyst in the Executive Office.

**COUNTY OF RIVERSIDE, CALIFORNIA  
BOARD OF SUPERVISORS POLICY**

<b>Subject:</b>	<b><u>Number</u> <u>Page</u></b>
<b>REIMBURSEMENT FOR GENERAL TRAVEL AND OTHER ACTUAL AND NECESSARY EXPENSES</b>	<b>D-1      8 of 9</b>

C. Format:

All approved travel should be noted on a per trip basis in a memorandum signed by either the County Executive Officer/designee or the department head as delineated in A. and B. above. A copy of the signed memorandum should be attached to any requests for payment of travel expenses, including Form 14 which follows.

**11. Use of Claim Form**

The employee expense claim must be filed on a form approved by the county, and must include date, business destination, amount, and business purpose. Claims shall be filed promptly, no later than the end of the month following the month in which the travel and/or other necessary expenses occurred. Claims filed after this time will not be considered for payment. Commuter compensation model will be processed as additional pay, and no other form will be required.

Original receipts are required for reimbursement. Original receipts must include the name of the establishment where service was provided and the date on which the service was rendered. Restaurant receipts must include the items ordered as well as the total payment made. However, there may be rare occasions when providing an itemized receipt may not be possible due to the type and location of the restaurant. In that event, an original un-itemized receipt from the restaurant can be submitted. All claim forms and associated documents related to reimbursable county expenditures are considered public records, are subject to disclosure under the California Public Records Act {Chapter 3.5 (Commencing with Section 6250) of Division 7 Title 1}. (Form 14 attached).

**12. Reports**

Per California Government Code Section 53232.3 subparagraph (d), legislative body members are required to provide brief reports on meetings attended at the expense of the county at the next regularly scheduled meeting of the legislative body.

**13. Penalties**

Penalties for the misuse of public resources or falsifying expense reports in violation of expense reporting policies may include, but not be limited to, the penalties specified in Government Code section 53232.4.

**Reference:**

Minute Order dated 01/21/75  
Minute Order 3.3 of 04/29/97  
Minute Order 3.3 of 10/16/01  
Minute Order 3.8 of 04/08/03  
Minute Order 3.7b of 05/02/06  
Minute Order 3.3 of 04/10/07  
Minute Order 3.2 of 07/21/09

**COUNTY OF RIVERSIDE, CALIFORNIA**  
**BOARD OF SUPERVISORS POLICY**

**Subject:**

**Number Page**

**REIMBURSEMENT FOR GENERAL TRAVEL  
AND OTHER ACTUAL AND NECESSARY EXPENSES**

**D-1      9 of 9**

Minute Order 3.7 of 09/15/09  
Minute Order 3.9 of 08/10/10  
Minute Order 3-11 of 02/26/13

**Attachment I**

HIPAA Business Associate Agreement  
Addendum to Contract

Between the County of Riverside and OptumInsight, Inc. (“Contractor”)

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 may be 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 §160.103, 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, or as Required by law.
- 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 Contractor of any instances of which it becomes aware in which the confidentiality of the information has been breached; Contractor will then notify County of such breach in accordance with other reporting requirements set forth herein; 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, except as otherwise permitted herein.
- 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 in accordance with 45 CFR §164.522.
  - 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. If legally permissible, 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 the Secretary, in the time and manner designated by the 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, if legally permissible, promptly notify County following 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 performing hereunder 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 ten (10) business days of receiving a written 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 conditions 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. For purposes of reporting under this Section, “security incident” shall not include unsuccessful incidents that do not represent a material threat to confidentiality, integrity or availability of PHI (such as scans, pings, or unsuccessful attempts to penetrate computer networks).; 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 reasonably 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 reported by Contractor 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 thirty (30) days after the end of each calendar year for submission to the Secretary, as required by 45 CFR §164.408(c).
- 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 reasonable and actual costs associated with providing all legally required notifications to individuals, media outlets, and the Secretary. This provision

shall not be construed to limit or diminish Contractor's obligations to indemnify, defend and hold harmless County under Section 21 of the Underlying Agreement.

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 five (5) 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. **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.

10. **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 and such breach is not reasonably curable.
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 reasonable 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.

B. **Effect of Termination.**

- 1) Within thirty (30) days following 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.

11. **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 as prescribed by applicable law.
  - 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, 9, 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