

1 AGREEMENT FOR PROVISION OF
 2 FISCAL INTERMEDIARY SERVICES
 3 FOR THE
 4 MEDICAL SAFETY NET PROGRAM
 5 BETWEEN
 6 COUNTY OF ORANGE
 7 AND
 8 ADVANCED MEDICAL MANAGEMENT, INC.
 9 JULY 1, 2019 THROUGH JUNE 30, 2024

10
 11 THIS AGREEMENT entered into this 1st day of July 2019, (effective date), is by and between the
 12 COUNTY OF ORANGE, a political subdivision of State of California (COUNTY) and ADVANCED
 13 MEDICAL MANAGEMENT, INC. a professional corporation (CONTRACTOR). COUNTY and
 14 CONTRACTOR may sometimes be referred to herein individually as “Party” or collectively as
 15 “Parties.” This Agreement shall be administered by the Director of the COUNTY’s Health Care Agency
 16 or an authorized designee (“ADMINISTRATOR”).

17
18 **W I T N E S S E T H:**

19
 20 WHEREAS, COUNTY in order to meet its obligations under California Welfare & Institutions
 21 Code 17000 (W&I 17000), has established a Medical Safety Net (MSN) Program to provide services
 22 which are medically necessary to protect life, prevent significant disability, or prevent serious
 23 deterioration of health; and,

24 WHEREAS, with respect to medical criteria for enrollment into the MSN Program, applicants must
 25 have an urgent or emergent medical condition that if left untreated would result in serious deterioration
 26 of health; and,

27 WHEREAS, COUNTY desires to assure the availability of Medical Services to persons for whom
 28 COUNTY is legally responsible pursuant to W&I 17000; and,

29 WHEREAS, COUNTY has entered into separate agreements with hospital providers for
 30 provision of MSN Hospital Services (MSN Hospital Agreement) or MSN Emergency and
 31 Stabilization Hospital Services (MSN ED Hospital Agreement); and,

32 WHEREAS, COUNTY has entered into a separate agreement with clinic providers for provision of
 33 MSN Clinical Services (MSN Clinic Agreement); and,

34 WHEREAS, CONTRACTOR, is the fiscal intermediary for the MSN Program services specified
 35 herein; and,

36 WHEREAS, the parties wish to provide for equitable reimbursement of those providing MSN
 37 Program services with a minimum of administrative costs; and,

1 WHEREAS, the parties desire to state their respective rights and responsibilities related to
2 providing, claiming, and reimbursing MSN Program services.

3 NOW, THEREFORE, in consideration of the mutual covenants, benefits, and promises contained
4 herein, COUNTY and CONTRACTOR do hereby agree as follows:

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37 //

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37

<u>PARAGRAPH</u>	<u>PAGE</u>
Title Page.....	1
Contents.....	2
Referenced Contract Provisions.....	4
I. Acronyms	8
II. Alteration of Terms	9
III. Assignment of Debts	10
IV. Compliance.....	10
V. Confidentiality.....	14
VI. Conflict of Interest.....	14
VII. Delegation, Assignment and Subcontracts	15
VIII. Dispute Resolution	17
IX. Employee Eligibility Verification	17
X. Facilities, Payments and Services	18
XI. Indemnification and Insurance.....	18
XII. Inspections and Audits	22
XIII. Licenses and Laws.....	23
XIV. Literature, Advertisements, and Social Media	24
XV. Maximum Obligation.....	25
XVI. Minimum Wage	25
XVII. Nondiscrimination.....	25
XVIII. Notices.....	27
XIX. Records Management and Maintenance.....	28
XX. Severability.....	30
XXI. Special Provisions	30
XXII. Status of Contractor.....	31
XXIII. Term	31
XXIV. Termination	31
XXV. Third Party Beneficiary	33
XXVI. Waiver of Default or Breach.....	34
Signature Page	35

//
//
//
//

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37

<u>PARAGRAPH</u>	<u>PAGE</u>
I. Preamble.....	1
II. Common Terms and Definitions	1
III. Physician and Other Provider Obligations	5
IV. Guidelines for Reimbursable Medical Services	11
V. Intermediary Obligations.....	12
VI. Funding and Payments	15
VII. County Obligations	18
VIII. Committees/Groups	19
<u>EXHIBIT B</u>	
I. Preamble.....	1
II. Satisfaction of County Obligation.....	1
III. Imprest Account	1
IV. Review of Claims.....	4
V. Conditions of Reimbursement	4
VI. Claim Denial/Appeal.....	6
VII. Third Party, Primary, Or Other Insurance Covered Claims	7
VIII. Recovery Account	9
IX. Payments.....	9
X. Final Settlement.....	13
XI. Satisfaction of Claims	13
XII. Claims Processing Standards and Sanctions	14
<u>EXHIBIT C</u>	
I. Preamble.....	1
II. General Requirements.....	1
<u>EXHIBIT D</u>	
I. Business Associate Contract.....	1
<u>EXHIBIT E</u>	
I. Information Privacy and Security Requirements	1
II. Definitions	1
III. Disclosure Restrictions	3

TABLE OF CONTENTS

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37

<u>PARAGRAPH</u>	<u>PAGE</u>
IV. Use Restrictions.....	3
V. Safeguards	3
VI. Security	3
VII. Security Officer	4
VIII. Training	4
IX. Employee Discipline	4
X. Breach and Security Incident Responsibilities	4
XI. Documentation of Disclosures for Requests for Accounting.....	7
XII. Requests for County PCI by Third Parties.....	7
XIII. Audits	7
XIV. Return or Destruction of County PCI on Expiration or Termination	8
XV. Amendment	8
XVI. Assistance in Litigation or Administrative Proceedings	8
XVII. No Third Party Beneficiaries	9
XVIII. Interpretation	9
XIX. Survival	9

ATTACHMENT 1 to EXHIBIT E

I. Contractor Data Security Standards.....	1
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REFERENCED CONTRACT PROVISIONS

Term: July 1, 2019 through June 30, 2024

Period One means the period July 1, 2019 through June 30, 2020

Period Two means the period July 1, 2020 through June 30, 2021

Period Three means the period July 1, 2021 through June 30, 2022

Period Four means the period July 1, 2022 through June 30, 2023

Period Five means the period July 1, 2023 through June 30, 2024

Maximum Obligation:

Period One Maximum Obligation: \$ 17,500

Period Two Maximum Obligation: 17,500

Period Three Maximum Obligation: 17,500

Period Four Maximum Obligation: 17,500

Period Five Maximum Obligation: 17,500

TOTAL MAXIMUM OBLIGATION: \$ 87,500

Basis for Reimbursement: Negotiated Rate

Payment Method: Monthly in Arrears (Administrative Services)

Monthly in Advance (Claims)

CONTRACTOR DUNS Number: 60-246-9298

CONTRACTOR TAX ID Number: 95-3785021

Notices to COUNTY and CONTRACTOR:

COUNTY: County of Orange
Health Care Agency
Contract Services
405 West 5th Street, Suite 600
Santa Ana, CA 92701-4637

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1 | CONTRACTOR: Advanced Medical Management, Inc.
2 | 5000 Airport Plaza Drive, Suite 150
3 | Long Beach, CA 90815-1260
4 | Kathy Hegstrom, President
5 | Email: khegstrom@amm.cc
6 | Voice: (562) 766-2000 Ext. 226

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I. ACRONYMS

The following standard definitions are for reference purposes only and may or may not apply in their entirety throughout this Agreement:

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4	A. AB 109	Assembly Bill 109, 2011 Public Safety Realignment
5	B. AES	Advanced Encryption Standard
6	C. ARRA	American Recovery and Reinvestment Act of 2009
7	D. CAP	Corrective Action Plan
8	E. CCC	California Civil Code
9	F. CCR	California Code of Regulations
10	G. CDCR	California Department of Corrections and Rehabilitation
11	H. CFDA	Catalog of Federal Domestic Assistance
12	I. CFR	Code of Federal Regulations
13	J. CHPP	COUNTY HIPAA Policies and Procedures
14	K. CHS	Correctional Health Services
15	L. CIPA	California Information Practices Act
16	M. CMPPA	Computer Matching and Privacy Protection Act
17	O. COI	Certificate of Insurance
18	P. CPA	Certified Public Accountant
19	Q. DCR	Data Collection and Reporting
20	R. DRS	Designated Record Set
21	S. EHR	Electronic Health Records
22	T. ePHI	Electronic Protected Health Information
23	U. GAAP	Generally Accepted Accounting Principles
24	V. HAB	Federal HIV/AIDS Bureau
25	W. HCA	County of Orange Health Care Agency
26	X. HHS	Federal Health and Human Services Agency
27	Y. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public
28		Law 104-191
29	Z. HITECH Act	Health Information Technology for Economic and Clinical Health
30		Act, Public Law 111-005
31	AA. ISO	Insurance Services Office
32	AB. RMHS	Regulatory and Medical Health Services
33	AC. MSN	Medical Safety Net
34	AD. NOA	Notice of Action
35	AE. NP	Nurse Practitioner
36	AF. NPDB	National Provider Data Bank
37	AG. NPI	National Provider Identifier

1	AH. NPP	Notice of Privacy Practices
2	AI. OCJS	Orange County Jail System
3	AJ. OC-MEDS	Orange County Medical Emergency Data System
4	AK. OCPD	Orange County Probation Department
5	AL. OCR	Federal Office for Civil Rights
6	AM. OCSD	Orange County Sheriff's Department
7	AN. OIG	Federal Office of Inspector General
8	AO. OMB	Federal Office of Management and Budget
9	AP. OPM	Federal Office of Personnel Management
10	AQ. ORR	Federal Office of Refugee Resettlement
11	AR. P&P	Policy and Procedure
12	AS. PA DSS	Payment Application Data Security Standard
13	AT. PAF	Partnership Assessment Form
14	AU. PAR	Prior Authorization Request
15	AV. PBM	Pharmaceutical Benefits Management
16	AW. PC	California Penal Code
17	AX. PCS	Post-Release Community Supervision
18	AY. PHI	Protected Health Information
19	AZ. PI	Personal Information
20	BA. PII	Personally Identifiable Information
21	BB. PRA	California Public Records Act
22	BC. RN	Registered Nurse
23	BD. RSA	Remote Site Access
24	BE. SAPTBG	Substance Abuse Prevention and Treatment Block Grant
25	BF. SD/MC	Short-Doyle Medi-Cal
26	BG. TAR	Treatment Authorization Request
27	BH. USC	United States Code
28	BI. W&IC	California Welfare and Institutions Code
29	BJ. WIC	Women, Infants and Children

II. ALTERATION OF TERMS

32 A. This Agreement, together with Exhibits A and B attached hereto and incorporated herein, fully
33 expresses the complete understanding of COUNTY and CONTRACTOR with respect to the subject
34 matter of this Agreement.

35 B. Unless otherwise expressly stated in this Agreement, no addition to, or alteration of the terms of
36 this Agreement or any Exhibits, whether written or verbal, made by the parties, their officers, employees

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1 or agents shall be valid unless made in the form of a written amendment to this Agreement, which has
2 been formally approved and executed by both parties.

3
4 **III. ASSIGNMENT OF DEBTS**

5 Unless this Agreement is followed without interruption by another Agreement between the parties
6 hereto for the same services and substantially the same scope, at the termination of this Agreement,
7 CONTRACTOR shall assign to COUNTY any debts owing to CONTRACTOR by or on behalf of
8 persons receiving services pursuant to this Agreement. CONTRACTOR shall immediately notify by
9 mail each of these persons, specifying the date of assignment, the County of Orange as assignee, and the
10 address to which payments are to be sent. Payments received by CONTRACTOR from or on behalf of
11 said persons, shall be immediately given to COUNTY.

12
13 **IV. COMPLIANCE**

14 A. COMPLIANCE PROGRAM - ADMINISTRATOR has established a Compliance Program for
15 the purpose of ensuring adherence to all rules and regulations related to federal and state health care
16 programs.

17 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the policies and
18 procedures relating to ADMINISTRATOR’s Compliance Program, Code of Conduct and access to
19 General Compliance and Annual Provider Trainings.

20 2. CONTRACTOR has the option to provide ADMINISTRATOR with proof of its own
21 compliance program, code of conduct and any compliance related policies and procedures.
22 CONTRACTOR’s compliance program, code of conduct and any related policies and procedures shall
23 be verified by ADMINISTRATOR’s Compliance Department to ensure they include all required
24 elements by ADMINISTRATOR’s Compliance Officer as described in this Compliance Paragraph to
25 this Agreement. These elements include:

- 26 a. Designation of a Compliance Officer and/or compliance staff.
- 27 b. Written standards, policies and/or procedures.
- 28 c. Compliance related training and/or education program and proof of completion.
- 29 d. Communication methods for reporting concerns to the Compliance Officer.
- 30 e. Methodology for conducting internal monitoring and auditing.
- 31 f. Methodology for detecting and correcting offenses.
- 32 g. Methodology/Procedure for enforcing disciplinary standards.

33 3. If CONTRACTOR does not provide proof of its own compliance program to
34 ADMINISTRATOR, CONTRACTOR shall internally comply with ADMINISTRATOR’s Compliance
35 Program and Code of Conduct, the CONTRACTOR shall submit to the ADMINISTRATOR within
36 thirty (30) calendar days of execution of this Agreement a signed acknowledgement that
37 CONTRACTOR will internally comply with ADMINISTRATOR’s Compliance Program and Code of

1 Conduct. CONTRACTOR shall have as many Covered Individuals it determines necessary complete
2 ADMINISTRATOR’s annual compliance training to ensure proper compliance.

3 4. If CONTRACTOR elects to have its own compliance program, code of conduct and any
4 Compliance related policies and procedures reviewed by ADMINISTRATOR, then CONTRACTOR
5 shall submit a copy of its compliance program, code of conduct and all relevant policies and procedures
6 to ADMINISTRATOR within thirty (30) calendar days of execution of this Agreement.
7 ADMINISTRATOR’s Compliance Officer, or designee, shall review said documents within a
8 reasonable time, which shall not exceed forty-five (45) calendar days, and determine if contractor’s
9 proposed compliance program and code of conduct contain all required elements to the
10 ADMINISTRATOR’s satisfaction as consistent with the HCA’s Compliance Program and Code of
11 Conduct. ADMINISTRATOR shall inform CONTRACTOR of any missing required elements and
12 CONTRACTOR shall revise its compliance program and code of conduct to meet
13 ADMINISTRATOR’s required elements within thirty (30) calendar days after ADMINISTRATOR’s
14 Compliance Officer’s determination and resubmit the same for review by the ADMINISTRATOR.

15 5. Upon written confirmation from ADMINISTRATOR’s compliance officer that the
16 CONTRACTOR’s compliance program, code of conduct and any compliance related policies and
17 procedures contain all required elements, CONTRACTOR shall ensure that all Covered Individuals
18 relative to this Agreement are made aware of CONTRACTOR’s compliance program, code of conduct,
19 related policies and procedures and contact information for the ADMINISTRATOR’s Compliance
20 Program.

21 B. SANCTION SCREENING – CONTRACTOR shall screen all Covered Individuals employed or
22 retained to provide services related to this Agreement semi-annually to ensure that they are not
23 designated as Ineligible Persons, as pursuant to this Agreement. Screening shall be conducted against
24 the General Services Administration's Excluded Parties List System or System for Award Management,
25 the Health and Human Services/Office of Inspector General List of Excluded Individuals/Entities, and
26 the California Medi-Cal Suspended and Ineligible Provider List, the Social Security Administration’s
27 Death Master File, and/or any other list or system as identified by ADMINISTRATOR.

28 1. For purposes of this Compliance Paragraph, Covered Individuals includes all employees,
29 interns, volunteers, contractors, subcontractors, agents, and other persons who provide health care items
30 or services or who perform billing or coding functions on behalf of ADMINISTRATOR.
31 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of
32 ADMINISTRATOR’s Compliance Program, Code of Conduct and related policies and procedures (or
33 CONTRACTOR’s own compliance program, code of conduct and related policies and procedures if
34 CONTRACTOR has elected to use its own).

35 2. An Ineligible Person shall be any individual or entity who:
36 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in
37 federal and state health care programs; or

1 b. has been convicted of a criminal offense related to the provision of health care items or
2 services and has not been reinstated in the federal and state health care programs after a period of
3 exclusion, suspension, debarment, or ineligibility.

4 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.
5 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this
6 Agreement.

7 4. CONTRACTOR shall screen all current Covered Individuals and subcontractors semi-
8 annually to ensure that they have not become Ineligible Persons. CONTRACTOR shall also request that
9 its subcontractors use their best efforts to verify that they are eligible to participate in all federal and
10 State of California health programs and have not been excluded or debarred from participation in any
11 federal or state health care programs, and to further represent to CONTRACTOR that they do not have
12 any Ineligible Person in their employ or under contract.

13 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any
14 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.
15 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing
16 services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an
17 Ineligible Person.

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

24 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or
25 entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.
26 Such individual or entity shall be immediately removed from participating in any activity associated
27 with this Agreement. ADMINISTRATOR will determine appropriate repayment from, or sanction(s) to
28 CONTRACTOR for services provided by ineligible person or individual. CONTRACTOR shall
29 promptly return any overpayments within forty-five (45) business days after the overpayment is verified
30 by ADMINISTRATOR.

31 C. GENERAL COMPLIANCE TRAINING - ADMINISTRATOR shall make General Compliance
32 Training available to Covered Individuals.

33 1. CONTRACTORS that have acknowledged to comply with ADMINISTRATOR's
34 Compliance Program shall use its best efforts to encourage completion by all Covered Individuals;
35 provided, however, that at a minimum CONTRACTOR shall assign at least one (1) designated
36 representative to complete the General Compliance Training when offered.

37 //

1 2. Such training will be made available to Covered Individuals within thirty (30) calendar days
2 of employment or engagement.

3 3. Such training will be made available to each Covered Individual annually.

4 4. ADMINISTRATOR will track training completion while CONTRACTOR shall provide
5 copies of training certification upon request.

6 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
7 compliance training. ADMINISTRATOR shall provide instruction on group training completion while
8 CONTRACTOR shall retain the training certifications. Upon written request by ADMINISTRATOR,
9 CONTRACTOR shall provide copies of the certifications.

10 D. SPECIALIZED PROVIDER TRAINING – ADMINISTRATOR shall make Specialized
11 Provider Training, where appropriate, available to Covered Individuals.

12 1. CONTRACTOR shall ensure completion of Specialized Provider Training by all Covered
13 Individuals relative to this Agreement. This includes compliance with federal and state healthcare
14 program regulations and procedures or instructions otherwise communicated by regulatory agencies;
15 including the Centers for Medicare and Medicaid Services or their agents.

16 2. Such training will be made available to Covered Individuals within thirty (30) calendar days
17 of employment or engagement.

18 3. Such training will be made available to each Covered Individual annually.

19 4. ADMINISTRATOR will track online completion of training while CONTRACTOR shall
20 provide copies of the certifications upon request.

21 5. Each Covered Individual attending a group training shall certify, in writing, attendance at
22 compliance training. ADMINISTRATOR shall provide instructions on completing the training in a
23 group setting while CONTRACTOR shall retain the certifications. Upon written request by
24 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

25 E. MEDI-CAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

26 1. CONTRACTOR shall take reasonable precaution to ensure that the coding of health care
27 claims, billings and/or invoices for same are prepared and submitted in an accurate and timely manner
28 and are consistent with federal, state and county laws and regulations. This includes compliance with
29 federal and state health care program regulations and procedures or instructions otherwise
30 communicated by regulatory agencies including the Centers for Medicare and Medicaid Services or their
31 agents.

32 2. CONTRACTOR shall not submit any false, fraudulent, inaccurate and/or fictitious claims
33 for payment or reimbursement of any kind.

34 3. CONTRACTOR shall bill only for those eligible services actually rendered which are also
35 fully documented. When such services are coded, CONTRACTOR shall use proper billing codes which
36 accurately describes the services provided and must ensure compliance with all billing and
37 documentation requirements.

1 4. CONTRACTOR shall act promptly to investigate and correct any problems or errors in
2 coding of claims and billing, if and when, any such problems or errors are identified.

3 5. CONTRACTOR shall promptly return any overpayments within forty-five (45) business
4 days after the overpayment is verified by the ADMINISTRATOR.

5 6. CONTRACTOR shall meet the HCA MHP Quality Management Program Standards and
6 participate in the quality improvement activities developed in the implementation of the Quality
7 Management Program.

8 7. CONTRACTOR shall comply with the provisions of the ADMINISTRATOR’s Cultural
9 Competency Plan submitted and approved by the state. ADMINISTRATOR shall update the Cultural
10 Competency Plan and submit the updates to the State for review and approval annually. (CCR, Title 9,
11 §1810.410.subds.(c)-(d)).

12 F. Failure to comply with the obligations stated in this Compliance Paragraph shall constitute a
13 breach of the Agreement on the part of CONTRACTOR and grounds for COUNTY to terminate the
14 Agreement. Unless the circumstances require a sooner period of cure, CONTRACTOR shall have thirty
15 (30) calendar days from the date of the written notice of default to cure any defaults grounded on this
16 Compliance Paragraph prior to ADMINISTRATOR’s right to terminate this Agreement on the basis of
17 such default.

18
19 **V. CONFIDENTIALITY**

20 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any
21 audio and/or video recordings, in accordance with all applicable federal, state and county codes and
22 regulations, as they now exist or may hereafter be amended or changed.

23 B. Prior to providing any services pursuant to this Agreement, all members of the Board of
24 Directors or its designee or authorized agent, employees, consultants, subcontractors, volunteers and
25 interns of the CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the
26 confidentiality of any and all information and records which may be obtained in the course of providing
27 such services. This Agreement shall specify that it is effective irrespective of all subsequent resignations
28 or terminations of CONTRACTOR members of the Board of Directors or its designee or authorized
29 agent, employees, consultants, subcontractors, volunteers and interns.

30
31 **VI. CONFLICT OF INTEREST**

32 CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions
33 that could result in a conflict with COUNTY interests. In addition to CONTRACTOR, this obligation
34 shall apply to CONTRACTOR’s employees, agents, and subcontractors associated with the provision of
35 goods and services provided under this Agreement. CONTRACTOR’s efforts shall include, but not be
36 limited to establishing rules and procedures preventing its employees, agents, and subcontractors from
37 providing or offering gifts, entertainment, payments, loans or other considerations which could be

1 deemed to influence or appear to influence COUNTY staff or elected officers in the performance of their
2 duties.

3
4 **VII. DELEGATION, ASSIGNMENT AND SUBCONTRACTS**

5 A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without
6 prior written consent of COUNTY. CONTRACTOR shall provide written notification of
7 CONTRACTOR’s intent to delegate the obligations hereunder, either in whole or part, to
8 ADMINISTRATOR not less than sixty (60) calendar days prior to the effective date of the delegation.
9 Any attempted assignment or delegation in derogation of this paragraph shall be void.

10 B. CONTRACTOR agrees that if there is a change or transfer in ownership of CONTRACTOR’s
11 business prior to completion of this Agreement, and COUNTY agrees to an assignment of the
12 Agreement, the new owners shall be required under the terms of sale or other instruments of transfer to
13 assume CONTRACTOR’s duties and obligations contained in this Agreement and complete them to the
14 satisfaction of COUNTY. CONTRACTOR may not assign the rights hereunder, either in whole or in
15 part, without the prior written consent of COUNTY.

16 1. If CONTRACTOR is a nonprofit organization, any change from a nonprofit corporation to
17 any other corporate structure of CONTRACTOR, including a change in more than fifty percent (50%) of
18 the composition of the Board of Directors within a two (2) month period of time, shall be deemed an
19 assignment for purposes of this paragraph, unless CONTRACTOR is transitioning from a community
20 clinic/health center to a Federally Qualified Health Center and has been so designated by the Federal
21 Government. Any attempted assignment or delegation in derogation of this subparagraph shall be void.

22 2. If CONTRACTOR is a for-profit organization, any change in the business structure,
23 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of
24 CONTRACTOR, change to another corporate structure, including a change to a sole proprietorship, or a
25 change in fifty percent (50%) or more of Board of Directors or any governing body of CONTRACTOR
26 at one time shall be deemed an assignment pursuant to this paragraph. Any attempted assignment or
27 delegation in derogation of this subparagraph shall be void.

28 3. If CONTRACTOR is a governmental organization, any change to another structure,
29 including a change in more than fifty percent (50%) of the composition of its governing body (i.e. Board
30 of Supervisors, City Council, School Board) within a two (2) month period of time, shall be deemed an
31 assignment for purposes of this paragraph. Any attempted assignment or delegation in derogation of this
32 subparagraph shall be void.

33 4. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
34 CONTRACTOR shall provide written notification of CONTRACTOR’s intent to assign the obligations
35 hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to
36 the effective date of the assignment.

37 //

1 5. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,
2 CONTRACTOR shall provide written notification within thirty (30) calendar days to
3 ADMINISTRATOR when there is change of less than fifty percent (50%) of Board of Directors or any
4 governing body of CONTRACTOR at one time.

5 6. COUNTY reserves the right to immediately terminate the Agreement in the event
6 COUNTY determines, in its sole discretion, that the assignee is not qualified or is otherwise
7 unacceptable to COUNTY for the provision of services under the Agreement.

8 C. CONTRACTOR’s obligations undertaken pursuant to this Agreement may be carried out by
9 means of subcontracts, provided such subcontractors are approved in advance by ADMINISTRATOR,
10 meet the requirements of this Agreement as they relate to the service or activity under subcontract,
11 include any provisions that ADMINISTRATOR may require, and are authorized in writing by
12 ADMINISTRATOR prior to the beginning of service delivery.

13 1. After approval of the subcontractor, ADMINISTRATION may revoke the approval of the
14 subcontractor upon five (5) calendar days’ written notice to CONTRACTOR if the subcontractor
15 subsequently fails to meet the requirements of this Agreement or any provisions that
16 ADMINISTRATOR has required. ADMINISTRATOR may disallow subcontractor expenses reported
17 by CONTRACTOR.

18 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY
19 pursuant to this Agreement.

20 3. ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR,
21 amounts claimed for subcontracts not approved in accordance with this paragraph.

22 4. This provision shall not be applicable to service agreements usually and customarily entered
23 into by CONTRACTOR to obtain or arrange for supplies, technical support, professional services
24 provided by consultants, and medical services not provided directly by CONTRACTOR, including but
25 not limited to dialysis.

26 D. CONTRACTOR shall notify COUNTY in writing of any change in the CONTRACTOR’s
27 status with respect to name changes that do not require an assignment of the Agreement.
28 CONTRACTOR is also obligated to notify COUNTY in writing if the CONTRACTOR becomes a party
29 to any litigation against COUNTY, or a party to litigation that may reasonably affect the
30 CONTRACTOR’s performance under the Contract, as well as any potential conflicts of interest between
31 CONTRACTOR and County that may arise prior to or during the period of Agreement performance.
32 While CONTRACTOR will be required to provide this information without prompting from COUNTY
33 any time there is a change in CONTRACTOR’s name, conflict of interest or litigation status,
34 CONTRACTOR must also provide an update to COUNTY of its status in these areas whenever
35 requested by COUNTY.

36 //

37 //

VIII. DISPUTE RESOLUTION

A. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Agreement is not disposed of in a reasonable period of time by the CONTRACTOR and the ADMINISTRATOR, such matter shall be brought to the attention of the COUNTY Purchasing Agency by way of the following process:

1. CONTRACTOR shall submit to the COUNTY Purchasing Agency a written demand for a final decision regarding the disposition of any dispute between the Parties arising under, related to, or involving this Agreement, unless COUNTY, on its own initiative, has already rendered such a final decision.

2. CONTRACTOR’s written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Agreement, CONTRACTOR shall include with the demand a written statement signed by an authorized representative indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Agreement adjustment for which CONTRACTOR believes COUNTY is liable.

B. Pending the final resolution of any dispute arising under, related to, or involving this Agreement, CONTRACTOR agrees to proceed diligently with the performance of services secured via this Agreement, including the delivery of goods and/or provision of services. CONTRACTOR's failure to proceed diligently shall be considered a material breach of this Agreement.

C. Any final decision of COUNTY shall be expressly identified as such, shall be in writing, and shall be signed by a COUNTY Deputy Purchasing Agent or designee. If COUNTY fails to render a decision within ninety (90) calendar days after receipt of CONTRACTOR's demand, it shall be deemed a final decision adverse to CONTRACTOR's contentions.

D. This Agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically agree to waive any and all rights to request that an action be transferred for adjudication to another county.

IX. EMPLOYEE ELIGIBILITY VERIFICATION

CONTRACTOR warrants that it shall fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees, subcontractors, and consultants performing work under this Agreement meet the citizenship or alien status requirements set forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees, subcontractors, and consultants performing work hereunder, all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not

1 limited to, the Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently
2 exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all
3 covered employees, subcontractors, and consultants for the period prescribed by the law.

4
5 **X. FACILITIES, PAYMENTS AND SERVICES COST REPORT**

6 A. CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance
7 with this Agreement. COUNTY shall compensate, and authorize, when applicable, said services.
8 CONTRACTOR shall operate continuously throughout the term of this Agreement with at least the
9 minimum number and type of staff which meet applicable federal and state requirements, and which are
10 necessary for the provision of the services hereunder.

11 B. In the event that CONTRACTOR is unable to provide the services, staffing, facilities, or
12 supplies as required, ADMINISTRATOR may, at its sole discretion, reduce the Total Maximum
13 Obligation the Maximum Obligation for the appropriate Period as well as the Total Maximum
14 Obligation. The reduction to the Maximum Obligation Maximum Obligation for the appropriate Period
15 as well as the Total Maximum Obligation shall be in an amount proportionate to the number of days in
16 which CONTRACTOR was determined to be unable to provide services, staffing, facilities or supplies.

17
18 **XI. INDEMNIFICATION AND INSURANCE**

19 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,
20 and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special
21 districts and agencies for which COUNTY’s Board of Supervisors acts as the governing Board
22 (“COUNTY INDEMNITEES”) harmless from any claims, demands or liability of any kind or nature,
23 including but not limited to personal injury or property damage, arising from or related to the services,
24 products or other performance provided by CONTRACTOR pursuant to this Agreement. If judgment is
25 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the
26 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and
27 COUNTY agree that liability will be apportioned as determined by the court. Neither Party shall request
28 a jury apportionment.

29 B. Prior to the provision of services under this Agreement, CONTRACTOR agrees to purchase all
30 required insurance at CONTRACTOR’s expense, including all endorsements required herein, necessary
31 to satisfy COUNTY that the insurance provisions of this Agreement have been complied with.
32 CONTRACTOR agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on
33 deposit with COUNTY during the entire term of this Agreement. In addition, all subcontractors
34 performing work on behalf of CONTRACTOR pursuant to this Agreement shall obtain insurance
35 subject to the same terms and conditions as set forth herein for CONTRACTOR.

36 C. CONTRACTOR shall ensure that all subcontractors performing work on behalf of
37 CONTRACTOR pursuant to this Agreement shall be covered under CONTRACTOR’s insurance as an

1 Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for
2 CONTRACTOR. CONTRACTOR shall not allow subcontractors to work if subcontractors have less
3 than the level of coverage required by COUNTY from CONTRACTOR under this Agreement. It is the
4 obligation of CONTRACTOR to provide notice of the insurance requirements to every subcontractor
5 and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of
6 insurance must be maintained by CONTRACTOR through the entirety of this Agreement for inspection
7 by COUNTY representative(s) at any reasonable time.

8 D. All SIRs shall be clearly stated on the COI. Any SIR in an amount in excess of fifty thousand
9 dollars (\$50,000) shall specifically be approved by the CEO/Office of Risk Management upon review of
10 CONTRACTOR's current audited financial report. If CONTRACTOR's SIR is approved,
11 CONTRACTOR, in addition to, and without limitation of, any other indemnity provision(s) in this
12 Agreement, agrees to all of the following:

13 1. In addition to the duty to indemnify and hold the COUNTY harmless against any and all
14 liability, claim, demand or suit resulting from CONTRACTOR's, its agents, employee's or
15 subcontractor's performance of this Agreement, CONTRACTOR shall defend the COUNTY at its sole
16 cost and expense with counsel approved by Board of Supervisors against same; and

17 2. CONTRACTOR's duty to defend, as stated above, shall be absolute and irrespective of any
18 duty to indemnify or hold harmless; and

19 3. The provisions of California Civil Code Section 2860 shall apply to any and all actions to
20 which the duty to defend stated above applies, and the CONTRACTOR's SIR provision shall be
21 interpreted as though the CONTRACTOR was an insurer and the COUNTY was the insured.

22 E. If CONTRACTOR fails to maintain insurance acceptable to the COUNTY for the full term of
23 this Agreement, the COUNTY may terminate this Agreement.

24 F. QUALIFIED INSURER

25 1. The policy or policies of insurance must be issued by an insurer with a minimum rating of
26 A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current
27 edition of the Best's Key Rating Guide/Property-Casualty/United States or ambest.com). It is preferred,
28 but not mandatory, that the insurer be licensed to do business in the state of California (California
29 Admitted Carrier).

30 2. If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of
31 Risk Management retains the right to approve or reject a carrier after a review of the company's
32 performance and financial ratings.

33 G. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum
34 limits and coverage as set forth below:

35 //
36 //
37 //

<u>Coverage</u>	<u>Minimum Limits</u>
Commercial General Liability	\$5,000,000 per occurrence \$5,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Network Security & Privacy Liability	\$1,000,000 per claims made
Technology Errors & Omissions	\$1,000,000 per claims -made \$1,000,000 aggregate
Employee Dishonesty	\$1,000,000 per occurrence

H. REQUIRED COVERAGE FORMS

1. The Commercial General Liability coverage shall be written on ISO form CG 00 01, or a substitute form providing liability coverage at least as broad.
2. The Business Automobile Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 00 12, CA 00 20, or a substitute form providing coverage at least as broad.

I. REQUIRED ENDORSEMENTS

1. The Commercial General Liability policy shall contain the following endorsements, which shall accompany the COI:
 - a. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the County of Orange, its elected and appointed officials, officers, agents and employees as Additional Insureds, or provide blanket coverage, which will state AS REQUIRED BY WRITTEN AGREEMENT.
 - b. A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that the CONTRACTOR's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.
2. The Network Security and Privacy Liability policy shall contain the following endorsements which shall accompany the COI:
 - a. An Additional Insured endorsement naming the County of Orange, its elected and appointed officials, officers, agents and employees as Additional Insureds for its vicarious liability.

1 b. A primary and non-contributing endorsement evidencing that the Contractor’s
2 insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be
3 excess and non-contributing.

4 J. All insurance policies required by this Agreement shall waive all rights of subrogation against
5 the County of Orange, its elected and appointed officials, officers, agents and employees when acting
6 within the scope of their appointment or employment.

7 K. The Workers’ Compensation policy shall contain a waiver of subrogation endorsement waiving
8 all rights of subrogation against the County of Orange, its elected and appointed officials, officers,
9 agents and employees, or provide blanket coverage, which will state AS REQUIRED BY WRITTEN
10 AGREEMENT.

11 L. All insurance policies required by this Agreement shall waive all rights of subrogation against
12 the County of Orange, its elected and appointed officials, officers, agents and employees when acting
13 within the scope of their appointment or employment.

14 M. The County of Orange shall be the loss payee on the Employee Dishonesty coverage. A Loss
15 Payee endorsement evidencing that the County of Orange is a Loss Payee shall accompany the
16 Certificate of Insurance. This is primarily used if an “advance” payment is given to the provider. This
17 does not apply to provisional payments which are then reconciled to actual costs in the following month]

18 N. CONTRACTOR shall notify COUNTY in writing within thirty (30) days of any policy
19 cancellation and within ten (10) days for non-payment of premium and provide a copy of the
20 cancellation notice to COUNTY. Failure to provide written notice of cancellation shall constitute a
21 breach of CONTRACTOR’s obligation hereunder and ground for COUNTY to suspend or terminate this
22 Agreement.

23 O. If CONTRACTOR’s Professional Liability, Technology Errors & Omissions and/or Network
24 Security & Privacy Liability are “Claims -Made” policies, CONTRACTOR shall agree to maintain
25 coverage for two (2) years following the completion of the Agreement.

26 P. The Commercial General Liability policy shall contain a “severability of interests” clause also
27 known as a “separation of insureds” clause (standard in the ISO CG 0001 policy).

28 Q. Insurance certificates should be forwarded to the agency/department address listed on the
29 solicitation.

30 R. If the Contractor fails to provide the insurance certificates and endorsements within seven (7)
31 days of notification by CEO/Purchasing or the agency/department purchasing division, award may be
32 made to the next qualified vendor.

33 S. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease
34 insurance of any of the above insurance types throughout the term of this Agreement. Any increase or
35 decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately
36 protect COUNTY.

37 //

1 T. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If
2 CONTRACTOR does not deposit copies of acceptable Certificate of Insurance and endorsements with
3 COUNTY incorporating such changes within thirty (30) calendar days of receipt of such notice, this
4 Agreement may be in breach without further notice to CONTRACTOR, and COUNTY shall be entitled
5 to all legal remedies.

6 U. The procuring of such required policy or policies of insurance shall not be construed to limit
7 CONTRACTOR's liability hereunder nor to fulfill the indemnification provisions and requirements of
8 this Agreement, nor act in any way to reduce the policy coverage and limits available from the insurer.

9 V. SUBMISSION OF INSURANCE DOCUMENTS

10 1. The COI and endorsements shall be provided to COUNTY as follows:

11 a. Prior to the start date of this Agreement.

12 b. No later than the expiration date for each policy.

13 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding
14 changes to any of the insurance requirements as set forth in the Coverage Subparagraph above.

15 2. The COI and endorsements shall be provided to the COUNTY at the address as specified in
16 the Referenced Contract Provisions of this Agreement.

17 3. If CONTRACTOR fails to submit the COI and endorsements that meet the insurance
18 provisions stipulated in this Agreement by the above specified due dates, ADMINISTRATOR shall have
19 sole discretion to impose one or both of the following:

20 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR
21 pursuant to any and all Agreements between COUNTY and CONTRACTOR until such time that the
22 required COI and endorsements that meet the insurance provisions stipulated in this Agreement are
23 submitted to ADMINISTRATOR.

24 b. CONTRACTOR may be assessed a penalty of one hundred dollars (\$100) for each late
25 COI or endorsement for each business day, pursuant to any and all Agreements between COUNTY and
26 CONTRACTOR, until such time that the required COI and endorsements that meet the insurance
27 provisions stipulated in this Agreement are submitted to ADMINISTRATOR.

28 c. If CONTRACTOR is assessed a late penalty, the amount shall be deducted from
29 CONTRACTOR's monthly invoice.

30 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any
31 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid COIs
32 and endorsements, or in the interim, an insurance binder as adequate evidence of insurance coverage.

33
34 **XII. INSPECTIONS AND AUDITS**

35 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
36 of the State of California, the Secretary of the United States Department of Health and Human Services,
37 the Comptroller General of the United States, or any other of their authorized representatives, shall have

1 access to any books, documents, and records, including but not limited to, financial statements, general
2 ledgers, relevant accounting systems, medical and client records, of CONTRACTOR that are directly
3 pertinent to this Agreement, for the purpose of responding to a beneficiary complaint or conducting an
4 audit, review, evaluation, or examination, or making transcripts during the periods of retention set forth
5 in the Records Management and Maintenance Paragraph of this Agreement. Such persons may at all
6 reasonable times inspect or otherwise evaluate the services provided pursuant to this Agreement, and the
7 premises in which they are provided.

8 B. CONTRACTOR shall actively participate and cooperate with any person specified in
9 Subparagraph A. above in any evaluation or monitoring of the services provided pursuant to this
10 Agreement, and shall provide the above-mentioned persons adequate office space to conduct such
11 evaluation or monitoring.

12 C. AUDIT RESPONSE

13 1. Following an audit report, in the event of non-compliance with applicable laws and
14 regulations governing funds provided through this Agreement, COUNTY may terminate this Agreement
15 as provided for in the Termination Paragraph or direct CONTRACTOR to immediately implement
16 appropriate corrective action. A plan of corrective action shall be submitted to ADMINISTRATOR in
17 writing within thirty (30) calendar days after receiving notice from ADMINISTRATOR.

18 2. If the audit reveals that money is payable from one party to the other, that is, reimbursement
19 by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said
20 funds shall be due and payable from one party to the other within sixty (60) calendar days of receipt of
21 the audit results. If reimbursement is due from CONTRACTOR to COUNTY, and such reimbursement
22 is not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies
23 provided by law, reduce any amount owed CONTRACTOR by an amount not to exceed the
24 reimbursement due COUNTY.

25 D. CONTRACTOR shall retain a licensed certified public accountant, who will prepare and file
26 with ADMINISTRATOR, an annual, independent, organization-wide audit of related expenditures as
27 may be required during the term of this Agreement.

28 E. CONTRACTOR shall forward to ADMINISTRATOR a copy of any audit report within
29 fourteen (14) calendar days of receipt. Such audit shall include, but not be limited to, management,
30 financial, programmatic or any other type of audit of CONTRACTOR's operations, whether or not the
31 cost of such operation or audit is reimbursed in whole or in part through this Agreement.

32
33 **XIII. LICENSES AND LAWS**

34 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout
35 the term of this Agreement, maintain all necessary licenses, permits, approvals, certificates,
36 accreditations, waivers, and exemptions necessary for the provision of the services hereunder and
37 //

1 required by the laws, regulations and requirements of the United States, the State of California,
2 COUNTY, and all other applicable governmental agencies.

3 B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

4 1. CONTRACTOR certifies it is in full compliance with all applicable federal and State
5 reporting requirements regarding its employees and with all lawfully served Wage and Earnings
6 Assignment Orders and Notices of Assignments and will continue to be in compliance throughout the
7 term of the Agreement with the County of Orange. Failure to comply shall constitute a material breach
8 of the Agreement and failure to cure such breach within sixty (60) calendar days of notice from the
9 COUNTY shall constitute grounds for termination of the Agreement.

10 2. CONTRACTOR agrees to furnish to ADMINISTRATOR within thirty (30) calendar days
11 of the award of this Agreement:

12 a. In the case of an individual CONTRACTOR, his/her name, date of birth, social security
13 number, and residence address;

14 b. In the case of a CONTRACTOR doing business in a form other than as an individual,
15 the name, date of birth, social security number, and residence address of each individual who owns an
16 interest of ten percent (10%) or more in the contracting entity;

17 3. It is expressly understood that this data will be transmitted to governmental agencies
18 charged with the establishment and enforcement of child support orders, or as permitted by federal
19 and/or state statute.

20 C. CONTRACTOR shall comply with all applicable governmental laws, regulations, and
21 requirements as they exist now or may be hereafter amended or changed.

22 D. CONTRACTOR attests that all CONTRACTOR physicians providing services under this
23 Agreement are and will continue to be as long as this Agreement remains in effect, the holders of
24 currently valid licenses to practice medicine in the State of California and are members in good standing
25 of the medical staff of CONTRACTOR's facility.

26
27 **XIV. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

28 A. Any written information or literature, including educational or promotional materials,
29 distributed by CONTRACTOR to any person or organization for purposes directly or indirectly related
30 to this Agreement must be approved at least thirty (30) days in advance and in writing by
31 ADMINISTRATOR before distribution. For the purposes of this Agreement, distribution of written
32 materials shall include, but not be limited to, pamphlets, brochures, flyers, newspaper or magazine ads,
33 and electronic media such as the Internet.

34 B. Any advertisement through radio, television broadcast, or the Internet, for educational or
35 promotional purposes, made by CONTRACTOR for purposes directly or indirectly related to this
36 Agreement must be approved in advance at least thirty (30) days and in writing by ADMINISTRATOR.

37 //

1 C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly
2 available social media sites) in support of the services described within this Agreement,
3 ADMINISTRATOR upon reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all
4 forms of social media used to either directly or indirectly support the services described within this
5 Agreement. CONTRACTOR shall comply with COUNTY Social Media Use Policy and Procedures as
6 they pertain to any social media developed in support of the services described within this Agreement.
7 CONTRACTOR shall also include any required funding statement information on social media when
8 required by ADMINISTRATOR.

9 D. Any information as described in Subparagraphs A. and B. above shall not imply endorsement by
10 COUNTY, unless ADMINISTRATOR consents thereto in writing.

11
12 **XV. MAXIMUM OBLIGATION**

13 The Total Maximum Obligation of COUNTY for services provided in accordance with this
14 Agreement, and the separate Maximum Obligations for each period under this Agreement, are as
15 specified in the Referenced Contract Provisions of this Agreement.

16
17 **XVI. MINIMUM WAGE LAWS**

18 A. Pursuant to the United States of America Fair Labor Standards Act of 1938, as amended, and
19 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the
20 federal or California Minimum Wage to all its Covered Individuals (as defined within the “Compliance”
21 paragraph of this Agreement) that directly or indirectly provide services pursuant to this Agreement, in
22 any manner whatsoever. CONTRACTOR shall require and verify that all of its Covered Individuals
23 providing services pursuant to this Agreement be paid no less than the greater of the federal or
24 California Minimum Wage.

25 B. CONTRACTOR shall comply and verify that its Covered Individuals comply with all other
26 federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor
27 standards pursuant to providing services pursuant to this Agreement.

28 C. Notwithstanding the minimum wage requirements provided for in this clause, CONTRACTOR,
29 where applicable, shall comply with the prevailing wage and related requirements, as provided for in
30 accordance with the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the
31 State of California (§§1770, et seq.), as it now exists or may hereafter be amended.

32
33 **XVII. NONDISCRIMINATION**

34 **A. EMPLOYMENT**

35 1. During the term of this Agreement, CONTRACTOR and its Covered Individuals shall not
36 unlawfully discriminate against any employee or applicant for employment because of his/her race,
37 religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition,

1 genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual
2 orientation, or military and veteran status. Additionally, during the term of this Agreement,
3 CONTRACTOR and its Covered Individuals shall require in its subcontracts that subcontractors shall
4 not unlawfully discriminate against any employee or applicant for employment because of his/her race,
5 religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition,
6 genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual
7 orientation, or military and veteran status.

8 2. CONTRACTOR and its Covered Individuals shall not discriminate against employees or
9 applicants for employment in the areas of employment, promotion, demotion or transfer; recruitment or
10 recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection
11 for training, including apprenticeship.

12 3. CONTRACTOR shall not discriminate between employees with spouses and employees
13 with domestic partners, or discriminate between domestic partners and spouses of those employees, in
14 the provision of benefits.

15 4. CONTRACTOR shall post in conspicuous places, available to employees and applicants for
16 employment, notices from ADMINISTRATOR and/or the United States Equal Employment Opportunity
17 Commission setting forth the provisions of the Equal Opportunity clause.

18 5. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR
19 and/or subcontractor shall state that all qualified applicants will receive consideration for employment
20 without regard to race, religious creed, color, national origin, ancestry, physical disability, mental
21 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender
22 expression, age, sexual orientation, or military and veteran status. Such requirements shall be deemed
23 fulfilled by use of the term EOE.

24 6. Each labor union or representative of workers with which CONTRACTOR and/or
25 subcontractor has a collective bargaining agreement or other contract or understanding must post a
26 notice advising the labor union or workers' representative of the commitments under this
27 Nondiscrimination Paragraph and shall post copies of the notice in conspicuous places available to
28 employees and applicants for employment.

29 **B. SERVICES, BENEFITS AND FACILITIES** – CONTRACTOR and/or subcontractor shall not
30 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities
31 on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental
32 disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender
33 expression, age, sexual orientation, or military and veteran status in accordance with Title IX of the
34 Education Amendments of 1972 as they relate to 20 USC §1681 - §1688; Title VI of the Civil Rights
35 Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); Title 9, Division
36 4, Chapter 6, Article 1 (§10800, et seq.) of the California Code of Regulations; and Title II of the
37 Genetic Information Nondiscrimination Act of 2008, 42 USC 2000ff, et seq. as applicable, and all other

1 | pertinent rules and regulations promulgated pursuant thereto, and as otherwise provided by state law and
2 | regulations, as all may now exist or be hereafter amended or changed. For the purpose of this
3 | Nondiscrimination paragraph, Discrimination includes, but is not limited to the following based on one
4 | or more of the factors identified above:

5 | 1. Denying a client or potential client any service, benefit, or accommodation.

6 | 2. Providing any service or benefit to a client which is different or is provided in a different
7 | manner or at a different time from that provided to other clients.

8 | 3. Restricting a client in any way in the enjoyment of any advantage or privilege enjoyed by
9 | others receiving any service or benefit.

10 | 4. Treating a client differently from others in satisfying any admission requirement or
11 | condition, or eligibility requirement or condition, which individuals must meet in order to be provided
12 | any service or benefit.

13 | 5. Assignment of times or places for the provision of services.

14 | C. PERSONS WITH DISABILITIES – CONTRACTOR and/or subcontractor agree to comply
15 | with the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as
16 | implemented in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 as amended
17 | (42 USC 12101 et seq.; as implemented in 29 CFR 1630), as applicable, pertaining to the prohibition of
18 | discrimination against qualified persons with disabilities in all programs or activities; and if applicable,
19 | as implemented in Title 45, CFR, §84.1 et seq., as they exist now or may be hereafter amended together
20 | with succeeding legislation.

21 | D. RETALIATION – Neither CONTRACTOR nor subcontractor, nor its employees or agents shall
22 | intimidate, coerce or take adverse action against any person for the purpose of interfering with rights
23 | secured by federal or state laws, or because such person has filed a complaint, certified, assisted or
24 | otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to
25 | enforce rights secured by federal or state law.

26 | E. In the event of non-compliance with this paragraph or as otherwise provided by federal and state
27 | law, this Agreement may be canceled, terminated or suspended in whole or in part and CONTRACTOR
28 | or subcontractor may be declared ineligible for further contracts involving federal, state or county funds.

30 | **XVIII. NOTICES**

31 | A. Unless otherwise specified, all notices, claims, correspondence, reports and/or statements
32 | authorized or required by this Agreement shall be effective:

33 | 1. When written and deposited in the United States mail, first class postage prepaid and
34 | addressed as specified in the Referenced Contract Provisions of this Agreement or as otherwise directed
35 | by ADMINISTRATOR;

36 | 2. When faxed, transmission confirmed;

37 | 3. When sent by Email; or

1 4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel
2 Service, or any other expedited delivery service.

3 B. Termination Notices shall be addressed as specified in the Referenced Contract Provisions of
4 this Agreement or as otherwise directed by ADMINISTRATOR and shall be effective when faxed,
5 transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United
6 Parcel Service, or any other expedited delivery service.

7 C. CONTRACTOR shall notify ADMINISTRATOR, in writing, within twenty-four (24) hours of
8 becoming aware of any occurrence of a serious nature, which may expose COUNTY to liability. Such
9 occurrences shall include, but not be limited to, accidents, injuries, or acts of negligence, or loss or
10 damage to any COUNTY property in possession of CONTRACTOR.

11 D. For purposes of this Agreement, any notice to be provided by COUNTY may be given by
12 ADMINISTRATOR.

13
14 **XIX. RECORDS MANAGEMENT AND MAINTENANCE**

15 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term
16 of this Agreement, prepare, maintain and manage records appropriate to the services provided and in
17 accordance with this Agreement and all applicable requirements.

18 1. CONTRACTOR shall maintain records that are adequate to substantiate the services for
19 which claims are submitted for reimbursement under this Agreement and the charges thereto. Such
20 records shall include, but not be limited to, individual patient charts and utilization review records.

21 2. CONTRACTOR shall keep and maintain records of each service rendered to each MSN
22 Patient, the identity of the MSN Patient to whom the service was rendered, the date the service was
23 rendered, and such additional information as ADMINISTRATOR or DHCS may require.

24 3. CONTRACTOR shall maintain books, records, documents, accounting procedures and
25 practices, and other evidence sufficient to reflect properly all direct and indirect cost of whatever nature
26 claimed to have been incurred in the performance of this Agreement and in accordance with Medicare
27 principles of reimbursement and GAAP.

28 4. CONTRACTOR shall ensure the maintenance of medical records required by §70747
29 through and including §70751 of the CCR, as they exist now or may hereafter be amended, the medical
30 necessity of the service, and the quality of care provided. Records shall be maintained in accordance
31 with §51476 of Title 22 of the CCR, as it exists now or may hereafter be amended.

32 B. CONTRACTOR shall implement and maintain administrative, technical and physical
33 safeguards to ensure the privacy of PHI and prevent the intentional or unintentional use or disclosure of
34 PHI in violation of the HIPAA, federal and state regulations. CONTRACTOR shall mitigate to the
35 extent practicable, the known harmful effect of any use or disclosure of PHI made in violation of federal
36 or state regulations and/or COUNTY policies.

37 //

1 C. CONTRACTOR’s participant, client, and/or patient records shall be maintained in a secure
2 manner. CONTRACTOR shall maintain participant, client, and/or patient records and must establish
3 and implement written record management procedures.

4 D. CONTRACTOR shall retain all financial records for a minimum of seven (7) years/ten (10)
5 years from the termination of the contract, unless a longer period is required due to legal proceedings
6 such as litigations and/or settlement of claims.

7 E. CONTRACTOR shall retain all client and/or patient medical records for seven (7)/ten (10)
8 years following discharge of the participant, client and/or patient.

9 F. CONTRACTOR shall make records pertaining to the costs of services, participant fees, charges,
10 billings, and revenues available at one (1) location within the limits of the County of Orange. If
11 CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR may provide
12 written approval to CONTRACTOR to maintain records in a single location, identified by
13 CONTRACTOR.

14 G. CONTRACTOR shall notify ADMINISTRATOR of any PRA requests related to, or arising out
15 of, this Agreement, within forty-eight (48) hours. CONTRACTOR shall provide ADMINISTRATOR
16 all information that is requested by the PRA request.

17 H. CONTRACTOR shall ensure all HIPAA DRS requirements are met. HIPAA requires that
18 clients, participants and/or patients be provided the right to access or receive a copy of their DRS and/or
19 request addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records
20 maintained by or for a covered entity that is:

21 1. The medical records and billing records about individuals maintained by or for a covered
22 health care provider;

23 2. The enrollment, payment, claims adjudication, and case or medical management record
24 systems maintained by or for a health plan; or

25 3. Used, in whole or in part, by or for the covered entity to make decisions about individuals.

26 I. CONTRACTOR may retain client, and/or patient documentation electronically in accordance
27 with the terms of this Agreement and common business practices. If documentation is retained
28 electronically, CONTRACTOR shall, in the event of an audit or site visit:

29 1. Have documents readily available within twenty-four (24) hour notice of a scheduled audit
30 or site visit.

31 2. Provide auditor or other authorized individuals access to documents via a computer
32 terminal.

33 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if
34 requested.

35 J. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and
36 security of PII and/or PHI. CONTRACTOR shall, upon discovery of a Breach of privacy and/or security
37 //

1 of PII and/or PHI by CONTRACTOR, notify federal and/or state authorities as required by law or
2 regulation, and copy ADMINISTRATOR on such notifications.

3 K. CONTRACTOR may be required to pay any costs associated with a Breach of privacy and/or
4 security of PII and/or PHI, including but not limited to the costs of notification. CONTRACTOR shall
5 pay any and all such costs arising out of a Breach of privacy and/or security of PII and/or PHI.

6 L. CONTRACTOR shall retain all client and/or patient medical records for ten (10) years
7 following discharge of the client and/or patient, with the exception of non-emancipated minors for
8 whom records must be kept until such minors have reached the age of twenty-five (25) years.

9
10 **XX. SEVERABILITY**

11 If a court of competent jurisdiction declares any provision of this Agreement or application thereof
12 to any person or circumstances to be invalid or if any provision of this Agreement contravenes any
13 federal, state or county statute, ordinance, or regulation, the remaining provisions of this Agreement or
14 the application thereof shall remain valid, and the remaining provisions of this Agreement shall remain
15 in full force and effect, and to that extent the provisions of this Agreement are severable.

16
17 **XXI. SPECIAL PROVISIONS**

18 A. CONTRACTOR shall not use the funds provided by means of this Agreement for the following
19 purposes:

- 20 1. Making cash payments to intended recipients of services through this Agreement.
- 21 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications
22 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use
23 of appropriated funds to influence certain federal contracting and financial transactions).
- 24 3. Fundraising.
- 25 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for
26 CONTRACTOR’s staff, volunteers, or members of the Board of Directors or governing body.
- 27 5. Reimbursement of CONTRACTOR’s members of the Board of Directors or governing
28 body for expenses or services.
- 29 6. Making personal loans to CONTRACTOR’s staff, volunteers, interns, consultants,
30 subcontractors, and members of the Board of Directors or governing body, or its designee or authorized
31 agent, or making salary advances or giving bonuses to CONTRACTOR’s staff.
- 32 7. Paying an individual salary or compensation for services at a rate in excess of the current
33 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary
34 Schedule may be found at www.opm.gov.
- 35 8. Severance pay for separating employees.
- 36 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building
37 codes and obtaining all necessary building permits for any associated construction.

1 B. Unless otherwise specified in advance and in writing by ADMINISTRATOR, CONTRACTOR
2 shall not use the funds provided by means of this Agreement for the following purposes:

- 3 1. Funding travel or training (excluding mileage or parking).
- 4 2. Making phone calls outside of the local area unless documented to be directly for the
5 purpose of client care.
- 6 3. Payment for grant writing, consultants, certified public accounting, or legal services.
- 7 4. Purchase of artwork or other items that are for decorative purposes and do not directly
8 contribute to the quality of services to be provided pursuant to this Agreement.

9
10 **XXII. STATUS OF CONTRACTOR**

11 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be
12 wholly responsible for the manner in which it performs the services required of it by the terms of this
13 Agreement. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and
14 consultants employed by CONTRACTOR. This Agreement shall not be construed as creating the
15 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR
16 or any of CONTRACTOR’s employees, agents, consultants, or subcontractors. CONTRACTOR
17 assumes exclusively the responsibility for the acts of its employees, agents, consultants, or
18 subcontractors as they relate to the services to be provided during the course and scope of their
19 employment. CONTRACTOR, its agents, employees, consultants, or subcontractors, shall not be
20 entitled to any rights or privileges of COUNTY’s employees and shall not be considered in any manner
21 to be COUNTY’s employees.

22
23 **XXIII. TERM**

24 A. The term of this Agreement shall commence as specified in the Referenced Contract Provisions
25 of this Agreement or the execution date, whichever is later. This Agreement shall terminate as specified
26 in the Referenced Contract Provisions of this Agreement unless otherwise sooner terminated as provided
27 in this Agreement; provided, however, CONTRACTOR shall be obligated to perform such duties as
28 would normally extend beyond this term, including but not limited to, obligations with respect to
29 confidentiality, indemnification, audits, reporting and accounting.

30 B. Any administrative duty or obligation to be performed pursuant to this Agreement on a weekend
31 or holiday may be performed on the next regular business day.

32
33 **XXIV. TERMINATION**

34 A. Either Party may terminate this Agreement, without cause, upon ninety (90) calendar days’
35 written notice given the other Party.

36 B. CONTRACTOR shall be responsible for meeting all programmatic and administrative
37 contracted objectives and requirements as indicated in this Agreement. CONTRACTOR shall be subject

1 to the issuance of a CAP for the failure to perform to the level of contracted objectives, continuing to not
2 meet goals and expectations, and/or for non-compliance. If CAPs are not completed within timeframe
3 as determined by ADMINISTRATOR notice, payments may be reduced or withheld until CAP is
4 resolved and/or the Agreement could be terminated.

5 C. Unless otherwise specified in this Agreement, COUNTY may terminate this Agreement upon
6 five (5) calendar days' written notice if CONTRACTOR fails to perform any of the terms of this
7 Agreement. At ADMINISTRATOR's sole discretion, CONTRACTOR may be allowed up to thirty (30)
8 calendar days for corrective action.

9 D. COUNTY may terminate this Agreement immediately, upon written notice, on the occurrence
10 of any of the following events:

11 1. The loss by CONTRACTOR of legal capacity.

12 2. Cessation of services.

13 3. The delegation or assignment of CONTRACTOR's services, operation or administration to
14 another entity without the prior written consent of COUNTY.

15 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty
16 required pursuant to this Agreement.

17 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this
18 Agreement.

19 6. The continued incapacity of any physician or licensed person to perform duties required
20 pursuant to this Agreement.

21 7. Unethical conduct or malpractice by any physician or licensed person providing services
22 pursuant to this Agreement; provided, however, COUNTY may waive this option if CONTRACTOR
23 removes such physician or licensed person from serving persons treated or assisted pursuant to this
24 Agreement.

25 E. CONTINGENT FUNDING

26 1. Any obligation of COUNTY under this Agreement is contingent upon the following:

27 a. The continued availability of federal, state and county funds for reimbursement of
28 COUNTY's expenditures, and

29 b. Inclusion of sufficient funding for the services hereunder in the applicable budget(s)
30 approved by the Board of Supervisors.

31 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,
32 terminate or renegotiate this Agreement upon thirty (30) calendar days' written notice given
33 CONTRACTOR. If COUNTY elects to renegotiate this Agreement due to reduced or terminated
34 funding, CONTRACTOR shall not be obligated to accept the renegotiated terms.

35 F. In the event this Agreement is suspended or terminated prior to the completion of the term as
36 specified in the Referenced Contract Provisions of this Agreement, ADMINISTRATOR may, at its
37 //

1 | sole discretion, reduce the Maximum Obligation of this Agreement in an amount consistent with the
2 | reduced term of the Agreement.

3 | G. In the event this Agreement is terminated by either Party pursuant to Subparagraphs B., C., or
4 | D. above, CONTRACTOR shall do the following:

5 | 1. Comply with termination instructions provided by ADMINISTRATOR in a manner which
6 | is consistent with recognized standards of quality care and prudent business practice.

7 | 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract
8 | performance during the remaining contract term.

9 | 3. Until the date of termination, continue to provide the same level of service required by this
10 | Agreement.

11 | 4. If Clients are to be transferred to another facility for services, furnish ADMINISTRATOR,
12 | upon request, all Client information and records deemed necessary by ADMINISTRATOR to effect an
13 | orderly transfer.

14 | 5. Assist ADMINISTRATOR in effecting the transfer of Clients in a manner consistent with
15 | Client's best interests.

16 | 6. If records are to be transferred to COUNTY, pack and label such records in accordance with
17 | directions provided by ADMINISTRATOR.

18 | 7. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and
19 | supplies purchased with funds provided by COUNTY.

20 | 8. To the extent services are terminated, cancel outstanding commitments covering the
21 | procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding
22 | commitments which relate to personal services. With respect to these canceled commitments,
23 | CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims
24 | arising out of such cancellation of commitment which shall be subject to written approval of
25 | ADMINISTRATOR.

26 | 9. Provide written notice of termination of services to each Client being served under this
27 | Agreement, within fifteen (15) calendar days of receipt of termination notice. A copy of the notice of
28 | termination of services must also be provided to ADMINISTRATOR within the fifteen (15) calendar
29 | day period.

30 | H. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be
31 | exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.

32 | **XXV. THIRD PARTY BENEFICIARY**

34 | Neither party hereto intends that this Agreement shall create rights hereunder in third parties
35 | including, but not limited to, any subcontractors or any clients provided services pursuant to this
36 | Agreement.

37 | //

XXVI. WAIVER OF DEFAULT OR BREACH

Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this Agreement shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any default or any breach by CONTRACTOR shall not be considered a modification of the terms of this Agreement.

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1 IN WITNESS WHEREOF, the parties have executed this Agreement, in the County of Orange,
2 State of California.

3
4 ADVANCED MEDICAL MANAGEMENT, INC.

5
6 DocuSigned by:
7 BY: [Signature] DATED: 4/8/2019
8 ED6E6B45B7614C7...
9 TITLE: President

10
11
12 BY: _____ DATED: _____
13
14 TITLE: _____
15

16
17
18 COUNTY OF ORANGE

19
20 DocuSigned by:
21 BY: [Signature] DATED: 4/8/2019
22 HEALTHCARE AGENCY
23

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35 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the President or
36 any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer.
37 If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution or by-laws whereby the board of directors
has empowered said authorized individual to act on its behalf by his or her signature alone is required by ADMINISTRATOR.

EXHIBIT A
TO AGREEMENT FOR PROVISION OF
FISCAL INTERMEDIARY SERVICES
FOR THE
MEDICAL SAFETY NET PROGRAM
WITH
ADVANCED MEDICAL MANAGEMENT, INC.
JULY 1, 2019 THROUGH JUNE 30, 2024

I. PREAMBLE

The Medical Safety Net (MSN) Program provides services that are medically necessary to protect life, prevent significant disability, or prevent serious deterioration of health. With respect to medical criteria for enrollment into the MSN Program, applicants must have an urgent or emergent medical condition that if left untreated would result in serious deterioration of health with an initial intake through a Hospital’s emergency department.

II. COMMON TERMS AND DEFINITIONS

A. The parties agree to the following terms and definitions, and to those terms and definitions that, for convenience, are set forth elsewhere in the Agreement.

1. “All Providers” or “Providers” means Physicians, Contracting Hospitals, Contracting ED Hospitals, Contracting Clinics, and Other Providers.

2. “Allowable Charges” means

a. For Physicians - an amount not to exceed 100% of CalOptima fee-for-service reimbursement rates, less required co-payments; provided, however, that COUNTY shall not be obligated to the additional reimbursement which may be due to Physicians by CalOptima in accordance with 42 CFR Part 438, 441 and 447.

b. For Other Providers – an amount not to exceed 100% of billed charges

3. “CalOptima” means the local agency created by COUNTY to contract with the Medi-Cal program.

4. “Care Coordination Unit” or “CCU” means appropriately licensed COUNTY staff and/or COUNTY contracted staff responsible for the coordination of services as well as the concurrent and retrospective utilization review of the medical appropriateness, level of care, and utilization of all services provided to MSN Patients by All Providers.

5. “Claim(s)” means a claim submitted by All Providers to CONTRACTOR for reimbursement of Medical Services.

6. “Clinic,” for purposes of the Agreement, means any health care facility designated and licensed by the State of California as a community clinic, mobile health clinic, university clinic,

1 hospital-affiliated clinic, or free clinic that is located within the geographic boundary of Orange County,
2 California.

3 7. “Clinic Services” means any medical service provided by a Contracting Clinic as set forth
4 in MSN Clinic Agreement. Clinic Services may also include emergent or urgent dental services if
5 provided by Contracting Clinic.

6 8. “Consultation” means the rendering by a specialty physician of an opinion or advice, or
7 prescribing treatment by telephone, when determined to be medically necessary by the on-duty
8 emergency department physician and specialty physician, as appropriate. Such Consultation includes
9 review of the patient's medical record, and the examination and treatment of the patient in person, when
10 appropriate, by a specialty physician who is qualified to give an opinion or render treatment necessary to
11 stabilize the patient.

12 9. “Contracting Clinic” means a community clinic that has executed an MSN Clinic
13 Agreement with COUNTY.

14 10. “Contracting ED Hospital” means a hospital that has executed an MSN Emergency and
15 Stabilization Hospital Services Agreement with COUNTY.

16 11. “Contracting Hospital” means a hospital that has executed an MSN Hospital Services
17 Agreement with COUNTY.

18 12. “Covered California” means the California Health Benefit Exchange, an independent public
19 entity within the California State government, responsible for providing financial assistance and
20 organizing a marketplace for low-income and other California residents to compare and choose
21 affordable health insurance coverage.

22 13. “Emergency and Stabilization Services” means those specific Hospital Services that are
23 reimbursable to Hospitals as set forth in the MSN Hospital Services Agreement and MSN Emergency
24 and Stabilization Hospital Services Agreement and further defined as follows:

25 a. “Emergency Services” means lawfully provided medical screening, examination, and
26 evaluation by a physician, or other physician-supervised personnel in a hospital to determine if an
27 emergency medical condition exists, and includes treatment necessary to relieve the condition; provided,
28 however, such treatment shall be within the capabilities required of Hospital as a condition of its
29 emergency medical services permit, on file with the Office of Statewide Health Planning and
30 Development, and may include but not be limited to laboratory, pharmacy, and ancillary services.

31 b. “Medically Stable” means when an acute care patient is able to reasonably sustain a
32 transport in an Emergency Medical Technician I (EMT I) staffed ambulance, with no expected increase
33 in morbidity or mortality, as determined by the treating physician.

34 c. “Post Stabilization Services” means medically necessary Hospital Services provided by
35 Hospital after the patient is considered to be Medically Stable following an Emergency Medical
36 Condition, which may include, but not be limited to continued hospitalization and/or Outpatient
37 Hospital Services,

1 d. “Stabilization Services” means Hospital Services provided in an emergency department
2 and/or an inpatient setting to a patient, admitted through Hospital’s Emergency Department, up to the
3 point the patient is considered to be Medically Stable for transport.

4 14. “Final Settlement” means the final reimbursement to All Providers and reconciliation of all
5 Funds, as specified in Paragraph X. of Exhibit B to the Agreement.

6 15. “Follow-Up Care and Specialty Services” means those specific medical services that are
7 reimbursable to Contracting Clinics only as set forth in the MSN Clinic Agreement and further defined
8 as follows:

9 a. “Follow-Up Care” means a Contracting Clinic that coordinates a cooperative team of
10 healthcare professionals, takes collective responsibility for the care provided to the MSN Patient, and
11 arranges for appropriate care with other qualified providers as needed to ameliorate a condition that
12 could result in significant disability or serious deterioration of health if left untreated. Physicians may
13 also be used for Follow-Up Care at the sole discretion of ADMINISTRATOR.

14 b. “Specialty Services” means the focus of medical care on one aspect of the MSN
15 Patient’s care such as one organ system or one problem area.

16 16. “Funds” means any payments, transfers, or deposits made by COUNTY, and any refunds,
17 repayments, adjustments, earned interest or other payments made by, or recovered from All Providers,
18 patient, third-party, or other entity as the result of any duty arising from to the Agreement.

19 17. “Hospital,” for purposes of the Agreement, means a licensed general acute care facility.

20 18. “Hospital Service(s)” means medically necessary emergency, inpatient, and outpatient
21 hospital services provided in a Hospital, including, but not limited to, laboratory, pharmacy and ancillary
22 services, as well as any other services as defined herein.

23 19. “Medi-Cal” means a government program financed by federal and state funds that provides
24 health care insurance to persons meeting eligibility criteria as provided for in Title 22 of the California
25 Code of Regulations

26 20. “Medical Service(s)” means a medical service necessary to protect life, prevent significant
27 disability, or prevent serious deterioration of health. Guidelines for Reimbursable Medical Services are
28 set forth in Paragraph IV of this Exhibit A to the Agreement and in the MSN Provider Manual.

29 21. “Medically Stable” – See definition for Emergency and Stabilization Services

30 22. “MSN” means the Medical Safety Net Program which is the County’s Program responsible
31 for its California Welfare & Institutions Code (W&I) 17000 obligation.

32 23. “MSN Funding” means the amount of funds identified by COUNTY for reimbursement of
33 all MSN Program Services, including those specified in this Exhibit A to the Agreement to be provided
34 by CONTRACTOR.

35 24. “MSN Clinic Agreement” means the Agreement between the COUNTY and Contracting
36 Clinics for Clinic Services for the Medical Safety Net Program in effect during the term of the
37 Agreement.

1 25. "MSN Enrollee" or "Enrollee," means a person, enrolled in the MSN Program, meeting the
2 eligibility criteria set by ADMINISTRATOR in order to meet its obligations under W&I 17000.

3 26. "MSN ED Hospital Agreement" means the Agreement between COUNTY and Contracting
4 ED Hospitals for Emergency and Stabilization Hospital Services for the Medical Safety Net Program in
5 effect during the term of the Agreement.

6 27. "MSN Hospital Agreement" means the Agreement between COUNTY and Contracting
7 Hospitals for Hospital Services for the Medical Safety Net Program in effect during the term of the
8 Agreement.

9 28. "MSN Patient" means a person who is either a MSN Enrollee or MSN Pending.

10 29. "MSN Pending" means a person believed to meet the eligibility requirements for enrollment
11 into the MSN Program whose MSN Program application has been submitted and not yet approved.

12 30. "MSN Program Services" means

13 a. All medical and administrative services for which reimbursement is authorized by
14 the Agreement and all other agreements for the MSN Program, and;

15 b. Administrative services provided directly by COUNTY for which costs are directly
16 incurred by COUNTY.

17 31. "Non-Contract Hospital" means any Hospital that is neither a Contracting ED Hospital or a
18 Contracting Hospital.

19 32. "Other Provider" means a Non-Contract Hospital, laboratory, urgent care center, imaging
20 center, ambulance operator, home health services Provider, a supplier of durable medical equipment, or
21 other health care provider as may be authorized by ADMINISTRATOR.

22 33. "Outpatient Hospital Services" means any type of medical or surgical care performed at a
23 Hospital for which there is no expectation of being admitted as an inpatient.

24 34. "Post Stabilization Services" – See definition for Emergency and Stabilization Services

25 35. "Physician(s)" means any licensed medical doctor with a practice located in Orange County
26 and registered with the MSN Program.

27 36. "Physician Claim" means a claim submitted by a Physician for reimbursement of Medical
28 Services.

29 37. "Post-Stabilization Care" - See definition for Emergency and Stabilization Services

30 38. "Recovery Account" means a separate account for monies recovered by Intermediary, or
31 other contracted entity with the COUNTY, from All Providers.

32 39. "Recuperative Care" or "Recuperative Care Day" means post-stabilization hospital room
33 and board provided by a community-based provider to MSN Patients transitioning out of a Hospital's
34 acute care facility. Additional health care services may be arranged by the CCU to be provided by a
35 home health care and/or durable medical equipment providers, which services shall be reimbursed
36 separately by the MSN Program.

37 //

1 40. “Skilled Nursing Facility (SNF)” means a health facility or distinct part of a hospital which
2 provides, under a separate agreement with COUNTY, continuous skilled nursing and supportive care to
3 MSN Enrollees in lieu of acute hospitalization.

4 41. “Special Permit Medical Service” means a burn center service, cardiovascular surgery
5 service, radiation therapy service, trauma center service, renal transplant center service, acute psychiatric
6 service, or a service provided by a hospital with a special rehabilitation unit licensed in accordance with
7 appropriate laws and, if applicable, with Section 70351 et seq. of Title 22. Special Permit Medical
8 Service shall also include such types or kinds of transfers as may be approved in writing by
9 ADMINISTRATOR.

10 42. “Special Permit Transfer” means a MSN Patient, who needs a Special Permit Medical
11 Service that is not available from a hospital, which another hospital elects to accept for treatment.

12 43. “Stabilization Services and/or Care” - See definition for Emergency and Stabilization
13 Services

14 44. “Third Party-Covered Claim” means a claim for reimbursement of Medical Services, which
15 services are covered, at least in part, by a non-COUNTY third party payer.

16 45. “Transfer Patient” means a person accepted by a Hospital, or transferred by a Hospital to
17 another Hospital or health facility without prior approval of ADMINISTRATOR. COUNTY shall not
18 reimburse for services provided to Transfer Patients.

19 46. “Trauma Hospital” means a Hospital that is designated to treat severe physical trauma as a
20 result of the specialized training of its staff and the availability of appropriate diagnostic and treatment
21 tools.

22 B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
23 Common Terms and Definitions Paragraph of this Exhibit A to the Agreement.

24
25 **III. PHYSICIAN AND OTHER PROVIDER OBLIGATIONS**

26 A. As a condition of receiving reimbursement, Physicians and Other Providers, shall register with
27 CONTRACTOR for the MSN Program and provide all requested information by logging on to
28 <https://ochca.amm.cc/register.aspx>. By registering as a Provider for the MSN Program, Physicians and
29 Other Providers shall:

30 1. Agree to all terms and conditions of participation for the MSN program required in the
31 registration process.

32 2. Assure that they meet all applicable licensing requirements to provide Medical Services to
33 Enrollees under the Agreement.

34 3. Ensure that it includes in the registration process all employees, agents, or contractors who
35 provide services on behalf of Physicians and Other Providers and for which services Physician and Other
36 Providers will submit a Claim to CONTRACTOR. Claims for such services shall be processed and
37 reimbursed by CONTRACTOR in accordance with Exhibit B to the Agreement.

1 4. Agree to comply with the Agreement, including but not limited to Exhibit A and Exhibit B,
2 hereto as they apply to Physicians and Other Providers

3 5. Agree to comply with all provisions of the MSN Provider Manual, as it exists now or may
4 hereafter be amended, which is available at <http://ochealthinfo.com/about/medical/providers/news>.

5 6. Provide Medical Services to all MSN Enrollees covered by the Agreement presenting for
6 treatment as authorized by the CCU in accordance with subparagraph B below.

7 7. Provide Medical Services in the same manner to MSN Patients as it provides to all other
8 patients with the same medical need or condition and shall not discriminate against said MSN Patients in
9 any manner, including but not limited to: admission practices, place of residency within the County, and
10 timely access to care and services considering the urgency of the service needed.

11 a. ADMINISTRATOR shall notify Physicians and/or Other Providers of and investigate
12 allegations of discrimination in the provision of services on the basis of the patient’s status as an MSN
13 Patient, including but not limited to denial of care. ADMINISTRATOR may request that the Medical
14 Policy Committee (MPC) assist with the investigation of service denials for discrimination.

15 b. In the event that Physician and/or Other Provider is determined by ADMINISTRATOR
16 to have discriminated in the provision of Medical Services on the basis of the patient’s status as an MSN
17 Patient, ADMINISTRATOR shall advise CONTRACTOR to levy appropriate financial penalties for
18 each occurrence against Physician and/or Other Provider, which may include, but not be limited to, one
19 or more the following:

20 1) A reduction in payment related to the episode of care from any payment due
21 Physician and/or Other Provider.

22 2) Withholding of any payment due Physician and/or Other Provider pending
23 satisfactory compliance.

24 3) Termination as a provider for the MSN Program at the sole discretion of
25 ADMINISTRATOR.

26 B. ADMINISTRATOR shall establish, either directly and/or through subcontract(s), a Care
27 Coordination Unit (CCU) which shall coordinate and make arrangements for the medical needs and care
28 of MSN Enrollees. The CCU shall not be responsible for the coordination of the social services needs of
29 such patients.

30 1. Non-Contract Hospitals must notify the CCU of an MSN Enrollee admission.

31 a. The CCU shall be available five (5) days per week during normal business hours,
32 excluding COUNTY holidays. Any obligation of the Non-Contract Hospital to communicate with the
33 CCU, pursuant to the Agreement, that falls outside the CCU’s hours of operation may be performed on
34 the next regular business day.

35 b. Non-Contract Hospital must send MSN Enrollee information to the CCU for concurrent
36 review within seventy-two (72) hours of the MSN Enrollee’s admission to Non-Contract Hospital’s
37 facility.

1 c. Non-Contract Hospitals shall assist the CCU in the evaluation of the MSN Enrollee’s
2 medical stability and need for the MSN Enrollee’s hospitalization and/or continued hospitalization.
3 CCU cannot authorize any lower level of care or other referrals for patients who are MSN Pending. If a
4 patient who is MSN Pending is later determined to an MSN Enrollee, Non-Contract Hospitals shall be
5 reimbursed as specified in the MSN Hospital Agreement.

6 d. If continued hospitalization is required, an MSN Enrollee shall be transferred to
7 Contracting Hospital when the MSN Enrollee is determined by the treating physician to be medically
8 stable. Upon such determination the CCU shall, within sixty (60) minutes of consulting with the Non-
9 Contract Hospital, advise the Non-Contract Hospital when a transfer can be arranged.

10 1) Transfer shall occur following a physician to physician consultation and agreement
11 to accept transfer between Non-Contract Hospital and Contracting Hospital.

12 2) If transfer can be arranged, in accordance with applicable law, the Non-Contract
13 Hospital shall make necessary arrangements as soon as possible.

14 3) If a transfer cannot be arranged, in accordance with applicable law, the MSN
15 Enrollee may be admitted to Non-Contractor’s facility if medically appropriate.

16 e. If a Non-Contract Hospital determines that an MSN Enrollee admitted to Non-Contract
17 Hospitals facility no longer meets the criteria for acute care and requires discharge to a lower level of
18 care program, the Non-Contract Hospital shall notify the CCU within twenty-four (24) hours of that
19 determination to arrange for the transfer of the MSN Enrollee to a lower level of care, which may
20 include Recuperative Care.

21 f. Non-Contract Hospital shall notify the CCU if an MSN Enrollee will be transferred to
22 Recuperative Care.

23 1) Non-Contract Hospital shall make arrangements to transfer the MSN Enrollee to a
24 provider of Recuperative Care.

25 2) Non-Contract Hospital shall be responsible for reimbursement to the Recuperative
26 Care provider.

27 3) Use of a Recuperative Care provider shall be at the discretion of the Non-Contract
28 Hospital.

29 g. Non-Contract Hospital shall send MSN Enrollee discharge information within seventy-
30 two (72) hours to the CCU. Non-Contract Hospital’s failure to meet this requirement may result in
31 denial of patient days if the patient remained in Non-Contract Hospital’s facility post-stabilization.

32 h. CCU may authorize Outpatient Hospital Services as Post Stabilization Services to be
33 provided by Non-Contract Hospital. Such services shall only be authorized when they are:

34 1) In accordance with generally accepted standards of medical practice;

35 2) Clinically appropriate in terms of type, frequency, extent, site and duration, and
36 considered effective for the MSN Enrollee’s illness, injury or disease;

37 //

1 3) Not primarily for the convenience of the MSN Enrollee, Hospital, or Physician and
2 not more costly than an alternative service or sequence of services at least as likely to produce equivalent
3 therapeutic or diagnostic results as to the diagnosis or treatment of that MSN Enrollee’s illness, injury,
4 or disease; and

5 4) Within the scope of the MSN Program in accordance with the Agreement and the
6 MSN Provider Manual.

7 2. Physicians and Other Providers (except Hospitals and providers of Emergency and
8 Stabilization Services)

9 a. Coordinate and make arrangements for the medical needs and care of MSN Enrollees.

10 1) The CCU cannot authorize any lower level of care or referrals for patients who are
11 MSN Pending.

12 2) The CCU shall not be responsible for the coordination of social services needs of
13 such MSN Enrollees.

14 b. Perform concurrent and retrospective utilization review of the medical appropriateness,
15 level of care, and utilization of all services provided to MSN Enrollees by All Providers.

16 c. Assist in coordinating the transitions of MSN Enrollees to appropriate outpatient care,
17 lower levels of care or needed services through COUNTY-contracted and/or registered providers for
18 durable medical equipment, pharmacy services and home health care.

19 C. Reimbursement provided through the Agreement shall be payment of last resort.

20 1. Physicians and Other Providers shall bill and attempt collection of Medi-Cal, third-party
21 settlement, or primary other insurance covered claims to the full extent of such coverage and, upon
22 submission of any Claim, shall provide to CONTRACTOR proper documentation demonstrating
23 compliance with this requirement.

24 2. Acceptance by Physician and Other Providers of reimbursement made by CONTRACTOR
25 for services provided in accordance with the Agreement shall be deemed satisfaction in full, with respect
26 to the COUNTY’s obligations for the services for which payment was made, except as follows:

27 a. Collection of co-payments established by the MSN Program for Medical Services.
28 Nothing herein shall prevent All Providers from pursuing co-payment reimbursement from any MSN
29 Enrollee. Nothing in this paragraph shall prohibit All Providers from applying any uncollected portion
30 of an MSN Enrollee’s co-payments amounts toward All Provider’s charity and write-off policy.

31 b. All required co-payments shall be deducted, by CONTRACTOR, from reimbursement
32 due Physician and Other Providers; provided, however, if a co-payment is to be waived in accordance
33 with the Agreement, these amounts shall not be deducted by Intermediary from reimbursement due
34 CONTRACTOR.

35 c. Except for services relating to Emergency and Stabilization Services, if an MSN
36 Enrollee is unable or unwilling to pay any Provider all or part of the required co-payment, the Provider
37 may, at its sole discretion, refuse to provide services to the MSN Enrollee.

1 3. Claims covered by Medi-Cal, any third-party settlement, primary, or other insurance,
2 including those received by or on behalf of an MSN Enrollee. Physicians and Other Providers shall
3 attempt to bill and collect to the full extent of coverage those claims covered by all known Medi-Cal,
4 third-party settlement, primary, or other insurance payers.

5 4. If Physician or Other Provider becomes aware of any Medi-Cal, third-party settlement (for
6 services provided on or after January 1, 2014), primary, or other insurance, including those received by
7 or on behalf of an MSN Enrollee after reimbursement is made by CONTRACTOR, nothing herein shall
8 prevent Physician or Other Provider from pursuing reimbursement from these sources; provided,
9 however, that Physician or Other Provider shall comply with Paragraph VII.G. of Exhibit B to the
10 Agreement. Nothing in this paragraph shall prohibit Physician or Other Provider from applying any
11 unreimbursed portion of Physician’s or Other Provider’s charges toward its respective charity care and
12 bad debt write-off policy.

13 D. During the registration process, Physician may express interest in providing Follow-Up Care
14 Services. In addition, Physician shall submit to ADMINISTRATOR a written request, on Physician’s
15 letterhead, to provide Follow-Up Care Services and shall include their geographic location, contact
16 information, and any experience in providing medical care to and/or underserved populations.

17 1. Designation of any Physician to provide Follow-Up Services is at the sole discretion of
18 ADMINISTRATOR.

19 2. Physician may inform ADMINISTRATOR, in writing, of its request to institute limitations
20 to referring MSN Enrollees to Physician for Follow-Up Care Services. This may include limiting the
21 number of referred MSN Enrollees Physician is willing or capable of accepting.

22 E. Upon approval of ADMINISTRATOR, at ADMINISTRATOR’s sole discretion,
23 CONTRACTOR shall reimburse certain Physicians and/or Other Providers specified by
24 ADMINISTRATOR at rates negotiated by ADMINISTRATOR, which rates may be the same as those
25 specified in the Agreement.

26 1. Such arrangements shall be limited to services by types of specialties and/or geographic
27 areas for which certain services are not otherwise available, or coordination of certain services so as to
28 allow better coordination of patient care and/or management.

29 2. As a condition of negotiating any additional agreement for certain services,
30 ADMINISTRATOR may require Physician or Other Provider to meet additional requirements that may
31 not be otherwise specified in the Agreement or the MSN Provider Manual. For example: the ability to
32 electronically transmit patient specific test results to COUNTY’s contracted Provider of its patient
33 registration system.

34 F. All Providers shall assist ADMINISTRATOR and CONTRACTOR in the conduct of any
35 appeal hearings conducted by ADMINISTRATOR or CONTRACTOR in accordance with the
36 Agreement.

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1 G. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative
2 of the State of California, the Secretary of the United States Department of Health and Human Services,
3 the Comptroller General of the United States, or any other of their authorized representatives, shall have
4 access to any books, documents, and records, including but not limited to, financial statements, general
5 ledgers, relevant accounting systems, medical and client records, of Physician and Other Providers that
6 are directly pertinent to the Agreement, for the purpose of responding to a beneficiary complaint or
7 conducting an audit, review, evaluation, or examination, or making transcripts during the periods of
8 retention set forth in Paragraph I below. Such persons may at all reasonable times inspect or otherwise
9 evaluate the services provided pursuant to the Agreement, and the premises in which they are provided.

10 1. Physicians and Other Providers shall actively participate and cooperate with any person
11 specified in Subparagraph F. above in any evaluation or monitoring of the services provided pursuant to
12 the Agreement, and shall provide the above-mentioned persons adequate office space to conduct such
13 evaluation or monitoring.

14 2. ADMINISTRATOR shall provide Physician or Other Provider with at least fifteen (15)
15 calendar days written prior notice of such inspection or evaluation; provided, however, that Department,
16 or duly authorized representative, which may include COUNTY, shall be required to provide at least
17 seventy-two (72) hours notice for its onsite reviews and inspections. Unannounced inspections,
18 evaluations, or requests for information may be made in those situations where arrangement of an
19 appointment beforehand is not possible or inappropriate due to the nature of the inspection or evaluation.

20 H. Physician and Other Provider shall maintain records that are adequate to substantiate the
21 services for which claims are submitted for reimbursement under the Agreement and the charges thereto.
22 Such records shall include, but not be limited to, individual patient charts and utilization review records.

23 1. Physician and Other Provider shall keep and maintain records of each service rendered, the
24 MSN Patient to whom the service was rendered, the date the service was rendered, and such additional
25 information as COUNTY or Department may require.

26 2. Physician and Other Provider shall maintain books, records, documents, and other evidence,
27 accounting procedures, and practices sufficient to reflect properly all direct and indirect cost of whatever
28 nature claimed to have been incurred in the performance of the Agreement and in accordance with
29 Medicare principles of reimbursement and generally accepted accounting principles.

30 3. Physician and Other Provider shall ensure the maintenance of medical records required by
31 Sections 70747 through and including 70751 of the California Code of Regulations, as they exist now or
32 may hereafter be amended, and other records related to a MSN Patient's eligibility for services, the
33 service rendered, the medical necessity of the service, and the quality of the care provided. Records
34 shall be maintained in accordance with Section 51476 of Title 22 of the California Code of Regulations,
35 as it exists now or may hereafter be amended.

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4. Records Retention

a. All financial records connected with the performance of the Agreement shall be retained by the parties, at a location in the County of Orange, for a period of seven (7) years after termination of the Agreement.

b. All patient records connected with the performance of the Agreement shall be retained by the parties, at a location in the County of Orange, or other location approved in advance and in writing by ADMINISTRATOR, for a period of seven (7) years after termination of the Agreement.

c. Records which relate to litigation or settlement of claims arising out of the performance of the Agreement, or costs and expenses of the Agreement as to which exception has been taken by COUNTY or State or Federal governments, shall be retained by Physician and Other Provider until disposition of such appeals, litigation, claims or exceptions is completed.

I. All Providers shall make their best efforts to provide services pursuant to the Agreement in a manner that is culturally and linguistically appropriate for the population(s) served. All Providers shall maintain documentation of such efforts which may include, but not be limited to: records of participation in COUNTY-sponsored or other applicable training; recruitment and hiring policies and procedures; copies of literature in multiple languages and formats, as appropriate; and descriptions of measures taken to enhance accessibility for, and sensitivity to, persons who are physically challenged.

J. All Providers shall not conduct any proselytizing activities, regardless of funding sources, with respect to any person who has received services under the terms of the Agreement. Further, All Providers agree that the funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution, or religious belief.

K. Any administrative duty or obligation to be performed pursuant to the Agreement on a weekend or holiday may be performed on the next regular business day.

L. ADMINISTRATOR may direct CONTRACTOR to withhold or delay payment due any Physician or Other Provider for failure to comply with the terms of the Agreement.

M. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Physician and Other Provider Obligations Paragraph of this Exhibit A to the Agreement.

IV. GUIDELINES FOR REIMBURSABLE MEDICAL SERVICES

A. Medical Services reimbursable through the MSN Program means those services that are medically necessary to protect life, prevent significant disability, or prevent serious deterioration of health. Reimbursable and non-reimbursable services include those covered in the MSN Provider Manual as approved by the Medical Policy Committee (MPC).

B. The scope of Medical Services to be provided may include, but are not limited to, the following:

1. Acute hospital inpatient services, including room and board, diagnostic and therapeutic ancillary services, laboratory, therapy services, anesthesia services, pharmacy services, administrative days, and other acute hospital inpatient services necessary to the care of the patient.

- 2. Emergency and Stabilization Services including diagnostic and therapeutic services.
 - 3. Blood and blood derivatives.
 - 4. Prosthetic and medical supplies.
 - 5. Outpatient services, including physician services, clinic services, diagnostic and therapeutic services that are:
 - a. In accordance with generally accepted standards of medical practice;
 - b. Clinically appropriate in terms of type, frequency, extent, site and duration, and considered effective for the MSN Patient’s illness, injury or disease;
 - c. Not primarily for the convenience of the patient, Physician or Other Provider and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that MSN Patient’s illness, injury or disease; and
 - d. Within the scope of the MSN Program in accordance with the Agreement and the MSN Provider Manual.
 - 6. Emergent or urgent dental services.
- C. Contracting ED Hospitals and Non-Contract Hospitals shall not be reimbursed for any Outpatient Hospital Services outside of the Contracting ED Hospital’s emergency department that are not authorized by the CCU as Stabilization Services or Post Stabilization Services.
- D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Guidelines for Reimbursable Medical Services Paragraph of this Exhibit A to the Agreement.

V. INTERMEDIARY OBLIGATIONS

- A. CONTRACTOR shall perform as fiscal intermediary on behalf of All Providers and COUNTY. CONTRACTOR shall reimburse All Providers in accordance with the Agreement and all other agreements for the MSN Program in which CONTRACTOR is defined as Fiscal Intermediary or Intermediary. ADMINISTRATOR shall provide copies of all such agreements to CONTRACTOR.
- B. CONTRACTOR shall operate continuously throughout the term of the Agreement with at least the minimum number and type of staff that are necessary for the provision of services hereunder. Specifically, CONTRACTOR shall ensure that for all key staff with whom ADMINISTRATOR interacts, there is at least one (1) alternate staff person designated who can make key decisions and/or provide requested information in a timely manner should the key staff person be unavailable.
- C. During the term of the Agreement, and for such time thereafter as required by the Agreement, CONTRACTOR shall perform the services herein including, but not limited to, the following:
- 1. Receiving, compiling, preserving, and reporting information and data.
 - 2. Receiving eligibility data by direct on-line input provided by ADMINISTRATOR’s eligibility system provider, performing utilization review, and processing, denying, and approving all claims submitted in accordance with Exhibit B to the Agreement.

- 1 3. Receiving prior authorization data provided by the CCU and approving or denying Claims
- 2 accordingly.
- 3 4. Providing a process for All Provider and patient appeals of denied services.
- 4 5. Receiving, maintaining, collecting, and accounting for Funds.
- 5 6. Reimbursing claims and making other required payments.
- 6 7. Sanction screening All Providers for the MSN Program to ensure that they are not
- 7 designated as Ineligible Persons.

8 D. MSN Provider Appeals – CONTRACTOR shall provide a formal opportunity for MSN
 9 Providers to appeal denial of services or payment (Appeals System). The Appeals System shall meet the
 10 following submission requirements:

11 1. Print and distribute the “Explanation of Benefits” or “EOB” forms as to the disposition of
 12 claims to MSN Providers.

13 2. CONTRACTOR shall advise MSN Provider on all EOBs that if the MSN Provider wishes
 14 to appeal a service or payment denied by CONTRACTOR, the MSN Provider must submit the request
 15 for appeal within thirty (30) calendar days of the date of the EOB.

16 3. All appeals must include an Appeal Form, provided on the back of the EOB, from the MSN
 17 Provider requesting the appeal and must be accompanied by the corresponding medical records. The
 18 MSN Provider request for appeal and the medical records may be sent separately; provided, however,
 19 that both must be received by CONTRACTOR within the thirty (30) calendar day timeframe.

20 a. Untimely Appeal – CONTRACTOR may deny any requests for appeal that do not meet
 21 the submission requirements. Provider Appeals shall be deemed on time:

- 22 1) When delivered personally, within the thirty (30) calendar day timeframe; or
- 23 2) If the date sent by first-class, certified or registered mail in the United States Postal
- 24 is within the thirty (30) calendar day timeframe; or

25 3) When faxed, transmission confirmed, within the thirty (30) calendar day timeframe;
 26 or

- 27 4) When sent by electronic mail, within the thirty (30) calendar day timeframe; or
- 28 5) When delivered by U.S. Postal Service Express Mail, Federal Express, United
- 29 Parcel Service or other expedited delivery service within the thirty (30) calendar day timeframe.

30 b. CONTRACTOR shall not be required to provide any timeline extensions, including,
 31 but not limited to, the following:

32 1) If the MSN Provider sends the Appeal Form, but does not also send the medical
 33 records.

34 2) If the MSN Provider arranges for medical records to be sent, but no Appeal Form
 35 or EOB is attached in reference to the medical records.

36 3) If the MSN Provider calls and states they did not receive the EOB advising them of
 37 the service and/or payment denial.

1 c. Nothing herein shall prevent CONTRACTOR from contacting any MSN Provider
2 regarding an incomplete appeal and requesting the required information be submitted within the original
3 thirty (30) calendar day timeframe.

4 E. Sanction Screening

5 1. CONTRACTOR shall screen All Providers registered to provide Medical Services for the
6 MSN Program, as well as Contracting Hospitals, Contracting ED Hospitals, and Non-Contract Hospitals
7 that submit Claims for reimbursement, to ensure that they are not designated as Ineligible Persons as
8 defined in the Compliance Paragraph of the Agreement. Screening shall be conducted against the
9 following lists;

- 10 a. General Services Administration's List of Parties Excluded from Federal Programs;
- 11 b. Health and Human Services/Office of Inspector General List of Excluded
12 Individuals/Entities;
- 13 c. State of California Medi-Cal Suspended and Ineligible Provider List; and
- 14 d. Any other lists regarding exclusion or debarment from participation in federal or state

15 health care programs, as may be requested by ADMINISTRATOR.

16 2. CONTRACTOR shall screen All Providers monthly to ensure that they have not become
17 Ineligible Persons.

18 3. CONTRACTOR shall submit a monthly report to ADMINISTRATOR detailing if a
19 Provider of Medical Services has been found to be currently excluded, suspended or debarred, or is
20 identified as such after a prior sanction screening.

21 a. CONTRACTOR shall notify such individual or entity and immediately remove them
22 from being able to be reimbursed for Medical Services in accordance with this or any other Agreement
23 for MSN Services.

24 b. CONTRACTOR shall note the date the Provider became an Ineligible Person, or the
25 date CONTRACTOR became aware that the Provider became an Ineligible Person and shall provide
26 ADMINISTRATOR with a report of the claims received and paid to said Ineligible Person.
27 ADMINISTRATOR will determine if any repayment is necessary from the Ineligible Person for services
28 provided.

29 F. CONTRACTOR shall provide, with respect to All Providers, such printing, mailing, and
30 training as may be reasonably required by ADMINISTRATOR and reasonably within the capacity of
31 CONTRACTOR to undertake.

32 G. CONTRACTOR shall attend MPC meetings, as requested by ADMINISTRATOR, and shall
33 provide additional information to Committee members as may be requested by ADMINISTRATOR.

34 H. At no additional cost to COUNTY, CONTRACTOR shall maintain a telephone number
35 dedicated to facilitating communication with All Providers. CONTRACTOR shall notify, in writing,
36 All Providers of such phone number and its hours of operation.

37 //

1 I. CONTRACTOR shall refer requests for patient information requested in accordance with the
2 Public Records Act to ADMINISTRATOR’s Custodian of Records.

3 J. CONTRACTOR shall keep a copy of its current Operations Manual at its main facility which
4 shall include CONTRACTOR’s policies and procedures relating to its operations, including, but not
5 limited to the activities specified herein.

6 K. CONTRACTOR shall make its best efforts to provide services pursuant to the Agreement in a
7 manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR
8 shall maintain documentation of such efforts which may include, but not be limited to:

- 9 a. Records of participation in COUNTY-sponsored or other applicable training;
- 10 b. Recruitment and hiring policies and procedures;
- 11 c. Copies of literature in multiple languages and formats, as appropriate; and
- 12 d. Descriptions of measures taken to enhance accessibility for, and sensitivity to, persons
13 who are physically challenged.

14 L. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources,
15 with respect to any person who has been referred to CONTRACTOR by COUNTY under the terms of
16 the Agreement. Further, CONTRACTOR agrees that the funds provided hereunder shall not be used to
17 promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution,
18 or religious belief.

19 M. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
20 Intermediary Obligations Paragraph of this Exhibit A to the Agreement.

21
22 **VI. FUNDING AND PAYMENTS**

23 **A. CONTRACTOR Payments**

24 1. For services provided in accordance with the Agreement and all other agreements for the
25 MSN Program, COUNTY shall reimburse CONTRACTOR monthly, in arrears, as follows; provided,
26 however the total of all payments to CONTRACTOR does not exceed COUNTY’s Maximum
27 Obligation for CONTRACTOR for each Period as specified in the Referenced Contract Provisions
28 section of the Agreement:

- 29 a. Period One – \$3.00 per Claim received by CONTRACTOR from All Providers for
30 Medical Services provided between and including July 1, 2019 through June 30, 2020.
- 31 b. Period Two – \$3.00 per Claim received by CONTRACTOR from All Providers for
32 Medical Services provided between and including July 1, 2020 through June 30, 2021.
- 33 c. Period Three – \$3.00 per Claim received by CONTRACTOR from All Providers for
34 Medical Services provided between and including July 1, 2021 through June 30, 2022.
- 35 d. Period Four – \$3.00 per Claim received by CONTRACTOR from All Providers for
36 Medical Services provided between and including July 1, 2022 through June 30, 2023.

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1 e. Period Five – \$3.00 per Claim received by CONTRACTOR from All Providers for
2 Medical Services provided between and including July 1, 2023 through June 30, 2024.

3 f. CONTRACTOR and ADMINISTRATOR agree to a group rate of \$3.00 per claim if a
4 group, consisting of four programs exists: 1) Medical Safety Net Program, 2) Emergency Medical
5 Services Fund Program, 3) Public Health Services Program, and 4) Correctional Health Program.

6 2. The parties agree that Claims for Medical Services for each Period may be received by
7 CONTRACTOR up to six (6) months following the end of each Period and that CONTRACTOR shall
8 be reimbursed by COUNTY for said claims upon submission of an appropriate invoice to
9 ADMINISTRATOR.

10 a. For the purposes of reimbursement to CONTRACTOR, a Claim shall be reimbursed
11 when adjudication is complete. Allowable adjudication outcomes include but are not limited to Claims
12 that are paid, denied, duplicates, and/or resubmitted. ADMINISTRATOR expects that CONTRACTOR
13 shall provide timely claiming education to various network providers, and CONTRACTOR shall also
14 maintain low duplicate and resubmission rates.

15 3. For supplementary administrative services, approved in advance by ADMINISTRATOR
16 and provided in accordance with the Agreement for the MSN Program, COUNTY shall reimburse
17 CONTRACTOR monthly in arrears, for the actual cost of providing said services; provided, however
18 the total of all payments to CONTRACTOR for supplementary services do not exceed \$5,000 for each
19 period.

20 4. CONTRACTOR’s invoice shall be on a form approved or supplied by ADMINISTRATOR
21 and provide such information as is required by ADMINISTRATOR. CONTRACTOR shall use its best
22 efforts to submit invoices to ADMINISTRATOR no later than two (2) business days following
23 CONTRACTOR’s check run, unless otherwise agreed to by ADMINISTRATOR and CONTRACTOR,
24 and payments to CONTRACTOR should be released by COUNTY no later than twenty-one (21) days
25 after receipt of the correctly completed invoice form.

26 5. Upon determination by CONTRACTOR that the Account requires additional funds for
27 reimbursement of claims authorized in accordance with the Agreement, CONTRACTOR shall submit a
28 supplemental invoice to COUNTY, together with any documentation that may be required by
29 ADMINISTRATOR.

30 6. All billings to COUNTY shall be supported, at CONTRACTOR’s facility, by source
31 documentation including, but not limited to, ledgers, books, and records of services provided.

32 7. COUNTY may withhold or delay any payment if CONTRACTOR fails to comply with any
33 provision of the Agreement.

34 8. If any funding remains after all claims have been paid for that period, CONTRACTOR shall
35 return the balance of the MSN fund to the COUNTY within twenty-one days (21) days after final
36 reconciliation of the MSN fund.

37 //

1 9. COUNTY shall not reimburse CONTRACTOR for direct services provided beyond the
2 expiration and/or termination of the Agreement, except as may otherwise be provided under the
3 Agreement, or specifically agreed upon in a subsequent Agreement.

4 B. MSN Funding

5 1. MSN Funding is estimated to be \$2,000,000 for each period.

6 2. Throughout the term of the Agreement, COUNTY, at its sole discretion, may modify the
7 MSN Funding for any Period without a formal amendment to the Agreement.

8 a. If a reduction in MSN Funding is anticipated to impact COUNTY’S obligations to
9 reimburse All Providers as specified in Exhibit B to the Agreement, COUNTY shall provide thirty (30)
10 calendar days written notice to All Providers of said impact.

11 b. After receiving notice from COUNTY, Physicians and Other Providers may terminate
12 their participation in the MSN Program, at each Physician and Other Provider’s sole discretion, upon
13 forty-five (45) days written notice to ADMINISTRATOR. Physician and Other Providers shall continue
14 to provide services during the forty-five (45)-day notice period and shall cooperate with
15 ADMINISTRATOR in the reassignment of MSN Enrollees to alternate Providers of care as determined
16 by ADMINISTRATOR with the CCU.

17 C. MSN Funds – COUNTY shall establish an interest-bearing trust fund (MSN Trust Fund) into
18 which it shall deposit the following amounts for reimbursement of all Medical Services for the MSN
19 Program. Throughout the term of the Agreement, at ADMINISTRATOR’s sole discretion, these
20 amounts may be modified.

21 1. No later than July 31 of each Period, \$1,350,000 shall be deposited into the MSN Trust
22 Fund.

23 2. Any subsequent MSN Trust Fund deposits for any Period shall be at the sole determination
24 of ADMINISTRATOR that additional funds are required for Claims reimbursement.

25 3. Monies in the MSN Trust Fund shall be treated in the same fashion as all other monies held
26 by COUNTY in trust funds, and COUNTY may commingle said monies with other monies for purposes
27 of investment.

28 a. Interest earned on the MSN Trust Fund monies shall be allocated based on the balance
29 of all Funds in the MSN Trust Fund pending transfer to CONTRACTOR. The interest earned and
30 apportioned to funds pending transfer to CONTRACTOR may be, in whole or part and at
31 ADMINISTRATOR’s sole discretion, transferred to CONTRACTOR or transferred to a Holding
32 Account with any transferred principal and retained by COUNTY to offset any portion of its
33 administrative expenses, or retained by COUNTY for any Period.

34 b. No interest shall be credited to the MSN Funds before they are deposited in the MSN
35 Trust Fund, nor before the Agreement becomes effective, as specified in the Term Paragraph of the
36 Agreement.

37 //

1 D. MSN Program Disbursements to CONTRACTOR - COUNTY shall pay CONTRACTOR an
2 amount sufficient to reimburse Claims in accordance with Exhibit B to the Agreement. Such Funds
3 shall be deposited immediately by CONTRACTOR into an account maintained for all payments in
4 accordance with the Agreement, as specified in Exhibit B to the Agreement, including Final Settlement.

5 E. Any duties pursuant to the Agreement to deposit monies or make any payment shall not be due
6 until after fifteen (15) calendar days after execution of the Agreement by the parties.

7 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
8 Funding and Payments Paragraph of this Exhibit A to the Agreement.

9
10 **VII. COUNTY OBLIGATIONS**

11 A. ADMINISTRATOR shall provide oversight of the MSN Program, including appropriate
12 program administration, coordination, planning, evaluation, financial and contract monitoring, public
13 information and referral, standards assurance, and review and analysis of data gathered and reported.

14 B. ADMINISTRATOR shall establish, either directly and/or through subcontract(s), a CCU which
15 shall coordinate and make arrangements for the medical needs and care of MSN Enrollees as specified in
16 Paragraph III of this Exhibit A to the Agreement.

17 C. ADMINISTRATOR shall direct the CCU to work with CONTRACTOR to develop reporting
18 and information sharing activities to address the following:

- 19 1. Deny claims based on recommendations from the CCU.
- 20 2. Coordinate collection and evaluation of data by CONTRACTOR and the CCU.

21 D. When needed services are not available through any Contracting Hospital, ADMINISTRATOR
22 may negotiate separate Letters of Agreement with rates appropriate for securing care for the provision of
23 such services with Non-Contract Hospitals and providers, including those that may not be located in
24 Orange County.

25 E. If an MSN Enrollee requires acute psychiatric care, ADMINISTRATOR will make every
26 reasonable effort to facilitate the transfer of the MSN Enrollee to a hospital or health care facility that is
27 operated by or has contracted with COUNTY to provide such acute psychiatric treatment.

28 F. Except as provided herein with respect to discrimination of care to MSN Patients, COUNTY
29 shall neither have, nor exercise, any control or direction over the methods by which Physicians and
30 Other Providers shall perform their obligations under the Agreement. The standards of medical care and
31 professional duties of Physician's and Other Provider's employees providing Medical Services under the
32 Agreement shall be determined, as applicable, by Physician's and Other Provider's Board of Directors
33 and the standards of care in the community in which Physician and Other Providers are located and all
34 applicable provisions of law and other rules and regulations of any and all governmental authorities
35 relating to licensure and regulation of Physician and Other Providers.

36 G. Any administrative duty or obligation to be performed pursuant to the Agreement on a weekend
37 or holiday may be performed on the next regular business day.

1 H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
2 COUNTY Obligations Paragraph of this Exhibit A to the Agreement.

3
4 **VIII. COMMITTEES/GROUPS**

5 A. A Medical Policy Committee (MPC) shall be formed by ADMINISTRATOR which shall meet
6 annually and may meet more frequently as determined by ADMINISTRATOR.

7 B. The MPC shall consist of the following members:

- 8 1. EHS Program Medical Director who shall serve as Chairperson of the Committee
- 9 2. Physicians from the private sector, hospital and clinic communities
- 10 3. A minimum of two additional representatives from the MSN Program
- 11 4. Representative from the Care Coordination Unit
- 12 5. Pharmacy Consultant
- 13 6. MSN Program Public Health Nurse(s)

14 C. The MPC shall adopt and follow rules as it deems necessary to carry out its responsibilities.

15 D. The duties of the MPC shall include, but not be limited to, the following:

- 16 1. Prospective and retrospective review of services rendered and their medical
17 appropriateness.
- 18 2. Review of procedures, treatments, and therapies, consistent with MSN Program benefits, for
19 inclusion in, or deletion from, the MSN Program’s scope of covered services.
- 20 3. Review of medical policy as it relates to patient treatment and community standards of care.
- 21 4. Approval of modifications, deletions, and additions to the list of services for which All
22 Providers will be recommended to seek pre-authorization from the CCU.
- 23 5. Review and ruling on any appeals brought before the MPC.
- 24 6. Enlisting the expertise of specialists when indicated.

25 E. Decisions of the MPC shall be binding and final.

26 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
27 Committees/Groups Paragraph of this Exhibit A to the Agreement.

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1 EXHIBIT B
2 TO AGREEMENT FOR PROVISION OF
3 FISCAL INTERMEDIARY SERVICES
4 FOR THE
5 MEDICAL SAFETY NET PROGRAM
6 WITH
7 ADVANCED MEDICAL MANAGEMENT, INC.
8 JULY 1, 2019 THROUGH JUNE 30, 2024

9
10 **CLAIMS AND DISBURSEMENTS**

11
12 **I. PREAMBLE**

13 The Medical Safety Net (MSN) Program provides services that are medically necessary to protect
14 life, prevent significant disability, or prevent serious deterioration of health. With respect to medical
15 criteria for enrollment into the MSN Program, applicants must have an urgent or emergent medical
16 condition that if left untreated would result in serious deterioration of health with the initial intake
17 conducted through a Hospital’s emergency department.

18
19 **II. SATISFACTION OF COUNTY OBLIGATION**

20 A. Reimbursement provided through the Agreement is only intended to cover those persons who
21 would not be eligible for medical benefits from the State Medi-Cal Program, or whose medical care
22 would not be covered by other non-COUNTY third party payers, including those available through
23 Covered California. In consideration of payments made by COUNTY through CONTRACTOR for
24 payment for Medical Services to MSN Enrollees pursuant to the Agreement, COUNTY’s obligation to
25 All Providers and persons for whom it may have any legal obligation to provide Medical Services, shall
26 be satisfied.

27 B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
28 Satisfaction of County Obligation Paragraph of this Exhibit B to the Agreement.

29
30 **III. IMPREST ACCOUNT**

31 A. CONTRACTOR shall maintain an interest-bearing account for the MSN Program called the
32 "Imprest Account." A separate Imprest Account shall be maintained for each Period.

33 1. CONTRACTOR shall maintain a separate accounting of Funds commingled in the Imprest
34 Account for each service area: Hospital, Physician, Clinic (including dental services), and Outpatient.
35 The separate accounting of Funds within the Imprest Account shall be grouped as follows:

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1 a. Hospital Services – CONTRACTOR shall reimburse Hospitals in accordance with the
2 MSN Hospital Agreement and the MSN Hospital ED Agreement. The following shall also be accounted
3 for through this service area:

- 4 1) Sub-Acute Services
- 5 2) Skilled Nursing Facility Services
- 6 3) Special Permit Transfer Services
- 7 4) Letters of Agreement for Hospital Services as may be negotiated by
8 ADMINISTRATOR
- 9 5) Recuperative Care

10 b. Physician Services – CONTRACTOR shall reimburse Claims received from Physicians
11 in accordance with the Agreement. The following shall also be accounted for in this service area:

- 12 1) Non-Physician practitioners which may include, but not be limited, to Nurse
13 Practitioners and Physician Assistants.
- 14 2) Claims for the professional component of items III.A.1.a.1) through III.A.1.a.4)
15 above
- 16 3) Letters of Agreement for specialty Physician and capitated physician services as
17 may be negotiated by ADMINISTRATOR.

18 4) Physicians affiliated with Long Beach Memorial Medical Center (Medical Center)
19 for those MSN Enrollees brought by Orange County Paramedics to Medical Center for Emergency and
20 Stabilization Services

21 c. Clinic Services – CONTRACTOR shall reimburse Contracting Clinics in accordance
22 with the MSN Clinic Agreement. The following shall also be accounted for through this service area:

- 23 1) Dental Services provided by Contracting Clinics
- 24 2) Dental Services provided by other community Providers

25 d. Outpatient Services

26 1) CONTRACTOR shall reimburse non-hospital based outpatient service and other
27 ancillary Providers not otherwise specified in the Agreement and approved in writing by
28 ADMINISTRATOR, including, but not limited to, ambulance, home health Providers, durable medical
29 equipment, laboratories, imaging, surgery centers, and urgent care centers which may include
30 professional services; as negotiated by ADMINISTRATOR.

31 2) Pharmacy Claims – CONTRACTOR shall reimburse those outpatient
32 pharmaceutical costs typically not claimed through the COUNTY’s Pharmacy Benefits Manager for the
33 MSN Program, including, but not limited to, chemotherapy and other injectable drugs provided in
34 Physician offices. Upon written authorization from ADMINISTRATOR, other pharmaceutical costs or
35 costs from other non-hospital outpatient Providers may be paid by CONTRACTOR.

36 e. Other MSN Funding Obligations – Any expenses not specifically identified above and
37 shall be deducted from the service area as specified by ADMINISTRATOR.

1 2. The separate accounting of Funds by service area shall include, but may not be limited to:
2 deposits/funding, interest, recovery, transfers, claims and other payments, and bank charges.

3 3. CONTRACTOR shall use the Imprest Account to deposit MSN Funding disbursed by
4 COUNTY for the purpose of reimbursing corresponding claims from Providers of those service areas as
5 specified herein. The amount allocated to each service area in the Imprest Account shall be at the
6 discretion of CONTRACTOR. CONTRACTOR may transfer funds between service areas as necessary
7 for Claim reimbursement provided that transfers are clearly notated in CONTRACTOR’s reporting of
8 Imprest Account activity.

9 4. Except as otherwise provided herein, the Imprest Account shall not exceed a maximum of
10 one million two hundred fifty thousand dollars (\$1,250,000) (“Imprest Account Maximum”) during any
11 forty-five (45) day period and shall be managed so as to maximize the interest earned upon Funds in the
12 Account. Upon written request of CONTRACTOR, and at ADMINISTRATOR’s sole discretion, the
13 maximum may be modified.

14 5. If CONTRACTOR determines that the fees to maintain an interest-bearing Imprest Account
15 are more than projected interest to be earned, CONTRACTOR shall recommend to ADMINISTRATOR
16 that such funds be maintained in a non-interest-bearing Imprest Account. Approval of the
17 recommendation shall be at the sole discretion of ADMINISTRATOR.

18 B. Funding of the Imprest Account

19 1. COUNTY shall pay CONTRACTOR, upon receipt of an appropriate invoice, an initial
20 provisional payment to be mutually agreed upon in writing between CONTRACTOR and
21 ADMINISTRATOR for each Period.

22 2. Upon determination by CONTRACTOR that the Imprest Account requires additional Funds
23 for reimbursement of any Claims authorized in accordance with the Agreement, CONTRACTOR shall
24 submit a request for supplemental payment to ADMINISTRATOR, together with any documentation
25 that may be required by ADMINISTRATOR.

26 C. CONTRACTOR shall provide ADMINISTRATOR by the tenth (10th) day of each month
27 access to an electronic copy of the prior month’s bank statement(s) and reconciliation with respect to all
28 monies disbursed through the Imprest Account pursuant to the Agreement.

29 D. In the event CONTRACTOR anticipates expenditures pursuant to the Agreement in excess of
30 the Imprest Account maximum, CONTRACTOR shall advise ADMINISTRATOR, in writing of the
31 circumstances. Upon approval by ADMINISTRATOR, COUNTY will disburse to CONTRACTOR the
32 requested Funds and CONTRACTOR shall disburse Funds immediately upon receipt to Providers of
33 Medical Services, unless otherwise approved, in writing, by ADMINISTRATOR.

34 E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
35 Imprest Account Paragraph of this Exhibit B to the Agreement.

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IV. REVIEW OF CLAIMS

A. CONTRACTOR shall review all claims to determine whether the services for which reimbursement is sought are Medical Services, reimbursable pursuant to the Agreement, and whether such services were rendered to an MSN Enrollee.

B. CONTRACTOR shall review claims, and provide a medical utilization review, in accordance with its Operations Manual.

C. CONTRACTOR shall deny all claims that do not meet the conditions and requirements of the Agreement for claim submission, processing, and reimbursement, including, but not limited to obligations pursuant to Paragraph VII., Third Party, Primary, or Other Insurance Covered Claims, as specified in this Exhibit B to the Agreement.

D. CONTRACTOR shall use its best efforts to collect any monies paid, in any form, for non-reimbursable services, for services to persons who are not Enrollees, or for payment to any Provider or other entity not entitled under the Agreement to such payment if the result of inaccurate or inappropriate billing by any Provider or other entity. CONTRACTOR shall not be subject to disallowances for said payments.

E. CONTRACTOR shall use its best efforts to collect any monies paid, in any form, for non-reimbursable services, for services to persons who are not Enrollees, or for payment to any Provider or other entity not entitled under the Agreement to such payment if the result of inaccurate or inappropriate processing by CONTRACTOR. Upon becoming aware of such uncollectible payments, CONTRACTOR shall submit to ADMINISTRATOR a corrective action plan. Upon review by ADMINISTRATOR, CONTRACTOR may be subject to disallowances for said payments.

F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Review of Claims Paragraph of this Exhibit B to the Agreement.

V. CONDITIONS OF REIMBURSEMENT

A. As a condition of reimbursement through the Agreement, all Claims for reimbursement of Medical Services provided to Enrollees shall be:

- 1. Claims for Medical Services provided during each Period of the Agreement except for:
 - a. Claims for Medical Services covered by a court order.
 - b. Claims for Medical Services if eligibility for a person is established by the Social Services Agency after the claims submission deadline for the applicable contract period.

2. Submitted electronically by Hospitals and Clinics and completed in accordance with the Agreement. Claims shall not be accepted from any Provider without prior authorization of ADMINISTRATOR.

- 3. Initially received by CONTRACTOR no later than ninety (90) calendar days following the date of service; provided, however, that Claims shall be received no later than
 - a. September 30, 2020 for Period One.

- 1 b. September 30, 2021 for Period Two.
- 2 c. September 30, 2022 for Period Three.
- 3 d. September 30, 2023 for Period Four.
- 4 e. September 30, 2024 for Period Five.

5 B. CONTRACTOR should initially approve or deny all claims no later than

- 6 1. October 31, 2020 for Period One.
- 7 2. October 31, 2021 for Period Two.
- 8 3. October 31, 2022 for Period Three.
- 9 4. October 31, 2023 for Period Four.
- 10 5. October 31, 2024 for Period Five.

11 C. CONTRACTOR should reimburse all approved Claims as soon as possible, and in no event
12 later than sixty (60) calendar days following the end of the month in which the claim was approved,
13 unless otherwise approved by ADMINISTRATOR.

14 D. Except as otherwise specified in this paragraph, any unapproved Claims for Medical Services
15 shall be void after

- 16 1. November 30, 20120 for Period One.
- 17 2. November 30, 2021 for Period Two.
- 18 3. November 30, 2022 for Period Three.
- 19 4. November 30, 2023 for Period Four.
- 20 5. November 30, 2024 for Period Five.

21 E. Exceptions to the above timelines may be allowed under the following conditions, which may
22 be modified by ADMINISTRATOR, at its sole discretion:

- 23 1. The Notice of Action establishing MSN eligibility was generated after June 30 of the
24 applicable Period.
- 25 2. More information is requested by ADMINISTRATOR and/or Intermediary to further
26 consider an appeal.
- 27 3. ADMINISTRATOR and/or Intermediary discover any irregularities in claims payment or
28 denial.
- 29 4. Any payment for the above Claims occurring after Final Settlement shall be deemed
30 "Exception Claims" and shall be paid from Exception Funding as provided for in Paragraph VIII of this
31 Exhibit B to the Agreement.

32 F. Unless otherwise directed by ADMINISTRATOR, all Clinic claims shall be submitted to
33 CONTRACTOR at:

34 Advanced Medical Management, Inc.
35 P.O. Box 30248
36 Long Beach, California 90853

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1 G. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
2 Conditions of Reimbursement Paragraph of this Exhibit B to the Agreement.

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4 **VI. CLAIM DENIAL/APPEAL**

5 A. CONTRACTOR shall notify, in writing, All Providers of the reason for any denial of a claim(s).

6 B. Notice shall be deemed effective:

7 1. Three (3) calendar days from the date written notice is deposited in the United States mail,
8 first class postage prepaid; or

9 2. When faxed, transmission confirmed; or

10 3. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel
11 Service, or other expedited delivery service.

12 C. All Providers may resubmit denied claims to CONTRACTOR; provided, however, All
13 Providers shall complete any necessary corrective action, and resubmit the claim no later than thirty (30)
14 calendar days after notification of the denial.

15 D. All Providers may appeal claims denied by CONTRACTOR to CONTRACTOR in accordance
16 with procedures set forth by ADMINISTRATOR in the MSN Provider Manual and MSN Patient
17 Handbook. Such appeal shall be made, in writing using the appeal form required by CONTRACTOR,
18 no later than thirty (30) calendar days after notification of denial.

19 1. If all information necessary to review the appeal is submitted as required to
20 CONTRACTOR, CONTRACTOR shall respond to the appeal within thirty (30) calendar days.

21 2. If the appeal is subsequently denied by CONTRACTOR, All Providers within thirty (30)
22 calendar days of receipt of the denied appeal may submit an appeal to the MPC.

23 E. If a denied claim is not resubmitted and/or appealed in writing to CONTRACTOR and/or the
24 MPC within thirty (30) calendar days after notification of denial, CONTRACTOR's determination shall
25 be final, and the affected Provider shall have no right to further review of the claim.

26 F. Except as provided for in Paragraph V.E. of this Exhibit B to the Agreement, all appeals of
27 denied claims shall be heard and decided no later than:

28 1. November 15, 2020 for Period One.

29 2. November 15, 2021 for Period Two.

30 3. November 15, 2022 for Period Three.

31 4. November 15, 2023 for Period Four.

32 5. November 15, 2024 for Period Five.

33 G. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Claim
34 Denial/Appeal Paragraph of this Exhibit B to the Agreement.

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VII. THIRD PARTY, PRIMARY, OR OTHER INSURANCE COVERED CLAIMS

A. Reimbursement provided through the Agreement shall be payment of last resort. Prior to submitting any claim to CONTRACTOR for reimbursement of Medical Services provided to an Enrollee, All Providers shall:

1. Use their reasonable best efforts to determine whether the claim is a third-party or primary other insurance covered claim.

2. Bill and use their reasonable best efforts to collect third-party or primary other insurance covered claims to the full extent of such coverage.

B. All Providers shall determine that a claim is not covered, in whole or in part, under any other state or federal medical care program or under any other contractual or legal entitlement including, but not limited to, coverage defined in W&I Section 10020.

C. With submission of a claim, All Providers shall provide proof of denial to CONTRACTOR, if a third-party or primary other insurance denies coverage of the claim.

D. All Providers shall report to CONTRACTOR any payments received from third-party or primary other insurance covered claims.

E. The Agreement shall not allow for reimbursement of deductibles and co-payments required by an Enrollee’s primary other insurance coverage.

F. All Providers shall provide CONTRACTOR such records and other documentation as CONTRACTOR may reasonably require to maintain centralized data collection and referral services in support of third-party revenue recovery activities.

G. Provider Refunds of Claims Reimbursed By Other Payments

1. If any Provider through its own efforts identifies Medi-Cal coverage, third party settlement, primary or other insurance coverage for services reimbursed through the Agreement, such Provider(s) shall, within thirty (30) calendar days of such identification, unless disputed in accordance with subparagraph G.4. below, reimburse CONTRACTOR an amount equal to the MSN Payment. At ADMINISTRATOR’s sole discretion, Skilled Nursing Facility providers may reimburse CONTRACTOR an amount equal to the Medi-Cal coverage, third party settlement, primary or other insurance coverage for services or MSN reimbursement amount, whichever is less.

2. If Medi-Cal coverage, third party settlement, primary or other insurance coverage is identified due to efforts of COUNTY’s contracted Recovery Services (Recovery Services) specified in Subparagraph G.6. below, the Provider shall, within thirty (30) days of notice from Recovery Services, unless disputed in accordance with subparagraph G.4. below, reimburse COUNTY through CONTRACTOR an amount equal to the MSN payment. Third-party settlement payments may be paid directly to COUNTY or CONTRACTOR, as directed by ADMINISTRATOR.

3. If it is determined that a patient whose care was previously reimbursed with MSN funding was eligible for third party reimbursement or primary other insurance, retroactively or otherwise, and Provider could have sought such reimbursement and failed to do so, Provider shall reimburse COUNTY

1 through CONTRACTOR the amount of the MSN payment within thirty (30) calendar days notification
2 of said fact.

3 4. Should a Provider wish to dispute the reimbursement of MSN payment as a result of the
4 identification of Medi-Cal coverage, third party settlement, primary or other insurance coverage either
5 by the Provider or through Recovery Services, the Provider shall give written notice, within thirty (30)
6 calendar days of notice of information, to ADMINISTRATOR’s MSN Program Administrator, or
7 designee, (MSN Administrator) setting forth in specific terms the existence and nature of any dispute or
8 concern related to the information provided through Recovery Services or the reimbursement due
9 COUNTY. MSN Administrator shall have fifteen (15) business days following such notice to obtain
10 resolution of any issue(s) identified in this manner, provided, however, by mutual consent this period of
11 time may be extended. If MSN Administrator determines that the recovery information is accurate and
12 appropriate, the Provider shall, within thirty (30) calendar days of receipt, reimburse COUNTY through
13 CONTRACTOR an amount equal to the MSN payment.

14 5. For purposes of computing the amount of reimbursement due from Provider, the services
15 provided to an Enrollee shall be valued at the percentage of reimbursement for the applicable contract
16 period.

17 6. COUNTY shall engage CONTRACTOR, or authorize CONTRACTOR to enter into a
18 separate Agreement, or directly contract with a separate entity, for the provision of Recovery Services
19 for the purpose of actively pursuing reimbursement of claims paid for MSN Enrollees later determined
20 to be Enrollee for Medi-Cal or having third party, primary or other primary other insurance. All
21 Providers shall cooperate in recovering these costs. Except as otherwise directed by
22 ADMINISTRATOR, monies recovered due to the efforts of Recovery Services shall be reimbursed to
23 COUNTY through CONTRACTOR and shall be deemed “Active Recovery Funds.” Monies recovered
24 or identified in advance of notice from Recovery Services, and forwarded directly to CONTRACTOR by
25 Provider, shall be deemed “Passive Recovery Funds.” For Active Recovery Funds, an administrative fee
26 of eighteen percent (18%) may be deducted by CONTRACTOR and then ten percent (10%) of the
27 balance shall be deposited into the HCA Recovery Account, with the remainder into the appropriate
28 service account. For Passive Recovery Funds, an administrative fee of five percent (5%) may be
29 deducted by CONTRACTOR and the remaining balance shall be deposited into the appropriate service
30 and HCA Recovery accounts.

31 7. If any reimbursement due is not paid to CONTRACTOR in accordance with this Paragraph,
32 CONTRACTOR shall reduce any payment due by an amount not to exceed the amount to be
33 reimbursed.

34 H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Third
35 Party, Primary, or Other Insurance Covered Claims Paragraph of this Exhibit B to the Agreement.

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VIII. RECOVERY ACCOUNT

A. CONTRACTOR shall collect and deposit refunds and any third-party payments related to any Medical Service rendered by any Provider to a Recovery Account designated within the Imprest Account.

B. At Final Settlement, Funds in the Recovery Account may be included in the Final Settlement calculations if determined to be required by ADMINISTRATOR.

1. ADMINISTRATOR shall determine the amount of funding from the Recovery Account for each Period that shall be set aside as Exception Funding.

a. Exception Funding shall be used to pay claims after Final Settlement has been completed for any Period as may be allowed in accordance with subparagraph V.E of this Exhibit B to the Agreement.

b. Any Exception Funding remaining after CONTRACTOR has reasonably determined that no other outstanding claims remain shall either be returned to COUNTY or used for reimbursement of other MSN Program costs as directed by ADMINISTRATOR.

2. Any funds in the Recovery Account not required for Exception Funding or Final Settlement shall be either returned to COUNTY or used for reimbursement of other MSN Program costs, through CONTRACTOR as directed by ADMINISTRATOR.

C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Recovery Account Paragraph of this Exhibit B to the Agreement.

IX. PAYMENTS

A. Hospital Claims - After deductions of applicable co-payments, Payment to Hospitals, as defined and specified in the MSN Hospital Agreement and the MSN ED Hospital Agreement, shall be made in accordance with said Agreements.

B. Clinic Claims - After deductions of applicable co-payments, Payment to Contracting Clinics, as defined and specified in the MSN Clinic Agreement, shall be made in accordance with said Agreement.

C. Physician Claims

1. Upon approval of Physician Claims, CONTRACTOR shall reimburse Claims at 100% of the CalOptima fee-for-service reimbursement rates, less applicable co-payments.

2. Physicians affiliated with Long Beach Memorial Medical Center for those MSN Enrollees brought by Orange County Paramedics to Long Beach Memorial Medical Center for Emergency and Stabilization Services shall be reimbursed at 100% of CalOptima rates.

3. CONTRACTOR shall reimburse certain physician groups as authorized in writing by ADMINISTRATOR, at rates negotiated by ADMINISTRATOR. Such agreements with COUNTY shall be limited to types of specialties and/or geographic areas for which said Provider services are not otherwise available. ADMINISTRATOR shall provide copies of all said agreements to

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1 CONTRACTOR and ADMINISTRATOR and CONTRACTOR shall mutually agree on how claims for
2 said agreements shall be processed.

3 D. Other Provider Claims - Reimbursement of allowed Claims shall be made after deductions of all
4 applicable co-payments as follows:

5 1. Non-Contract Hospitals shall be reimbursed as specified in the MSN Hospital Agreement
6 and the MSN ED Hospital Agreement.

7 2. The following services shall be reimbursed at State Medi-Cal rates provided, however,
8 services authorized by ADMINISTRATOR for which there is not a published Medi-Cal rate shall be
9 reimbursed at National Medicare rates, and provided further, if a service does not have a published
10 Medicare rate, the service may not be reimbursed, at the sole discretion of ADMINISTRATOR:

- 11 a. Durable medical equipment.
- 12 b. Ambulance services.
- 13 c. Home health services.
- 14 d. Laboratory.
- 15 e. Radiology.

16 3. For pharmacy charges claimed through CONTRACTOR:

17 a. Average Sales Price (ASP) plus six percent (6%). Claims containing pharmaceutical
18 codes that do not have ASP pricing will be paid at the Average Wholesale Price (AWP) less sixteen
19 percent (16%) (brand) and AWP less sixty percent (60%) (generic).

20 b. Pharmaceuticals related to home health services claims shall be paid at AWP less
21 sixteen percent (16%) (brand) and AWP less sixty percent (60%) (generic).

22 4. Dental services shall be reimbursed at one hundred percent (100%) of State Medi-Cal
23 (Denti-Cal) rates

24 5. Where applicable and authorized by ADMINISTRATOR, "By Report, Unlisted" procedures
25 will be reimbursed at no more than thirty-five percent (35%) of billed charges.

26 6. The following services shall be reimbursed at rates to be negotiated by ADMINISTRATOR.
27 ADMINISTRATOR shall provide copies of all said agreements to CONTRACTOR and
28 ADMINISTRATOR and CONTRACTOR shall mutually agree on how claims for said agreements shall
29 be processed:

- 30 a. Skilled Nursing Facility (SNF)
- 31 b. Urgent Care Center
- 32 c. Outpatient Surgery Center

33 7. CONTRACTOR shall reimburse certain Other Providers authorized in writing by
34 ADMINISTRATOR, at rates negotiated by ADMINISTRATOR. Such agreements with COUNTY shall
35 be limited to types of services and/or geographic areas for which these Other Provider services are not
36 otherwise available. ADMINISTRATOR shall provide copies of all said agreements to

37 //

1 CONTRACTOR and ADMINISTRATOR and CONTRACTOR shall mutually agree on how claims for
 2 said agreements shall be processed.

3 E. Co-Payments

4 1. All required co-payments shall be deducted by CONTRACTOR from reimbursement due
 5 All Providers; provided, however, if a co-payment is waived in accordance with the MSN Hospital
 6 Agreement, the MSN Hospital ED Agreement, the MSN Clinic Agreement or the Agreement as noted in
 7 Subparagraph E.2. below, the co-payment amount shall not be deducted by CONTRACTOR from
 8 reimbursement due All Providers:

Medical Service	Co-Payment
Emergency Room Visit	\$300
Emergency Medical Transport	\$300
Inpatient Hospital per Admission	\$300
Outpatient Hospital Visit	\$20
Follow-Up Care Visits (Clinic or Physician)	\$60
Specialist Visit (Physician)	\$70
Emergent or Urgent Dental Visit	\$60
Laboratory Test	\$45
X-rays and diagnostic imaging	\$65
Advanced Imaging (PET/CT/MRI)	\$75
Durable Medical Equipment	\$90
Home Health Services	\$45
Skilled Nursing Facility per Admission	\$150
Urgent Care	\$75
Minute Clinics	\$20
Pharmacy Co-Pay	\$19 to 30% of cost depending on the medication

28
 29 2. The following are exception provisions to the co-payment collection requirements:

30 a. Emergency Room Visits – the co-payment shall be waived if the MSN Enrollee is
 31 admitted to any inpatient setting, including Recuperative Care, immediately from the emergency
 32 department.

33 b. Inpatient Hospital Services - If the MSN Enrollee is transferred from one inpatient
 34 setting to another, only the initial admitting facility will collect the co-payment. All others co-payments
 35 are waived for a continuous inpatient stay.

36 //
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1 c. Ambulance Services – Co-payments shall be waived for medical transportation
2 requested by Hospital or the CCU for the purposes of transferring an MSN Enrollee to a lower level of
3 care.

4 d. Specialty Physician Visit

5 1) The collection of a co-payment is not applicable to physicians providing
6 Emergency Services and/or Care

7 2) The collection of a co-payment shall be applicable for services provided at an
8 outpatient surgery center.

9 e. Laboratory Testing

10 1) For Contracting Clinics and Physicians, only one (1) co-payment per day may be
11 collected from an MSN Enrollee; therefore, the co-payment shall be waived if the blood or specimen is
12 collected by the Contracting Clinic or the Physician during or on the same day as the Follow-Up Care or
13 Specialty Services Visit for which the appropriate co-payment has already been collected.

14 2) If the patient is sent to a separate laboratory provider who collects the blood or
15 specimen directly from the MSN Enrollee, the co-payment shall be collected by the laboratory provider,
16 even if the MSN Enrollee has paid a co-payment to a Contracting Clinic or Physician.

17 f. X-Rays and Diagnostic Imaging

18 1) For Contracting Clinics and Physicians, only one (1) co-payment per day may be
19 collected from an MSN Enrollee; therefore, the co-payment shall be waived if the X-ray or diagnostic
20 image is performed by the Contracting Clinic or the Physician, during or on the same day as the Follow-
21 Up Care or Specialty Services Visit for which the appropriate co-payment has already been collected.

22 2) If the MSN Enrollee is sent to a separate radiology provider to take the x-ray or
23 diagnostic image directly of the MSN Enrollee, the co-payment shall be collected by the radiology
24 provider even if the MSN Enrollee has paid a co-payment to a Contracting Clinic or Physician.

25 g. For Outpatient Hospital Services, including hospital based surgical center services and
26 physical and occupational therapy services as may be authorized by the CCU as Post Stabilization
27 Services, Hospital’s co-payment shall be waived if there is a corresponding professional co-payment due
28 from the MSN Enrollee.

29 h. Regardless of the number of services or visits provided in a single day at any single
30 facility, only one (1) co-payment may be collected per day for that facility.

31 F. Settlement Limitation for Physicians and Other Providers

32 1. Total payments shall be adjusted for other insurance, voided claims and refunds.

33 2. No Provider shall be reimbursed more than billed charges or one hundred percent (100%) of
34 Allowable Charges, whichever is less.

35 G. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the
36 Payments Paragraph of this Exhibit B to the Agreement.

37 //

X. FINAL SETTLEMENT

A. ADMINISTRATOR shall perform a final reconciliation of all Funds remaining in the MSN Trust Fund, the Imprest Account, and the Recovery Accounts for the purpose of determining the amount to remain with CONTRACTOR as Exception Funding after all other obligations provided through this Agreement are met.

1. CONTRACTOR shall report to ADMINISTRATOR, the value of any pending Claims and the date the claims are anticipated to be paid.

2. CONTRACTOR shall advise of any other obligations of the MSN Program per Paragraph III.A.1.e of this Exhibit B to the Agreement.

B. Unless otherwise extended, in whole or in part, by ADMINISTRATOR, Final Settlement shall be accomplished no later than

- 1. December 31, 2020 for Period One.
- 2. December 31, 2021 for Period Two.
- 3. December 31, 2022 for Period Three.
- 4. December 31, 2023 for Period Four.
- 5. December 31, 2024 for Period Five.

C. Settlement to Contracting Clinics – CONTRACTOR shall utilize the procedures specified in the MSN Clinic Agreement to determine and compute amounts due to Contracting Clinics through Final Settlement. Disbursement of payment to Contracted Clinics should occur within fifteen (15) business days of receipt of final settlement calculations from ADMINISTRATOR.

D. All Funds in accounts maintained by CONTRACTOR relating to the term of the Agreement, which funds are remaining after Final Settlement, and all other payments required by the Agreement have been made through Exception Funding, shall be, in whole or in part, returned to COUNTY by CONTRACTOR.

E. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Final Settlement Paragraph of this Exhibit B to the Agreement.

XI. SATISFACTION OF CLAIMS

A. Acceptance by All Providers of payments made by CONTRACTOR in accordance with the Agreement shall be deemed satisfaction in full of any obligation to All Providers, and no Provider shall seek additional reimbursement from an MSN Enrollee, with respect to those claims for Medical Services for which payment has been made by the MSN Program, notwithstanding a Provider’s right to appeal any denied claim, as provided for in subparagraph VI. of this Exhibit B.

B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Final Satisfaction of Claims Paragraph of this Exhibit B to the Agreement.

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XII. CLAIMS PROCESSING STANDARDS AND SANCTIONS

A. CONTRACTOR shall take action, other than processing submitted claims from All Providers into its system, upon ninety percent (90%) of all claims within thirty (30) calendar days after their receipt. Such action shall include, but not be limited to, claim suspension, approval, denial, or payment. CONTRACTOR should reimburse all approved claims no later than sixty (60) calendar days following the end of the month in which claim was approved, unless otherwise approved by ADMINISTRATOR.

B. CONTRACTOR shall make available to ADMINISTRATOR an electronic monthly Processing Timeliness Report.

C. At ADMINISTRATOR’s sole discretion, ADMINISTRATOR may assess a penalty (Penalty Assessment) if CONTRACTOR fails to process and reimburse claims in accordance with the standards set forth herein, as evidenced by the above monthly Processing Timeliness Report and due solely to the actions or inactions of CONTRACTOR.

1. The Penalty Assessment, if any, shall be equal to one hundred dollars (\$100) for every percentage point below ninety percent (90%), and shall be deducted from the monthly payment otherwise due CONTRACTOR for services provided pursuant to the Agreement.

2. Penalty Assessments, if any, shall be deposited as directed by ADMINISTRATOR and in consideration of, and consistent with, those claims not meeting processing standards as set forth herein.

3. If claims received any month, exceed the previous three (3)-month average by at least twenty-five (25%), CONTRACTOR shall be provided an additional ten (10) calendar days to process such claims.

D. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Claims Processing Standards and Sanctions Paragraph of this Exhibit B to the Agreement.

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EXHIBIT C
TO AGREEMENT FOR PROVISION OF
FISCAL INTERMEDIARY SERVICES
FOR THE
MEDICAL SAFETY NET PROGRAM
WITH
ADVANCED MEDICAL MANAGEMENT, INC.
JULY 1, 2019 THROUGH JUNE 30, 2024

CONTRACTOR DATA REPORTING REQUIREMENTS

I. PREAMBLE

The Medical Safety Net (MSN) Program provides services that are medically necessary to protect life, prevent significant disability, or prevent serious deterioration of health. With respect to medical criteria for enrollment into the MSN Program, applicants must have an urgent or emergent medical condition that if left untreated would result in serious deterioration of health.

II. REPORTING REQUIREMENTS

A. CONTRACTOR shall provide or make available the reports and data specified herein to COUNTY, in the manner and at the times indicated.

B. CONTRACTOR’s obligation to compile and preserve data is limited to all elements of the data or information that is made available to CONTRACTOR by COUNTY’s eligibility process, from claims submitted by All Providers, data from the CCU, and from inquiries and reports pertaining to, or arising from, third-party payment recovery activities.

C. CONTRACTOR shall advise COUNTY of any problems experienced in obtaining data or information necessary to meet its obligations pursuant to the Agreement, including data from eligibility documents or Medical Services claims.

D. At no additional cost to COUNTY, CONTRACTOR may compile other data, as it deems necessary; provided, however such information shall be the property of COUNTY.

E. CONTRACTOR shall provide online access to all reports requested in this Exhibit C to persons designated by ADMINISTRATOR.

F. CONTRACTOR shall provide online access to its internal data reporting system to persons designated by ADMINISTRATOR for the purposes of creating ad-hoc reports. All reporting listed below shall be available to ADMINISTRATOR for ad-hoc reporting through the internal reporting system.

G. CONTRACTOR shall advise ADMINISTRATOR of reports or information requested by OCMA, or COCCC or outside parties and shall direct these requests to ADMINISTRATOR.

1 CONTRACTOR shall not provide any such requests for information to OCMA or COCCC or outside
2 parties unless specifically approved by ADMINISTRATOR.

3 H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Claims
4 Reporting Requirements Paragraph of this Exhibit C to the Agreement.

5 I. CONTRACTOR shall provide or make available to COUNTY additional reports and data that
6 may be required, in writing, by ADMINISTRATOR, such as:

7 1. Information and data required by this Exhibit at intervals more frequent than those
8 specified.

9 2. Additional cross tabulations of the characteristics of Enrollees, Contracting Hospitals, and
10 Other Providers by assessment and treatment descriptors as may be requested, in writing, by
11 ADMINISTRATOR, if such cross tabulations are capable of computation from the data collected and
12 processed by CONTRACTOR pursuant to the Agreement.

13 3. A machine readable copy of the data accumulated on those items specified in this Exhibit,
14 upon five (5) calendar days prior written notice by ADMINISTRATOR. Upon sole discretion of
15 ADMINISTRATOR, data posted and accessible on-line by ADMINISTRATOR may be deemed as
16 delivered by CONTRACTOR as a machine readable copy.

17 J. CONTRACTOR shall maintain a remote machine readable copy of all information and data
18 compiled in accordance with the requirements of this Exhibit, for purposes of reducing the risk of loss or
19 destruction of such information and data. CONTRACTOR shall consult with, and receive written
20 approval from, COUNTY regarding the manner in which it intends to meet its obligations under this
21 subparagraph.

22 K. At the discretion of ADMINISTRATOR, failure by CONTRACTOR to provide any reports
23 required by the Agreement, within thirty (30) calendar days of their due date, may result in a temporary
24 withholding of \$150 per delayed report. If such reports are more than sixty (60) calendar days late, a
25 penalty assessment of \$150 per report may be assessed.

26 L. CONTRACTOR shall collect, compile, preserve and report the following information and data.
27 Unless otherwise specified, reports shall be run each month and consist of all available data for the
28 Fiscal Year running. CONTRACTOR shall ensure the internal consistency of all reports. Some reports,
29 or databases used to generate such reports, may be requested in machine readable format at a later date.
30 Format of all reports shall be determined by COUNTY in accordance with State and COUNTY
31 requirements as they currently exist or may be amended. Unless otherwise specified, all reports shall be
32 made available to ADMINISTRATOR's MSN Program Manager as specified in the Referenced
33 Contract Provisions section of the Agreement.

34 1. Monthly data transfer updating COUNTY eligibility file and identifying potential Medi-Cal
35 Enrollees receiving MSN.

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- 2. Financial monitoring reports to include:
 - a. Open Pending Report: Claims status (pending, approved, denied) by individual Contracting Hospital showing key action dates for all logged claims. (Quarterly)
 - b. Service Area Status Reports: For each of the following service areas, detail dollars by month of service, total billed charges, allowed charges by service category appropriate to the service area, disallowed charges by reason, co-payments estimated to have been collected, interim payments, unduplicated users, and encounters. (Quarterly)
 - 1) Hospital expenditures by Contracting Hospital, Contracting ED Hospitals and Non-Contract Hospitals
 - 2) Physician expenditures by individual Provider.
 - 3) Ambulance, Home Health, and Durable Medical Equipment Providers.
 - 4) Clinic expenditures by Individual Provider.
 - 5) Pharmaceuticals.
 - 6) Ambulance claims
 - 7) Non-Hospital Outpatient Service Providers.
 - 8) Dental expenditures by individual Provider.
 - c. The following reports shall be made available to ADMINISTRATOR:
 - 1) Processing Timeliness Report: Month's numbers of claims received, processed, pending action-to-date; current week's claims being worked and current processing time from receipt to final action. (Monthly)
 - 2) Recovery Account Status Report: Recovery Account balance, listing refunding hospitals and individual Providers and origin of reimbursement resulting in refund. (Quarterly)
 - 3) MSN Fund Reconciliation Report: CONTRACTOR and ADMINISTRATOR shall mutually agree on a format and content of this report which shall be designated to aid in the reconciliation of Funds provided by COUNTY to CONTRACTOR.
- 3. Utilization Review Reports, to be provided as requested by ADMINISTRATOR, to include:
 - a. Utilization analysis of Most Costly MSN Patients With The Greatest Number of Emergency Room Encounters: Listing each selected patient by name, case number, encounters and charges by type, reimbursement rate, primary discharge diagnosis, ICD10 Code, facility, service dates, disposition.
 - b. Inpatients With Excessive Lengths of Stay as determined by ADMINISTRATOR: Listing each selected patient by name, case number, total days, case type, primary diagnosis, ICD10 Code, admission and discharge date, hospital, and reimbursement rate.
 - c. Inpatients With repeat admission(s) within thirty (30) days of discharge or for the same diagnosis. Listing each selected patient by name, case number, number of days between readmission and original admission, primary diagnosis, ICD10 code, admission and discharge date, and hospital.

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1 d. Summary of Trauma Cases by Facility: For each trauma center, a summary line of
2 number of discharges, allowed charges, trauma days charges, ancillary charges, reimbursement rate, total
3 days, points, unit ratios.

4 4. Utilization Monitoring Reports to be provided as requested by ADMINISTRATOR and to
5 include:

6 a. Inpatient Characteristics and Charges by Length of Stay: For hospital claims a table of
7 total inpatient days, average length of stay, specified length of stay intervals by number of unduplicated
8 users, discharges, age, sex, ethnicity, disposition and case type (trauma, surgical, other), ICD10 major
9 disease groups, ranges of allowed charges per discharge, and average dollars per discharge.

10 b. Inpatient Experience by ICD10 Code: For hospital inpatient claims overall a table of
11 unduplicated users, discharges, inpatient days, allowed charges, ancillary charges, per discharge ratios,
12 charges per day, case type by specific disease groupings and/or individual diseases/conditions; by
13 ICD9/10 major disease groups; by hospital by ICD10 major disease groups, by hospital by charges.

14 c. User Experience by CPT4: For physician claims a table of unduplicated users,
15 encounters, allowed charges, reimbursement rate, charges/reimbursement rate per encounter by CPT4
16 major procedure code groups.

17 5. Program Monitoring Reports to include:

18 a. Encounters by ICD10 Codes and Services Rendered by Patient Characteristics: For all
19 service areas combined and each service type combination, a table of encounters by ICD10 major
20 disease groups and median age of MSN Enrollees, sex, age group, ethnicity, . (As Requested)

21 b. Unduplicated Users by Disposition: A table of unduplicated users' dispositions (follow-
22 up, referral, death, release, continuing care, and unknown) by month of service; by patient characteristics
23 (age, sex, ethnicity,); by diagnosis (ICD10 major disease groups). (As Requested)

24 6. Denial Reports, as requested by ADMINISTRATOR, to include:

25 a. Reason for Disallowed Charges by Service Category: By facility, show total billed
26 charges, total disallowed charges, percentage of disallowed charges, and the reasons for denial of
27 charges: Timeliness, Eligibility, Scope of Service, Utilization Review or Other Reason for the following
28 service categories:

- 29 1) Inpatient with subcategories: Acute, Inpatient and Step-Down.
- 30 2) Emergency Room Admission.
- 31 3) Emergency Room with subcategories: Minor, Minor w/ Ancillary, Surgical.
- 32 4) Outpatient with subcategories: Minor, Minor w/ Ancillary, Surgical (Bi-Monthly).

33 b. Utilization Review Denial Reason: By facility, including remark code, description,
34 inpatient disallowed charges, inpatient disallowed admits, SNF disallowed charges, and SNF disallowed
35 admits.

36 7. Annual/Periodic Reports:

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1 a. Alphabetic listing of all claims by patient name, including name, case number, Provider
2 name, service dates, bill type, total billed, total allowed, denial code, reimbursement rate, share of cost,
3 date paid, check number, total paid. (As requested)

4 b. Cumulative, alphabetic listing of physician Providers to include Provider name, tax I.D.
5 number, total billed, total allowed, and total paid. (As Requested)

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7 H. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Claims
8 Additional Reports Paragraph of this Exhibit C to the Agreement.

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EXHIBIT D
TO AGREEMENT FOR PROVISION OF
FISCAL INTERMEDIARY SERVICES
FOR THE
MEDICAL SAFETY NET PROGRAM
WITH
ADVANCED MEDICAL MANAGEMENT, INC.
JULY 1, 2019 THROUGH JUNE 30, 2024

BUSINESS ASSOCIATE CONTRACT

A. GENERAL PROVISIONS AND RECITALS

1. The parties agree that the terms used, but not otherwise defined below in Paragraph B, shall have the same meaning given to such terms under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (“the HITECH Act”), and their implementing regulations at 45 CFR Parts 160 and 164 (“the HIPAA regulations”) as they may exist now or be hereafter amended.

2. The parties agree that a business associate relationship under HIPAA, the HITECH Act, and the HIPAA regulations between the CONTRACTOR and COUNTY arises to the extent that CONTRACTOR performs, or delegates to subcontractors to perform, functions or activities on behalf of COUNTY pursuant to, and as set forth in, the Agreement that are described in the definition of “Business Associate” in 45 CFR § 160.103.

3. The COUNTY wishes to disclose to CONTRACTOR certain information pursuant to the terms of the Agreement, some of which may constitute Protected Health Information (“PHI”), as defined below in Subparagraph B.10, to be used or disclosed in the course of providing services and activities pursuant to, and as set forth, in the Agreement.

4. The parties intend to protect the privacy and provide for the security of PHI that may be created, received, maintained, transmitted, used, or disclosed pursuant to the Agreement in compliance with the applicable standards, implementation specifications, and requirements of HIPAA, the HITECH Act, and the HIPAA regulations as they may exist now or be hereafter amended.

5. The parties understand and acknowledge that HIPAA, the HITECH Act, and the HIPAA regulations do not pre-empt any state statutes, rules, or regulations that are not otherwise pre-empted by other Federal law(s) and impose more stringent requirements with respect to privacy of PHI.

6. The parties understand that the HIPAA Privacy and Security rules, as defined below in Subparagraphs B.9. and B.14., apply to the CONTRACTOR in the same manner as they apply to a covered entity (COUNTY). CONTRACTOR agrees therefore to be in compliance at all times with the terms of this Business Associate Contract and the applicable standards, implementation specifications, and requirements of the Privacy and the Security rules, as they may exist now or be hereafter amended,

1 with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed
2 pursuant to the Agreement.

3 B. DEFINITIONS

4 1. "Administrative Safeguards" are administrative actions, and policies and procedures, to
5 manage the selection, development, implementation, and maintenance of security measures to protect
6 electronic PHI and to manage the conduct of CONTRACTOR's workforce in relation to the protection
7 of that information.

8 2. "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted
9 under the HIPAA Privacy Rule which compromises the security or privacy of the PHI.

10 a. Breach excludes:

11 1) Any unintentional acquisition, access, or use of PHI by a workforce member or
12 person acting under the authority of CONTRACTOR or COUNTY, if such acquisition, access, or use
13 was made in good faith and within the scope of authority and does not result in further use or disclosure
14 in a manner not permitted under the Privacy Rule.

15 2) Any inadvertent disclosure by a person who is authorized to access PHI at
16 CONTRACTOR to another person authorized to access PHI at the CONTRACTOR, or organized health
17 care arrangement in which COUNTY participates, and the information received as a result of such
18 disclosure is not further used or disclosed in a manner not permitted under the HIPAA Privacy Rule.

19 3) A disclosure of PHI where CONTRACTOR or COUNTY has a good faith belief
20 that an unauthorized person to whom the disclosure was made would not reasonably have been able to
21 retain such information.

22 b. Except as provided in paragraph (a) of this definition, an acquisition, access, use, or
23 disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule is presumed to be a breach
24 unless CONTRACTOR demonstrates that there is a low probability that the PHI has been compromised
25 based on a risk assessment of at least the following factors:

26 1) The nature and extent of the PHI involved, including the types of identifiers and the
27 likelihood of re-identification;

28 2) The unauthorized person who used the PHI or to whom the disclosure was made;

29 3) Whether the PHI was actually acquired or viewed; and

30 4) The extent to which the risk to the PHI has been mitigated.

31 3. "Data Aggregation" shall have the meaning given to such term under the HIPAA Privacy
32 Rule in 45 CFR § 164.501.

33 4. "Designated Record Set" shall have the meaning given to such term under the HIPAA
34 Privacy Rule in 45 CFR § 164.501.

35 5. "Disclosure" shall have the meaning given to such term under the HIPAA regulations in 45
36 CFR § 160.103.

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1 6. “Health Care Operations” shall have the meaning given to such term under the HIPAA
2 Privacy Rule in 45 CFR § 164.501.

3 7. “Individual” shall have the meaning given to such term under the HIPAA Privacy Rule in
4 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance
5 with 45 CFR § 164.502(g).

6 8. “Physical Safeguards” are physical measures, policies, and procedures to protect
7 CONTRACTOR’s electronic information systems and related buildings and equipment, from natural
8 and environmental hazards, and unauthorized intrusion.

9 9. “The HIPAA Privacy Rule” shall mean the Standards for Privacy of Individually
10 Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

11 10. “Protected Health Information” or “PHI” shall have the meaning given to such term under
12 the HIPAA regulations in 45 CFR § 160.103.

13 11. “Required by Law” shall have the meaning given to such term under the HIPAA Privacy
14 Rule in 45 CFR § 164.103.

15 12. “Secretary” shall mean the Secretary of the Department of Health and Human Services or
16 his or her designee.

17 13. “Security Incident” means attempted or successful unauthorized access, use, disclosure,
18 modification, or destruction of information or interference with system operations in an information
19 system. “Security incident” does not include trivial incidents that occur on a daily basis, such as scans,
20 “pings”, or unsuccessful attempts to penetrate computer networks or servers maintained by
21 CONTRACTOR.

22 14. “The HIPAA Security Rule” shall mean the Security Standards for the Protection of
23 electronic PHI at 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

24 15. “Subcontractor” shall have the meaning given to such term under the HIPAA regulations in
25 45 CFR § 160.103.

26 16. “Technical safeguards” means the technology and the policy and procedures for its use that
27 protect electronic PHI and control access to it.

28 17. “Unsecured PHI” or “PHI that is unsecured” means PHI that is not rendered unusable,
29 unreadable, or indecipherable to unauthorized individuals through the use of a technology or
30 methodology specified by the Secretary of Health and Human Services in the guidance issued on the
31 HHS Web site.

32 18. “Use” shall have the meaning given to such term under the HIPAA regulations in 45 CFR §
33 160.103.

34 C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE:

35 1. CONTRACTOR agrees not to use or further disclose PHI COUNTY discloses to
36 CONTRACTOR other than as permitted or required by this Business Associate Contract or as required
37 by law.

1 2. CONTRACTOR agrees to use appropriate safeguards, as provided for in this Business
2 Associate Contract and the Agreement, to prevent use or disclosure of PHI COUNTY discloses to
3 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY
4 other than as provided for by this Business Associate Contract.

5 3. CONTRACTOR agrees to comply with the HIPAA Security Rule at Subpart C of 45 CFR
6 Part 164 with respect to electronic PHI COUNTY discloses to CONTRACTOR or CONTRACTOR
7 creates, receives, maintains, or transmits on behalf of COUNTY.

8 4. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is
9 known to CONTRACTOR of a Use or Disclosure of PHI by CONTRACTOR in violation of the
10 requirements of this Business Associate Contract.

11 5. CONTRACTOR agrees to report to COUNTY immediately any Use or Disclosure of PHI
12 not provided for by this Business Associate Contract of which CONTRACTOR becomes aware.
13 CONTRACTOR must report Breaches of Unsecured PHI in accordance with Paragraph E below and as
14 required by 45 CFR § 164.410.

15 6. CONTRACTOR agrees to ensure that any Subcontractors that create, receive, maintain, or
16 transmit PHI on behalf of CONTRACTOR agree to the same restrictions and conditions that apply
17 through this Business Associate Contract to CONTRACTOR with respect to such information.

18 7. CONTRACTOR agrees to provide access, within fifteen (15) calendar days of receipt of a
19 written request by COUNTY, to PHI in a Designated Record Set, to COUNTY or, as directed by
20 COUNTY, to an Individual in order to meet the requirements under 45 CFR § 164.524.

21 8. CONTRACTOR agrees to make any amendment(s) to PHI in a Designated Record Set that
22 COUNTY directs or agrees to pursuant to 45 CFR § 164.526 at the request of COUNTY or an
23 Individual, within thirty (30) calendar days of receipt of said request by COUNTY. CONTRACTOR
24 agrees to notify COUNTY in writing no later than ten (10) calendar days after said amendment is
25 completed.

26 9. CONTRACTOR agrees to make internal practices, books, and records, including policies
27 and procedures, relating to the use and disclosure of PHI received from, or created or received by
28 CONTRACTOR on behalf of, COUNTY available to COUNTY and the Secretary in a time and manner
29 as determined by COUNTY or as designated by the Secretary for purposes of the Secretary determining
30 COUNTY's compliance with the HIPAA Privacy Rule.

31 10. CONTRACTOR agrees to document any Disclosures of PHI COUNTY discloses to
32 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY,
33 and to make information related to such Disclosures available as would be required for COUNTY to
34 respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45
35 CFR § 164.528.

36 11. CONTRACTOR agrees to provide COUNTY or an Individual, as directed by COUNTY, in
37 a time and manner to be determined by COUNTY, that information collected in accordance with the

1 Agreement, in order to permit COUNTY to respond to a request by an Individual for an accounting of
2 Disclosures of PHI in accordance with 45 CFR § 164.528.

3 12. CONTRACTOR agrees that to the extent CONTRACTOR carries out COUNTY’s
4 obligation under the HIPAA Privacy and/or Security rules CONTRACTOR will comply with the
5 requirements of 45 CFR Part 164 that apply to COUNTY in the performance of such obligation.

6 13. CONTRACTOR shall work with COUNTY upon notification by CONTRACTOR to
7 COUNTY of a Breach to properly determine if any Breach exclusions exist as defined in Subparagraph
8 B.2.a. above.

9 D. SECURITY RULE

10 1. CONTRACTOR shall comply with the requirements of 45 CFR § 164.306 and establish
11 and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with 45 CFR
12 § 164.308, § 164.310, § 164.312, and § 164.316 with respect to electronic PHI COUNTY discloses to
13 CONTRACTOR or CONTRACTOR creates, receives, maintains, or transmits on behalf of COUNTY.
14 CONTRACTOR shall follow generally accepted system security principles and the requirements of the
15 HIPAA Security Rule pertaining to the security of electronic PHI.

16 2. CONTRACTOR shall ensure that any subcontractors that create, receive, maintain, or
17 transmit electronic PHI on behalf of CONTRACTOR agree through a contract with CONTRACTOR to
18 the same restrictions and requirements contained in this Paragraph D of this Business Associate
19 Contract.

20 3. CONTRACTOR shall report to COUNTY immediately any Security Incident of which it
21 becomes aware. CONTRACTOR shall report Breaches of Unsecured PHI in accordance with
22 Subparagraph E. below and as required by 45 CFR § 164.410.

23 E. BREACH DISCOVERY AND NOTIFICATION

24 1. Following the discovery of a Breach of Unsecured PHI , CONTRACTOR shall notify
25 COUNTY of such Breach, however both parties agree to a delay in the notification if so advised by a
26 law enforcement official pursuant to 45 CFR § 164.412.

27 a. A Breach shall be treated as discovered by CONTRACTOR as of the first day on which
28 such Breach is known to CONTRACTOR or, by exercising reasonable diligence, would have been
29 known to CONTRACTOR.

30 b. CONTRACTOR shall be deemed to have knowledge of a Breach, if the Breach is
31 known, or by exercising reasonable diligence would have known, to any person who is an employee,
32 officer, or other agent of CONTRACTOR, as determined by federal common law of agency.

33 2. CONTRACTOR shall provide the notification of the Breach immediately to the County
34 Privacy Officer. CONTRACTOR’s notification may be oral, but shall be followed by written
35 notification within 24 hours of the oral notification.

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1 3. CONTRACTOR’s notification shall include, to the extent possible:
2 a. The identification of each Individual whose Unsecured PHI has been, or is reasonably
3 believed by CONTRACTOR to have been, accessed, acquired, used, or disclosed during the Breach;
4 b. Any other information that COUNTY is required to include in the notification to
5 Individual under 45 CFR §164.404 (c) at the time CONTRACTOR is required to notify COUNTY or
6 promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period
7 set forth in 45 CFR § 164.410 (b) has elapsed, including:
8 1) A brief description of what happened, including the date of the Breach and the date
9 of the discovery of the Breach, if known;
10 2) A description of the types of Unsecured PHI that were involved in the Breach (such
11 as whether full name, social security number, date of birth, home address, account number, diagnosis,
12 disability code, or other types of information were involved);
13 3) Any steps Individuals should take to protect themselves from potential harm
14 resulting from the Breach;
15 4) A brief description of what CONTRACTOR is doing to investigate the Breach, to
16 mitigate harm to Individuals, and to protect against any future Breaches; and
17 5) Contact procedures for Individuals to ask questions or learn additional information,
18 which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.
19 4. COUNTY may require CONTRACTOR to provide notice to the Individual as required in
20 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the
21 COUNTY.
22 5. In the event that CONTRACTOR is responsible for a Breach of Unsecured PHI in violation
23 of the HIPAA Privacy Rule, CONTRACTOR shall have the burden of demonstrating that
24 CONTRACTOR made all notifications to COUNTY consistent with this Paragraph E. and as required
25 by the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or
26 disclosure of PHI did not constitute a Breach.
27 6. CONTRACTOR shall maintain documentation of all required notifications of a Breach or
28 its risk assessment under 45 CFR § 164.402 to demonstrate that a Breach did not occur.
29 7. CONTRACTOR shall provide to COUNTY all specific and pertinent information about the
30 Breach, including the information listed in Section E.3.b.(1)-(5) above, if not yet provided, to permit
31 COUNTY to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as
32 practicable, but in no event later than fifteen (15) calendar days after CONTRACTOR’s initial report of
33 the Breach to COUNTY pursuant to Subparagraph E.2. above.
34 8. CONTRACTOR shall continue to provide all additional pertinent information about the
35 Breach to COUNTY as it may become available, in reporting increments of five (5) business days after
36 the last report to COUNTY. CONTRACTOR shall also respond in good faith to any reasonable
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1 requests for further information, or follow-up information after report to COUNTY, when such request
2 is made by COUNTY.

3 9. If the Breach is the fault of CONTRACTOR, CONTRACTOR shall bear all expense or
4 other costs associated with the Breach and shall reimburse COUNTY for all expenses COUNTY incurs
5 in addressing the Breach and consequences thereof, including costs of investigation, notification,
6 remediation, documentation or other costs associated with addressing the Breach.

7 F. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

8 1. CONTRACTOR may use or further disclose PHI COUNTY discloses to CONTRACTOR
9 as necessary to perform functions, activities, or services for, or on behalf of, COUNTY as specified in
10 the Agreement, provided that such use or Disclosure would not violate the HIPAA Privacy Rule if done
11 by COUNTY except for the specific Uses and Disclosures set forth below.

12 a. CONTRACTOR may use PHI COUNTY discloses to CONTRACTOR, if necessary,
13 for the proper management and administration of CONTRACTOR.

14 b. CONTRACTOR may disclose PHI COUNTY discloses to CONTRACTOR for the
15 proper management and administration of CONTRACTOR or to carry out the legal responsibilities of
16 CONTRACTOR, if:

17 1) The Disclosure is required by law; or

18 2) CONTRACTOR obtains reasonable assurances from the person to whom the PHI is
19 disclosed that it will be held confidentially and used or further disclosed only as required by law or for
20 the purposes for which it was disclosed to the person and the person immediately notifies
21 CONTRACTOR of any instance of which it is aware in which the confidentiality of the information has
22 been breached.

23 c. CONTRACTOR may use or further disclose PHI COUNTY discloses to
24 CONTRACTOR to provide Data Aggregation services relating to the Health Care Operations of
25 CONTRACTOR.

26 2. CONTRACTOR may use PHI COUNTY discloses to CONTRACTOR, if necessary, to
27 carry out legal responsibilities of CONTRACTOR.

28 3. CONTRACTOR may use and disclose PHI COUNTY discloses to CONTRACTOR
29 consistent with the minimum necessary policies and procedures of COUNTY.

30 4. CONTRACTOR may use or disclose PHI COUNTY discloses to CONTRACTOR as
31 required by law.

32 G. OBLIGATIONS OF COUNTY

33 1. COUNTY shall notify CONTRACTOR of any limitation(s) in COUNTY's notice of
34 privacy practices in accordance with 45 CFR § 164.520, to the extent that such limitation may affect
35 CONTRACTOR's Use or Disclosure of PHI.

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1 2. COUNTY shall notify CONTRACTOR of any changes in, or revocation of, the permission
2 by an Individual to use or disclose his or her PHI, to the extent that such changes may affect
3 CONTRACTOR’s Use or Disclosure of PHI.

4 3. COUNTY shall notify CONTRACTOR of any restriction to the Use or Disclosure of PHI
5 that COUNTY has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction
6 may affect CONTRACTOR’s Use or Disclosure of PHI.

7 4. COUNTY shall not request CONTRACTOR to use or disclose PHI in any manner that
8 would not be permissible under the HIPAA Privacy Rule if done by COUNTY.

9 H. BUSINESS ASSOCIATE TERMINATION

10 1. Upon COUNTY’s knowledge of a material breach or violation by CONTRACTOR of the
11 requirements of this Business Associate Contract, COUNTY shall:

12 a. Provide an opportunity for CONTRACTOR to cure the material breach or end the
13 violation within thirty (30) business days; or

14 b. Immediately terminate the Agreement, if CONTRACTOR is unwilling or unable to
15 cure the material breach or end the violation within (30) days, provided termination of the Agreement is
16 feasible.

17 2. Upon termination of the Agreement, CONTRACTOR shall either destroy or return to
18 COUNTY all PHI CONTRACTOR received from COUNTY or CONTRACTOR created, maintained,
19 or received on behalf of COUNTY in conformity with the HIPAA Privacy Rule.

20 a. This provision shall apply to all PHI that is in the possession of Subcontractors or
21 agents of CONTRACTOR.

22 b. CONTRACTOR shall retain no copies of the PHI.

23 c. In the event that CONTRACTOR determines that returning or destroying the PHI is not
24 feasible, CONTRACTOR shall provide to COUNTY notification of the conditions that make return or
25 destruction infeasible. Upon determination by COUNTY that return or destruction of PHI is infeasible,
26 CONTRACTOR shall extend the protections of this Business Associate Contract to such PHI and limit
27 further Uses and Disclosures of such PHI to those purposes that make the return or destruction
28 infeasible, for as long as CONTRACTOR maintains such PHI.

29 3. The obligations of this Business Associate Contract shall survive the termination of the
30 Agreement.

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EXHIBIT E
TO AGREEMENT FOR PROVISION OF
FISCAL INTERMEDIARY SERVICES
FOR THE
MEDICAL SAFETY NET PROGRAM
WITH
ADVANCED MEDICAL MANAGEMENT, INC.
JULY 1, 2019 THROUGH JUNE 30, 2024

I. INFORMATION PRIVACY and SECURITY REQUIREMENTS

A. This Information Privacy and Security Requirements Exhibit (For Non-HIPAA/HITECH Act Contracts) (hereinafter referred to as "this Exhibit") sets forth the information privacy and security requirements CONTRACTOR is obligated to follow with respect to all personal and confidential information (as defined herein) disclosed to CONTRACTOR, or collected, created, maintained, stored, transmitted or used by CONTRACTOR for or on behalf of COUNTY, pursuant to CONTRACTOR's agreement with COUNTY. (Such personal and confidential information is referred to herein collectively as "COUNTY PCI".) COUNTY and CONTRACTOR desire to protect the privacy and provide for the security of COUNTY PCI pursuant to this Exhibit and in compliance with state and federal laws applicable to the COUNTY PCI.

1. Order of Precedence: With respect to information privacy and security requirements for all COUNTY PCI, the terms and conditions of this Exhibit shall take precedence over any conflicting terms or conditions set forth in any other part of the agreement between CONTRACTOR and COUNTY, including Exhibit A (Scope of Work), all other exhibits and any other attachments, and shall prevail over any such conflicting terms or conditions.

2. Effect on lower tier transactions: The terms of this Exhibit shall apply to all subcontracts, and the information privacy and security requirements CONTRACTOR is obligated to follow with respect to COUNTY PCI disclosed to CONTRACTOR, or collected, created, maintained, stored, transmitted or used by CONTRACTOR for or on behalf of COUNTY, pursuant to CONTRACTOR's agreement with COUNTY. When applicable the CONTRACTOR shall incorporate the relevant provisions of this Exhibit into each subcontract or to its agents, subcontractors, or independent consultants.

II. DEFINITIONS

A. For purposes of the agreement between CONTRACTOR and COUNTY, including this Exhibit, the following definitions shall apply:

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- 1 1. "Breach" means
- 2 a. the unauthorized acquisition, access, use, or disclosure of COUNTY PCI in a manner
- 3 which compromises the security, confidentiality or integrity of the information; or
- 4 b. the same as the definition of "breach of the security of the system" set forth in
- 5 California Civil Code section 1798.29(f).
- 6 2. "Confidential information" means information that:
- 7 a. does not meet the definition of "public records" set forth in California Government
- 8 Code section 6252(e), or is exempt from disclosure under any of the provisions of Section 6250, et seq.
- 9 of the California Government Code or any other applicable state or federal laws; or
- 10 b. is contained in documents, files, folders, books or records that are clearly labeled,
- 11 marked or designated with the word "confidential" by COUNTY.
- 12 3. "Disclosure" means the release, transfer, provision of, access to, or divulging in any manner
- 13 of information outside the entity holding the information.
- 14 4. "PCI" means "personal information" and "confidential information" (as these terms are
- 15 defined herein:
- 16 5. "Personal information" means information, in any medium (paper, electronic, oral) that:
- 17 a. directly or indirectly collectively identifies or uniquely describes an individual; or
- 18 b. could be used in combination with other information to indirectly identify or uniquely
- 19 describe an individual, or link an individual to the other information; or
- 20 c. meets the definition of "personal information" set forth in California Civil Code section
- 21 1798.3, subdivision (a) or
- 22 d. is one of the data elements set forth in California Civil Code section 1798.29,
- 23 subdivision (g)(1) or (g)(2); or
- 24 e. meets the definition of "medical information" set forth in either California Civil Code
- 25 section 1798.29, subdivision (h)(2) or California Civil Code section 56.05, subdivision U); or
- 26 f. meets the definition of "health insurance information" set forth in California Civil Code
- 27 section 1798.29, subdivision (h)(3); or
- 28 g. is protected from disclosure under applicable state or federal law.
- 29 6. "Security Incident" means:
- 30 a. an attempted breach; or
- 31 b. the attempted or successful unauthorized access or disclosure, modification or
- 32 destruction of COUNTY PCI, in violation of any state or federal law or in a manner not permitted under
- 33 the Agreement between CONTRACTOR and COUNTY, including this Exhibit; or
- 34 c. the attempted or successful modification or destruction of, or interference with,
- 35 CONTRACTOR's system operations in an information technology system, that negatively impacts the
- 36 confidentiality, availability or integrity of COUNTY PCI; or
- 37 //

1 d. any event that is reasonably believed to have compromised the confidentiality, integrity,
2 or availability of an information asset, system, process, data storage, or transmission. Furthermore, an
3 information security incident may also include an event that constitutes a violation or imminent threat of
4 violation of information security policies or procedures, including acceptable use policies.

5 7. "Use" means the sharing, employment, application, utilization, examination, or analysis of
6 information.

7
8 **III. DISCLOSURE RESTRICTIONS**

9 CONTRACTOR and its employees, agents, and subcontractors shall protect from unauthorized
10 disclosure any COUNTY PCI. CONTRACTOR shall not disclose, except as otherwise specifically
11 permitted by the agreement between CONTRACTOR and COUNTY (including this Exhibit), any
12 COUNTY PCI to anyone other than COUNTY personnel or programs without prior written
13 authorization from the COUNTY Program Contract Manager, except if disclosure is required by State or
14 Federal law.

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16 **IV. USE RESTRICTIONS**

17 CONTRACTOR and its employees, agents, and subcontractors shall not use any COUNTY PCI for
18 any purpose other than performing the CONTRACTOR's obligations under its agreement with
19 COUNTY.

20
21 **V. SAFEGUARDS**

22 CONTRACTOR shall implement administrative, physical, and technical safeguards that reasonably
23 and appropriately protect the privacy, confidentiality, security, integrity, and availability of COUNTY
24 PCI, including electronic or computerized COUNTY PCI. At each location where COUNTY PCI exists
25 under CONTRACTOR's control, the CONTRACTOR shall develop and maintain a written information
26 privacy and security program that includes administrative, technical and physical safeguards appropriate
27 to the size and complexity of the CONTRACTOR's operations and the nature and scope of its activities
28 in performing its agreement with COUNTY, including this Exhibit, and which incorporates the
29 requirements of Section VII, Security, below. CONTRACTOR shall provide COUNTY with
30 CONTRACTOR's current and updated policies within five (5) business days of a request by COUNTY
31 for the policies.

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33 **VI. SECURITY**

34 CONTRACTOR shall take any and all steps reasonably necessary to ensure the continuous security
35 of all computerized data systems containing COUNTY PCI. These steps shall include, at a minimum,
36 complying with all of the data system security precautions listed in the CONTRACTOR Data Security
37 Standards set forth in Attachment 1 to this Exhibit.

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VII. SECURITY OFFICER

At each place where COUNTY PCI is located, the CONTRACTOR shall designate a Security Officer to oversee its compliance with this Exhibit and to communicate with ADMINISTRATOR on matters concerning this Exhibit.

VIII. TRAINING

A. CONTRACTOR shall provide training on its obligations under this Exhibit, at its own expense, to all of its employees who assist in the performance of CONTRACTOR's obligations under CONTRACTOR's agreement with COUNTY, including this Exhibit, or otherwise use or disclose COUNTY PCI.

- 1. The CONTRACTOR shall require each employee who receives training to certify, either in hard copy or electronic form, the date on which the training was completed.
- 2. The CONTRACTOR shall retain each employee's certifications for COUNTY inspection for a period of three years following contract termination or completion.
- 3. CONTRACTOR shall provide ADMINISTRATOR with its employee's certifications within five (5) business days of a request by ADMINISTRATOR for the employee's certifications.

IX. EMPLOYEE DISCIPLINE

CONTRACTOR shall impose discipline that it deems appropriate (in its sole discretion) on such employees and other CONTRACTOR workforce members under CONTRACTOR's direct control who intentionally or negligently violate any provisions of this Exhibit.

X. BREACH AND SECURITY INCIDENT RESPONSIBILITIES

A. Notification to COUNTY of Breach or Security Incident: The CONTRACTOR shall notify COUNTY immediately by telephone call plus email or fax upon the discovery of a breach (as defined in this Exhibit), and within twenty-four (24) hours by email or fax of the discovery of any security incident (as defined in this Exhibit), unless a law enforcement agency determines that the notification will impede a criminal investigation, in which case the notification required by this section shall be made to COUNTY immediately after the law enforcement agency determines that such notification will not compromise the investigation. Notification shall be provided to the ADMINSTRATOR, ADMINISTRATOR Privacy Officer, and ADMINISTRATOR Information Security Officer, using the contact information listed in Section X.F., below. If the breach or security incident is discovered after business hours or on a weekend or holiday and involves COUNTY PCI in electronic or computerized form, notification to COUNTY shall be provided by calling ADMINISTRATOR Information Security Office at the telephone numbers listed in Section X.F., below. For purposes of this Section, breaches and security incidents shall be treated as discovered by CONTRACTOR as of the first day on which such breach or security incident is known to the CONTRACTOR, or, by exercising reasonable diligence

1 would have been known to the CONTRACTOR. CONTRACTOR shall be deemed to have knowledge
2 of a breach if such breach is known, or by exercising reasonable diligence would have been known, to
3 any person, other than the person committing the breach, who is an employee or agent of the
4 CONTRACTOR. CONTRACTOR shall take:

- 5 1. prompt corrective action to mitigate any risks or damages involved with the breach or
6 security incident and to protect the operating environment; and
- 7 2. any action pertaining to a breach required by applicable federal and state laws, including,
8 specifically, California Civil Code section 1798.29.

9 B. Investigation of Breach and Security Incidents: CONTRACTOR shall immediately investigate
10 such breach or security incident. As soon as the information is known and subject to the legitimate needs
11 of law enforcement, CONTRACTOR shall inform ADMINISTRATOR, ADMINISTRATOR Privacy
12 Officer, and the ADMINISTRATOR Information Security Officer of:

- 13 1. what data elements were involved and the extent of the data disclosure or access involved in
14 the breach, including, specifically, the number of individuals whose personal information was breached;
- 15 2. a description of the unauthorized persons known or reasonably believed to have improperly
16 used the COUNTY PCI and/or a description of the unauthorized persons known or reasonably believed
17 to have improperly accessed or acquired the COUNTY PCI, or to whom it is known or reasonably
18 believed to have had the COUNTY PCI improperly disclosed to them;
- 19 3. a description of where the COUNTY PCI is believed to have been improperly used or
20 disclosed;
- 21 4. a description of the probable and proximate causes of the breach or security incident; and
- 22 5. whether Civil Code section 1798.29 or any other federal or state laws requiring individual
23 notifications of breaches have been triggered.

24 C. Written Report: CONTRACTOR shall provide a written report of the investigation to the
25 ADMINISTRATOR, ADMINISTRATOR Privacy Officer, and ADMINISTRATOR Information
26 Security Officer as soon as practicable after the discovery of the breach or security incident. The report
27 shall include, but not be limited to, the information specified above, as well as a complete, detailed
28 corrective action plan, including information on measures that were taken to halt and/or contain the
29 breach or security incident, and measures to be taken to prevent the recurrence or further disclosure of
30 data regarding such breach or security incident.

31 D. Notification to Individuals: If notification to individuals whose information was breached is
32 required under state or federal law, and regardless of whether CONTRACTOR is considered only a
33 custodian and/or non-owner of the COUNTY PCI, CONTRACTOR shall, at its sole expense, and at the
34 sole election of COUNTY, either:

- 35 1. make notification to the individuals affected by the breach (including substitute
36 notification), pursuant to the content and timeliness provisions of such applicable state or federal breach
37 notice laws. CONTRACTOR shall inform the COUNTY Privacy Officer of the time, manner and

1 content of any such notifications, prior to the transmission of such notifications to the individuals; or
2 2. cooperate with and assist COUNTY in its notification (including substitute notification) to
3 the individuals affected by the breach.

4 E. Submission of Sample Notification to Attorney General: If notification to more than 500
5 individuals is required pursuant to California Civil Code section 1798.29, and regardless of whether
6 CONTRACTOR is considered only a custodian and/or non-owner of the COUNTY PCI,
7 CONTRACTOR shall, at its sole expense, and at the sole election of COUNTY, either:

8 1. electronically submit a single sample copy of the security breach notification, excluding any
9 personally identifiable information, to the Attorney General pursuant to the format, content, and
10 timeliness provisions of Section 1798.29, subdivision (e). CONTRACTOR shall inform
11 ADMINISTRATOR Privacy Officer of the time, manner, and content of any such submissions, prior to
12 the transmission of such submissions to the Attorney General; or

13 2. cooperate with and assist COUNTY in its submission of a sample copy of the notification to
14 the Attorney General.

15 F. COUNTY Contact Information: To direct communications to the above referenced COUNTY
16 staff, CONTRACTOR shall initiate contact as indicated herein. COUNTY reserves the right to make
17 changes to the contact information below by verbal or written notice to CONTRACTOR. Said changes
18 shall not require an amendment to this Exhibit or the agreement to which it is incorporated.

19
20 ADMINISTRATOR Program Manager
21 County of Orange
22 Health Care Agency
23 600 W. Santa Ana Boulevard, Suite 405
24 Santa Ana, California 92701
25 Attention: John Senteno
26 E-mail: jsenteno@ochca.com
27 Telephone: (714) 565-3782

28
29 ADMINISTRATOR Contract Manager
30 County of Orange
31 Health Care Agency
32 405 W. 5th Street, Suite 600
33 Santa Ana, California 92701
34 Attention: Nicole LeMaire
35 E-mail: nlemaire@ochca.com
36 Telephone: (714) 834-7603
37 ADMINISTRATOR Privacy Officer

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County of Orange
Orange County Information Technology (OCIT)
1055 N. Main Street
Santa Ana, California 92701
Attention: Linda Le
E-mail: linda.le@ocit.ocgov.com
Telephone: (714) 834-4082

ADMINISTRATOR Information Security Officer
County of Orange
Health Care Agency
200 W. 5th Street
Santa Ana, California 92701
Attention: David Castellanos
E-mail: dcastellanos@ochca.com
Telephone: (714) 834-3433

XI. DOCUMENTATION OF DISCLOSURES FOR REQUESTS FOR ACCOUNTING

CONTRACTOR shall document and make available to COUNTY or (at the direction of COUNTY) to an Individual such disclosures of COUNTY PCI, and information related to such disclosures, necessary to respond to a proper request by the subject Individual for an accounting of disclosures of personal information as required by Civil Code section 1798.25, or any applicable state or federal law.

XII. REQUEST FOR COUNTY PCI BY THIRD PARTIES

CONTRACTOR and its employees, agents, or subcontractors shall promptly transmit to the COUNTY Program Contract Manager all requests for disclosure of any COUNTY PCI requested by third parties to the agreement between CONTRACTOR and COUNTY (except from an Individual for an accounting of disclosures of the individual's personal information pursuant to applicable state or federal law), unless prohibited from doing so by applicable state or federal law.

XIII. AUDITS

Inspection and Enforcement COUNTY may inspect the facilities, systems, books and records of CONTRACTOR to monitor compliance with this Exhibit. CONTRACTOR shall promptly remedy any violation of any provision of this Exhibit and shall certify the same to the COUNTY Program Contract Manager in writing.

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XIV. RETURN OR DESTRUCTION OF COUNTY PCI ON EXPIRATION OR TERMINATION

Upon expiration or termination of the agreement between CONTRACTOR and COUNTY for any reason, CONTRACTOR shall securely return or destroy the COUNTY PCI. If return or destruction is not feasible, CONTRACTOR shall provide a written explanation to ADMINISTRATOR, ADMINISTRATOR Privacy Officer, and ADMINISTRATOR Information Security Officer, using the contact information listed in Section X.F., above.

A. Retention Required by Law: If required by state or federal law, CONTRACTOR may retain, after expiration or termination, COUNTY PCI for the time specified as necessary to comply with the law.

B. Obligations Continue Until Return or Destruction: CONTRACTOR's obligations under this Exhibit shall continue until CONTRACTOR returns or destroys COUNTY PCI to COUNTY; provided however, that on expiration or termination of the agreement between CONTRACTOR and COUNTY, CONTRACTOR shall not further use or disclose the COUNTY PCI except as required by state or federal law.

C. Notification of Election to Destroy COUNTY PCI: If CONTRACTOR elects to destroy the COUNTY PCI, CONTRACTOR shall certify in writing, to ADMINISTRATOR, ADMINISTRATOR Privacy Officer, and ADMINISTRATOR Information Security Officer, using the contact information listed in Section X.F., above, that the COUNTY PCI has been securely destroyed. The notice shall include the date and type of destruction method used.

XV. AMENDMENT

The parties acknowledge that federal and state laws regarding information security and privacy rapidly evolve and that amendment of this Exhibit may be required to provide for procedures to ensure compliance with such laws. The parties specifically agree to take such action as is necessary to implement new standards and requirements imposed by regulations and other applicable laws relating to the security or privacy of COUNTY PCI. The parties agree to promptly enter into negotiations concerning an amendment to this Exhibit consistent with new standards and requirements imposed by applicable laws and regulations.

XVI. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS

CONTRACTOR shall make itself and any subcontractors, workforce employees or agents assisting CONTRACTOR in the performance of its obligations under the agreement between CONTRACTOR and COUNTY, available to ADMINISTRATOR at no cost to COUNTY to testify as witnesses, in the event of litigation or administrative proceedings being commenced against COUNTY, its director, officers or employees based upon claimed violation of laws relating to security and privacy, which

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1 involves inactions or actions by the CONTRACTOR, except where CONTRACTOR or its
2 subcontractor, workforce employee or agent is a named adverse party.

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4 **XVII. NO THIRD PARTY BENEFICIARIES**

5 Nothing express or implied in the terms and conditions of this Exhibit is intended to confer, nor
6 shall anything herein confer, upon any person other than COUNTY or CONTRACTOR and their
7 respective successors or assignees, any rights, remedies, obligations or liabilities whatsoever.

8
9 **XVIII. INTERPRETATION**

10 The terms and conditions in this Exhibit shall be interpreted as broadly as necessary to implement
11 and comply with regulations and applicable State laws. The parties agree that any ambiguity in the terms
12 and conditions of this Exhibit shall be resolved in favor of a meaning that complies and is consistent
13 with federal and state laws and regulations.

14
15 **XIX. SURVIVAL**

16 If CONTRACTOR does not return or destroy the COUNTY PCI upon the completion or termination
17 of the Agreement, the respective rights and obligations of CONTRACTOR under Sections V, VI, and X
18 of this Exhibit shall survive the completion or termination of the agreement between CONTRACTOR
19 and COUNTY.

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1 ATTACHMENT 1
 2 TO EXHIBIT E
 3 TO AGREEMENT FOR PROVISION OF
 4 FISCAL INTERMEDIARY SERVICES
 5 FOR THE
 6 MEDICAL SAFETY NET PROGRAM
 7 WITH
 8 ADVANCED MEDICAL MANAGEMENT, INC.
 9 JULY 1, 2019 THROUGH JUNE 30, 2024

10
 11 **I. CONTRACTOR DATA SECURITY STANDARDS**

12 A. General Security Controls

13 1. Confidentiality Statement. All persons that will be working with COUNTY PCI must sign a
 14 confidentiality statement. The statement must include at a minimum, General Use, Security and Privacy
 15 safeguards, Unacceptable Use, and Enforcement Policies. The statement must be signed by the
 16 workforce member prior to access to COUNTY PCI. The statement must be renewed annually. The
 17 CONTRACTOR shall retain each person's written confidentiality statement for COUNTY inspection for
 18 a period of three (3) years following contract termination.

19 2. Background check. Before a member of the CONTRACTOR's workforce may access
 20 COUNTY PCI, CONTRACTOR must conduct a thorough background check of that worker and
 21 evaluate the results to assure that there is no indication that the worker may present a risk for theft of
 22 confidential data. The CONTRACTOR shall retain each workforce member's background check
 23 documentation for a period of three (3) years following contract termination.

24 3. Workstation/Laptop encryption. All workstations and laptops that process and/or store
 25 COUNTY PCI must be encrypted using a FIPS 140-2 certified algorithm, such as Advanced Encryption
 26 Standard (AES), with a 128bit key or higher. The encryption solution must be full disk unless approved
 27 by the COUNTY Information Security Office.

28 4. Server Security. Servers containing unencrypted COUNTY PCI must have sufficient
 29 administrative, physical, and technical controls in place to protect that data, based upon a risk
 30 assessment/system security review.

31 5. Minimum Necessary. Only the minimum necessary amount of COUNTY PCI required to
 32 perform necessary business functions may be copied, downloaded, or exported.

33 6. Removable media devices. All electronic files that contain COUNTY PCI data must be
 34 encrypted when stored on any removable media or portable device (i.e. USB thumb drives, floppies,
 35 CD/DVD, smart devices tapes etc.). PCI must be encrypted using a FIPS 140-2 certified algorithm, such
 36 as Advanced Encryption Standard (AES), with a 128bit key or higher.

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1 7. Antivirus software. All workstations, laptops and other systems that process and/or store
2 COUNTY PCI must install and actively use a comprehensive anti-virus software solution with automatic
3 updates scheduled at least daily.

4 8. Patch Management. All workstations, laptops and other systems that process and/or store
5 COUNTY PCI must have operating system and application security patches applied, with system reboot
6 if necessary. There must be a documented patch management process which determines installation
7 timeframe based on risk assessment and vendor recommendations. At a maximum, all applicable
8 patches must be installed within thirty (30) calendar days of vendor release.

9 9. User IDs and Password Controls. All users must be issued a unique user name for accessing
10 COUNTY PCI. Username must be promptly disabled, deleted, or the password changed upon the
11 transfer or termination of an employee with knowledge of the password. Passwords are not to be shared.
12 Must be at least eight characters. Must be a non-dictionary word. Must not be stored in readable format
13 on the computer. Must be changed every sixty (60) calendar days. Must be changed if revealed or
14 compromised. Must be composed of characters from at least three of the following four groups from the
15 standard keyboard:

- 16 a. Upper case letters (A-Z)
- 17 b. Lower case letters (a-z)
- 18 c. Arabic numerals (0-9)
- 19 d. Non-alphanumeric characters (punctuation symbols)

20 10. Data Sanitization. All COUNTY PCI must be sanitized using NIST Special Publication
21 800-88 standard methods for data sanitization when the COUNTY PCI is no longer needed.

22 B. System Security Controls

23 1. System Timeout. The system must provide an automatic timeout, requiring reauthentication
24 of the user session after no more than twenty (20) minutes of inactivity.

25 2. Warning Banners. All systems containing COUNTY PCI must display a warning banner
26 each time a user attempts access, stating that data is confidential, systems are logged, and system use is
27 for business purposes only. User must be directed to log off the system if they do not agree with these
28 requirements.

29 3. System Logging. The system must maintain an automated audit trail which can identify the
30 user or system process which initiates a request for COUNTY PCI, or which alters COUNTY PCI. The
31 audit trail must be date and time stamped, must log both successful and failed accesses, must be read
32 only, and must be restricted to authorized users. This logging must be included for all user privilege
33 levels including, but not limited to, systems administrators. If COUNTY PCI is stored in a database,
34 database logging functionality must be enabled. Audit trail data must be archived for at least three (3)
35 years after occurrence.

36 4. Access Controls. The system must use role based access controls for all user
37 authentications, enforcing the principle of least privilege.

1 5. Transmission encryption. All data transmissions of COUNTY PCI outside the contractor's
2 secure internal network must be encrypted using a FIPS 140-2 certified algorithm, such as Advanced
3 Encryption Standard (AES), with a 128bit key or higher. Encryption can be end to end at the network
4 level, or the data files containing COUNTY PCI can be encrypted. This requirement pertains to any type
5 of COUNTY PCI in motion such as website access, file transfer, and E-Mail.

6 6. Intrusion Detection. All systems involved in accessing, holding, transporting, and protecting
7 COUNTY PCI that are accessible via the Internet must be protected by a comprehensive intrusion
8 detection and prevention solution.

9 C. Audit Controls

10 1. System Security Review. All systems processing and/or storing COUNTY PCI must have at
11 least an annual system risk assessment/security review which provides assurance that administrative,
12 physical, and technical controls are functioning effectively and providing adequate levels of protection.
13 Reviews shall include vulnerability scanning tools.

14 2. Log Reviews. All systems processing and/or storing COUNTY PCI must have a routine
15 procedure in place to review system logs for unauthorized access.

16 3. Change Control. All systems processing and/or storing COUNTY PCI must have a
17 documented change control procedure that ensures separation of duties and protects the confidentiality,
18 integrity and availability of data.

19 D. Business Continuity/ Disaster Recovery Controls

20 1. Disaster Recovery. CONTRACTOR must establish a documented plan to enable
21 continuation of critical business processes and protection of the security of electronic COUNTY PCI in
22 the event of an emergency. Emergency means any circumstance or situation that causes normal computer
23 operations to become unavailable for use in performing the work required under this agreement for more
24 than twenty-four (24) hours.

25 2. Data Backup Plan. CONTRACTOR must have established documented procedures to
26 securely backup COUNTY PCI to maintain retrievable exact copies of COUNTY PCI. The backups
27 shall be encrypted. The plan must include a regular schedule for making backups, storing backups
28 offsite, an inventory of backup media, and the amount of time to restore COUNTY PCI should it be lost.
29 At a minimum, the schedule must be a weekly full backup and monthly offsite storage of COUNTY
30 data.

31 E. Paper Document Controls

32 1. Supervision of Data. COUNTY PCI in paper form shall not be left unattended at any time,
33 unless it is locked in a file cabinet, file room, desk or office. Unattended means that information is not
34 being observed by an employee authorized to access the information. COUNTY PCI in paper form shall
35 not be left unattended at any time in vehicles or planes and shall not be checked in baggage on
36 commercial airplanes.

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1 2. Escorting Visitors. Visitors to areas where COUNTY PCI is contained shall be escorted and
2 COUNTY PHI shall be kept out of sight while visitors are in the area.

3 3. Confidential Destruction. COUNTY PCI must be disposed of through confidential means,
4 using NIST Special Publication 800-88 standard methods for data sanitization when the COUNTY PSCI
5 is no longer needed.

6 4. Removal of Data. COUNTY PCI must not be removed from the premises of the
7 CONTRACTOR except with express written permission of COUNTY.

8 5. Faxing. Faxes containing COUNTY PCI shall not be left unattended and fax machines shall
9 be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in
10 error to destroy them. Fax numbers shall be verified with the intended recipient before sending.

11 6. Mailing. COUNTY PCI shall only be mailed using secure methods. Large volume mailings
12 of COUNTY PHI shall be by a secure, bonded courier with signature required on receipt. Disks and
13 other transportable media sent through the mail must be encrypted with a COUNTY approved solution,
14 such as a solution using a vendor product specified on the CALIFORNIA STRATEGIC SOURCING
15 INITIATIVE.

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