



ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

31 May 31, 2016

Los Angeles County
Board of Supervisors

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First District

Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

May 31, 2016

LORI GLASGOW
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL TO ENTER INTO A NO COST EQUIPMENT LOAN
AGREEMENT WITH
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Chief Operations Officer

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

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Fax: (213) 481-0503

www.dhs.lacounty.gov

*To ensure access to high-quality,
patient-centered, cost-effective
health care to Los Angeles County
residents through direct services at
DHS facilities and through
collaboration with community and
university partners.*

SUBJECT

Request delegated authority to enter into a Proposition 1D Telepathology Equipment Loan Agreement with The Regents of the University of California, acting on behalf of its David Geffen School of Medicine at UCLA, Department of Pathology and Laboratory Medicine and the UCLA Health System, for the use of equipment that enables remote viewing of pathology slides, and request delegated authority to execute as-needed future agreements and amendments for these and other Proposition 1D equipment loans that are provided at no cost to the County.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of Health Services (Director), or his designee, to execute a Proposition 1D Telepathology Equipment Loan Agreement with The Regents of the University of California (The Regents of UC), acting on behalf of its David Geffen School of Medicine at UCLA, Department of Pathology and Laboratory Medicine and the UCLA Health System, to accept equipment valued at \$208,525, which enables remote viewing of pathology slides and samples, at no cost to the County for an initial agreement term of three (3) years, effective upon execution by both parties, with a provision for one-year automatic extensions, unless terminated by either party.



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2. Delegate authority to the Director, or his designee, to execute future amendments to this Agreement to: a) make necessary changes and additions to accept additional telehealth equipment, and add, delete or change non-substantive terms and conditions to the Agreement; and b) add, delete, or move equipment to new County of Los Angeles (County) location(s).

3. Delegate authority to the Director, or his designee, to execute future no-cost Agreements funded with Proposition 1D funds and any amendments to those agreements to: a) accept equipment at County facilities, with approval of County Counsel and notification to the Board and Chief Executive Officer (CEO); b) make necessary changes and additions to accept additional no cost services or equipment, and add, delete or change non-substantive terms and conditions to the agreements; and c) add, delete, or move equipment to a new County location(s).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Proposition 1D was approved by California voters in November 2006, and provided The Regents of UC funding for capital improvements that expand and enhance medical education programs with an emphasis on telemedicine, which includes use of Telepathology Equipment, aimed at developing high-tech approaches to healthcare. The Regents of UC have determined that using Proposition 1D funding for loaning telemedicine equipment to medically underserved areas of the County fulfills the intent of Proposition 1D.

Telepathology is the ability to practice pathology at a distance, using state-of-the-art telecommunications technology to transfer pathology images for the purposes of diagnosis, education and research. The Telepathology Equipment is comprised of an integrated system that includes a networked microscope and slide scanner, as well as, technical provisions for telecommunication between Olive View – UCLA Medical Center (OV-UCLA MC) and UCLA Health System that leverages the existing information systems infrastructure of the Department of Pathology at OV – UCLA MC to digitize and store case files, scan slides, and conduct microscopy studies.

Approval of the first recommendation will allow the Director, or his designee to execute a Proposition 1D Agreement, substantially similar to Exhibit I with The Regents of UC to receive a loan of Telepathology Equipment at OV-UCLA MC at no cost to the County for an initial agreement term of three (3) years, effective upon execution of both parties.

Approval of the second recommendation will allow the Director, or his designee to execute future amendments to this Agreement to: (1) make necessary changes to the scope of services, and add, delete or change non-substantive terms; and (2) add, delete, or move equipment to a new County location(s).

Approval of the third recommendation will allow the Director, or his designee to execute future no-cost Agreements funded with Proposition 1D funds and any amendments to those agreements to: (1) accept equipment loans at the various County facilities, with approval of County Counsel and notification to the Board and CEO; (2) implement necessary changes and additions to accept additional no cost services or equipment, and add, delete or change non-substantive terms and conditions; and 3) add, delete, or move equipment to a new County location(s).

Implementation of Strategic Plan Goals

The recommended actions support Goal 1 - Operational Effectiveness/Fiscal Sustainability of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

Maintenance agreements for the equipment will be secured by The Regents of UC for a period of three years from the date of execution by both parties. Thereafter, the anticipated annual cost of maintenance agreements for the loaned equipment is estimated to be in the amount of \$11,000, which may be obtained at the sole discretion of the County through the County's purchasing process and included in future Fiscal Years' budgets.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This equipment will enhance both the clinical capacity and technical capabilities at the Department of Pathology, OV-UCLA MC, enabling rapid reviews for complex cases via electronic transmission rather than courier services which are currently utilized to transmit pathology data.

The Proposition 1D Agreement, required by The Regents of UC, for the use of the equipment does not include the standard County provisions. The Board approved a similar agreement with Charles R. Drew University of Medicine and Science for the use of its retinal cameras at various DHS facilities on November 19, 2013.

The loan agreement contains a limitation of liability provision which states that UCLA shall have no liability for any loss arising out of the County's use of the Telepathology Equipment or communications links used by the County. The minimal risk that the County will be assuming by accepting the use of the loaned Telepathology Equipment is far outweighed by the benefits derived by the County to obtain access to innovations in high-resolution digital slide imaging for the purposes of diagnosis, education and research on behalf of its patients at OV-UCLA MC.

Additionally, the Agreement provides that either party may terminate this Agreement: (1) without cause upon at least sixty (60) days prior written notice to the other party; (2) with cause upon the material breach of this Agreement within fifteen (15) days of such upon written notice and failure to cure such breach, or immediately terminate upon either Parties loss of licensure/certifications required under this Agreement; (3) upon the other Party's loss of insurance coverage, or if the other Party is excluded, suspended, debarred or otherwise ineligible to participate in federal health care programs including Medicare and Medi-Cal.

DHS consulted with the CEO Risk Management Branch and has obtained approval of the mutual indemnification language proposed in the Agreement.

County Counsel has approved Exhibit I as to form.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will enhance the quality of healthcare delivered by DHS.

The Honorable Board of Supervisors

5/31/2016

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is written in a cursive, flowing style.

Mitchell H. Katz, M.D.

Director

MHK:ls

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisor

APPENDIX 1

| UC PROPERTY NO. (IF APPLICABLE) | TELEPATH TAG # | EQUIPMENT SERIAL # | DESCRIPTION Including all component parts (Manufacturer and Model) | ORDER or REFERENCE NO. | COST OR VALUE | HOME SITE | BUILDING | ROOM # |
|---------------------------------|----------------|--------------------|--|------------------------|---------------|---------------------------|---------------|--------|
| | | | Leica/Aperio CS2 Slide Scanner Package | | \$ 178,050.62 | Olive View Medical Center | OVMC Hospital | 1A-132 |
| | | | Controller PC | | | | OVMC Hospital | 1A-132 |
| | | | Controller PC Monitor | | | | OVMC Hospital | 1A-132 |
| | | | NAS Storage | | | | OVMC Hospital | 1A-132 |
| | | | APC UPS | | \$ 959.34 | Department of Pathology | OVMC Hospital | 1A-132 |
| | | | Scanner Table | | \$ 689.79 | | OVMC Hospital | 1A-132 |
| | | | Olympus BX 53 Microscope with camera | | \$ 26,563.00 | Room 1A-132 | OVMC Hospital | 1A-132 |
| | | | Microscope Table | | \$ 774.90 | | OVMC Hospital | 1A-132 |
| | | | 55" Samsung TV DB55E | | \$ 1,487.03 | | OVMC Hospital | 1A-132 |
| | | | | | | | | |

APPROVED:

APPROVED:

_____, Borrower

Signature

_____, Lending Dept. Chairperson
Signature

Print Name

Print Name

Date

_____, Custodian of cost center
Signature

Print Name

AGREEMENT

(TELEPATHOLOGY LOAN EQUIPMENT)

This Agreement for TelePathology Equipment and Professional Consulting Services (“**Agreement**”) is entered into on this ___ day of _____ (“**Effective Date**”) by and between The Regents of the University of California, a constitutional corporation under Article IX of the Constitution of the State of California (“**Regents**”), acting on behalf of its David Geffen School of Medicine at UCLA, Department of Pathology and Laboratory Medicine and the UCLA Health System (“**UCLA**”) and the County of Los Angeles (“**Provider**”). UCLA and Provider are sometimes referred to herein, individually, as a “**Party**” and, collectively, as the “**Parties.**”

RECITALS

A. The parties have previously entered into a Master Agreement for Reference Medical Laboratory Services dated August 21, 2012 and further identified as Agreement No. H-705446 and subsequent Amendments (all referred to as the “Master Agreement”) under which UCLA, through its Department of Pathology and Laboratory Medicine, provides certain Pathology Clinical Services to Provider as identified in the Master Agreement.

B. Proposition 1D, approved by California voters in November 2006, provides the University of California funding for capital improvements that expand and enhance medical education programs with an emphasis on telemedicine programs aimed at developing high-tech approaches to healthcare.

C. The University of California has determined that use of a portion of Proposition 1D funding to furnish telemedicine equipment to certain providers of care to medically underserved populations is an effective way to fulfill the intent of Proposition 1D.

D. Provider provides care to medically underserved populations in California and desires to secure the benefits of the Telepathology Equipment (“**Designated Equipment**” or “**Loaned Equipment**”) for its patients.

E. Provider wishes to engage UCLA to (i) assist Provider in securing, installing, and maintaining the equipment necessary for Provider’s Designated Equipment at Provider’s Location indicated on Appendix 1 and any sequential Appendix 1 additions (“**Home Site**”); (ii) assist Provider in accessing the transmission link necessary to facilitate communication and (iii) assist Provider in training its personnel (“**Provider Personnel**”) and affiliated physicians regarding use of the Designated Equipment, use of the link, the scope of services available, and general requirements.

G. UCLA wishes to utilize Proposition 1D funding to purchase the Designated Equipment to be loaned to the Provider during the Term (as hereinafter defined) of this Agreement.

NOW, THEREFORE, UCLA and Provider agree as follows:

1. UCLA ACKNOWLEDGEMENTS AND RESPONSIBILITIES.

1.1 Equipment.

(a) General. UCLA shall, at its own expense, use reasonable efforts to (i) furnish Provider with the equipment listed in Appendix 1 Loaned Equipment, attached hereto and incorporated herein by this reference, (ii) furnish Provider's personnel with training (via video or other means) regarding use of the Loaned Equipment, and (iii) purchase and maintain a three (3)-year maintenance agreement ("Maintenance Agreement") for select Loaned Equipment.

(b) Additional Equipment Loan(s). To the extent Provider wishes to obtain, and UCLA agrees to loan, any additional telehealth equipment beyond that described in Appendix 1, the Parties agree that they shall complete an additional Appendix 1 template for each additional piece(s) of Loaned Equipment to be loaned to Provider hereunder. The Parties agree that any subsequent appendices shall be assigned sequential appendix titles starting with Appendix 1-A (i.e., Appendix 1-A, Appendix 1-B, Appendix 1-C, etc.) and that each such appendix shall be signed by authorized representatives of the Parties and incorporated herein, without the need for the Parties to enter into either a new Equipment Loan Agreement or an amendment to this Agreement.

(c) Ownership. The Loaned Equipment shall be and remain, at all times, the property of UCLA, and upon the termination or expiration of this Agreement for any reason, Provider shall have the obligation to promptly arrange to return the Loaned Equipment to UCLA.

(d) DISCLAIMER. UCLA DOES NOT MAKE AND EXPRESSLY DISCLAIMS ALL WARRANTIES WITH RESPECT TO THE LOANED EQUIPMENT AND NECESSARY COMMUNICATIONS LINKS, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

(e) Limitation of Liability. UCLA shall have no liability for consequential, exemplary, indirect, special, incidental or punitive damages, including loss of profits, revenues, data or use, incurred by Provider or any third party, whether based on contract, tort or any other legal theory, arising out of selection, installation, maintenance, failure to maintain, use, misuse, or malfunction of the Loaned Equipment or the communications links utilized by Provider.

2. PROVIDER ACKNOWLEDGMENTS AND RESPONSIBILITIES.

2.1 Loaned Equipment.

(a) Provider shall, at its own expense ensure that the Loaned Equipment and any additional equipment necessary to effectively access its communication link ("Additional Equipment") are safety secured at all times

(b) Provider shall maintain a designated technical coordinator ("Provider Coordinator") at Provider's facilities to serve as technical coordinator with UCLA to maintain the Loaned Equipment and ensure compatibility with and access to the Communications Link. Such Provider

Coordinator shall generally be available at the Home Site from 9:00 AM to 5:00 PM on weekdays (excluding holidays).

(c) Except for what is covered under the Maintenance Agreement, Provider shall be responsible for the full cost of repairing or replacing any and all Loaned Equipment that is damaged, destroyed, lost or stolen (collectively, “**Loss**”) from the time Provider assumes custody of the Loaned Equipment until it is returned to UCLA. Provider shall ensure that no Provider Physician or Provider Personnel shall make any modifications of any kind to the Loaned Equipment without written approval by UCLA. Provider shall ensure that Provider Physicians and Provider Personnel promptly notify UCLA of any and all necessary replacements, repairs, or maintenance to the Loaned Equipment and of any failure of the Loaned Equipment of which a Provider Physician or Provider Personnel becomes aware.

(d) Provider shall be solely responsible for conducting any required testing, evaluation, inspection or calibration of Loaned Equipment provided under this Equipment Loan Agreement. In addition, Provider shall be responsible for the maintenance of the Loaned Equipment under the guidance of the UCLA Technician. UCLA technicians will generally be available via telephone during regular business hours.

(e) Maintenance Agreements for select Loaned Equipment will be secured by UCLA for the first three (3) years this Agreement is in effect.

(f) Provider shall complete an annual UCLA questionnaire, upon request, to demonstrate intended use of equipment and frequency of use.

(g) Provider may use the designated equipment to access telepathology services from sources other than UCLA.

(h) At its sole expense, Provider may relocate the Loaned Equipment to another area or room within Provider’s Home Site provided it gives UCLA at least ten (10) days’ prior written notice of any such intended move. Provider agrees and warrants that its relocation of the Loaned Equipment will be conducted by only appropriately qualified and/or licensed individuals. Under no circumstances shall Provider move the Loaned Equipment to a location outside of the Provider’s Home Site, including to another health care facility or office.

(i) On an annual basis, UCLA staff will be entitled to inspect the Loaned Equipment at Provider’s Home Site to verify that Provider’s use of the Loaned Equipment is consistent with the terms and conditions described herein.

(j) Provider agrees that at all times the Loaned Equipment shall remain the property of UCLA and the Provider shall return the Loaned Equipment to UCLA upon termination of this Agreement in accordance with Section 4.7 below.

2.2 Responsibility for Patient Care. Provider acknowledges and agrees that it shall retain the sole and ultimate authority for the provision of all medical care provided to Provider’s patients.

3. BILLING AND COMPENSATION.

3.1 No Third Party Billing by UCLA. UCLA acknowledges and agrees that it shall not submit a claim to any patient or third party

4. TERM AND TERMINATION.

4.1 Term. The term of this Agreement shall be for three (3) years beginning on the Effective Date and shall be automatically extended for one (1)-year periods unless terminated as set forth hereunder.

4.2 Termination without Cause. Either party may terminate this Agreement without cause upon at least sixty (60) days' prior written notice to the other party.

4.3 Termination with Cause. Either party may terminate this Agreement upon the material breach of this Agreement by the other party by giving the other party fifteen (15) days' prior written notice of such breach. If such breach is not cured by the breaching party within fifteen (15) days of receipt of this notice, this Agreement shall terminate at the end of such fifteen (15)-day period.

4.4 Immediate Termination. Either Party may terminate this Agreement immediately upon notice to the other Party upon any of the following events: (1) the other Party's loss of licensure and/or certification as required hereunder; (2) the other Party's loss of insurance coverage as required hereunder; or (3) the other Party's breach of Section 8.16.

4.5 Termination for Compliance Reasons. The Compliance Officer of either Party, on advice of legal counsel, may terminate this Agreement at any time upon notice to the other Party based upon a determination, in the Compliance Officer's reasonable discretion, that this Agreement presents a compliance risk for that Party.

4.6 Termination Prior to One Year. If either party terminates this Agreement prior to the end of the first one-year term, the parties agree that they shall not enter into another agreement for the same Services until after the date of the one-year term.

4.7 Return of Equipment.

(a) Upon expiration or termination of this Agreement by Provider, the Parties acknowledge and agree that, the Loaned Equipment must be returned to UCLA within thirty (30) days of the effective date of termination or expiration. Provider shall be responsible for making, at its sole expense, such arrangements for transportation of the Loaned Equipment to UCLA. Provider further agrees and warrants that the transportation of the Loaned Equipment will be provided by licensed haulers/contractors in compliance with all applicable laws and regulations.

(b) Provider shall return the Loaned Equipment to UCLA in its fully-functional state, as determined by UCLA in its reasonable discretion.

5. MEDICAL RECORDS.

5.1 Confidentiality; HIPAA. The Parties agree to maintain the confidentiality of all medical records pertaining to the provision of services under this Agreement in accordance with applicable federal

and state laws and regulations including but not limited to the California Confidentiality of Medical Records Information Act, codified at Section 56.1 of the California Civil Code and California Evidence Code Sections 1156 and 1157, and the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations (“HIPAA”). Further, each Party understands that, as a provider of medical treatment services, it is a “covered entity” under HIPAA, and as such, has obligations with respect to the confidentiality, privacy, and security of patients’ medical information, and must take certain steps to preserve the confidentiality of this information, including the training of staff and the establishment of proper procedures for the release of such information.

5.2 Maintenance of Records. Each party agrees to maintain medical records concerning TelePathology equipment furnished hereunder and to provide the other party with reasonable access thereto, according to its normal policies and procedures, as may be required or permitted by applicable laws and regulations.

6. COMPLIANCE WITH LAWS.

6.1 HIPAA. Each of the Parties hereto shall conduct their respective activities pursuant to this Agreement in compliance with HIPAA and the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, as amended.

6.2 Anti-Referral Matters. The Parties shall comply with all federal and state fraud and abuse laws, including but not limited to, the: federal Anti-Kickback Statute at 42 U.S.C. 1320a-7b(b), the Stark Law at 42 U.S.C. 1395nn, the False Claims Act at 31 U.S.C. 3729, the Civil Monetary Penalties provisions at 42 U.S.C. 1320a-7a, and the mandatory and permissive exclusion authorities at 42 U.S.C. 1320a-7, all regulations and applicable guidelines with respect thereto, all applicable conditions of participation in government healthcare programs and all applicable state government laws and regulations. In furtherance thereof, the Parties hereto agree as follows:

(a) All services to be provided by UCLA to or on behalf of Provider are expressly set forth in this Agreement.

(b) The compensation payable by Provider to UCLA pursuant to this Agreement is and shall be as specifically set forth in this Agreement.

(c) The rates of compensation for the Services are consistent with fair market value of such services have not been determined in a manner that takes into account the volume or value of any referrals or business otherwise generated between the Parties and shall not obligate the Parties to recommend or arrange for the products or services offered by either of them or any third party.

7. INDEMNIFICATION AND INSURANCE.

7.1 Indemnification by Provider. Provider shall defend, indemnify and hold UCLA, its officers, employees and agents harmless from and against any and all liability, loss, expense, (including reasonable attorneys’ fees), or claims for injury or damages arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys’ fees or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of Provider, its officers, employees, or agents.

7.2 Indemnification by UCLA. UCLA shall defend, indemnify and hold Provider, its officers, employees, and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees), or claims for injury or damages arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of UCLA, , its officers, employees, or agents.

7.3 Insurance for Provider. Provider shall secure and maintain the insurance coverage described in **Schedule 7.3**, attached hereto and incorporated herein by this reference.

7.4 Insurance for UCLA. UCLA shall secure and maintain the insurance described in **Schedule 7.4**, attached hereto and incorporated herein by this reference.

8. GENERAL PROVISIONS.

8.1 Use of Name. Pursuant to California Education Code Section 92000, Provider shall not refer to this Agreement or UCLA or the University of California's participation in this Agreement or use UCLA or the University of California's name in any advertising or promotional materials or statements to the public without the prior written approval of UCLA.

8.2 Governing Law. This Agreement shall be governed by and construed and enforced in accordance with and subject to the laws of the State of California.

8.2 Notice. Any notices required hereunder or desired to be given under this Agreement shall be in writing and shall be sent personally, by facsimile transmission, or by certified, registered or express mail (e.g., Federal Express or other similar courier service), postage prepaid provided that any notice of other communication sent by facsimile transmission shall be confirmed by another method permitted hereunder. Any such notice shall be deemed given when so delivered personally or sent by facsimile transmission (assuming facsimile transmission is confirmed as required herein) or, if mailed, three (3) days after the date of deposit in the mail, as follows:

If to UCLA:

UCLA Pathology
924 Westwood Blvd. Suite 705
Los Angeles, CA 90095
Attention: Arnold Scheer, Chief Administrative Officer

If to Provider:

Olive View-UCLA Medical Center
Chief, Department of Pathology
14445 Olive View Drive, Suite 1A-132
Sylmar, CA 91342
Attn: Nora Ostrzega, MD

For Contract Matters:

Los Angeles County Department of Health Services

Contracts and Grants Division
313 North Figueroa Street, 6th Floor East
Los Angeles, CA 90012
Attention: Director

The above addresses may be changed by giving notice of such change in the manner provided above for giving notice.

8.5 Severability. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereto shall remain in full force and effect and shall in no way be affected, impaired or invalidated as a result of such decision.

8.6 Assignment. Neither party may assign, delegate or transfer in any manner the obligations or rights set forth in this Agreement.

8.7 Amendments. This Agreement or any part of it may be amended only by the mutual written consent of the duly authorized representatives of the Parties.

8.8 Waiver. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted shall apply solely to the specific instance expressly stated.

8.9 Independent Contractors. In the performance of the work, duties and obligations under this Agreement, it is mutually understood and agreed that each party is at all times acting and performing as an independent contractor with respect to the other and that no relationship of partnership, joint venture or employment is created by this Agreement. Neither UCLA nor its employees and agents are employees or agents of Provider and neither Provider nor any employee or agent of Provider is an employee or agent of UCLA.

8.10 Compliance with Law. The Parties acknowledge that state and federal regulations pertaining to telehealth are continuing to evolve and that additional obligations and responsibilities may be imposed on one or more Parties to ensure compliance with any such new laws or regulations. The Parties specifically agree to comply with all applicable laws and regulations and take such action as may be necessary to implement the standards and requirements of any such state and federal laws and regulations.

8.11 Continuing Cooperation. Throughout the term of this Agreement, the Parties shall cooperate in good faith and agree to perform any and all tasks which are reasonably necessary for the performance of this Agreement.

8.12 Change in Law. In the event that a change in state or federal law, statute, regulation, or enforcement or same materially affects this Agreement, the Parties agree to negotiate immediately, in good faith, any necessary or appropriate amendment(s) to the terms of this Agreement. If the Parties fail to reach a mutually agreeable amendment within thirty (30) days of such negotiation period, this Agreement shall terminate at the end of such thirty (30)-day period.

8.13 Third Parties. This Agreement is not intended and shall not be construed to create any rights for any third party.

8.14 Exhibits and Schedules. All Exhibits and Schedules referred to herein are hereby incorporated herein. In the event that any provision of this Agreement conflicts with any Exhibit or Schedule to this Agreement, the Exhibit or Schedule shall control with respect to the subject matter of such Exhibit or Schedule.

8.15 Counterparts. This Agreement may be executed in any number or counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

8.16 No Excluded Parties. Each party represents and warrants to the other party that neither it nor any of its representatives who will provide services pursuant to this Agreement: (a) are currently excluded, suspended, debarred or otherwise ineligible to participate in federal health care programs, including Medicare and Medicaid programs; or (b) have been convicted of a criminal offense related to the provision of health care items or services that would lead to mandatory exclusion from federal health care programs, but have not yet been excluded. Each party agrees to notify the other party immediately if such party becomes aware of any adverse action related to such party's eligibility to participate in federal health care programs, including the Medicare and Medicaid programs.

8.17 Force Majeure. Neither party hereto shall be liable for any delay or failure in the performance of any obligation under the Agreement or for any loss or damage (including indirect or consequential damage) to the extent that such nonperformance, delay, loss or damage results from any contingency which is beyond the control of such party, provided such contingency is not caused by the fault or negligence of such party. A contingency for the purposes of this Agreement shall be third-party communication network outages (such as satellite malfunctions or failures) beyond the control of either party, Acts of God, fire, explosions, storms, wars, hostilities, blockades, public disorders, quarantine restrictions, embargoes, strikes or other labor disturbances, and compliance with any law, order or control of, or insistence by any governmental or military authority. The party claiming to be affected by such contingency shall give immediate notice to the other party, giving full particulars thereof. The existence of such contingencies shall justify the suspension of performance hereunder by either party; provided, however, that if such period of delay shall exceed sixty (60) days from the date of such notice, either party shall have the right to terminate this Agreement.

8.18 Access to Books and Records. Until the expiration of four (4) years after the expiration or termination of this Agreement, Provider and UCLA shall make available, upon written request of the Secretary of the United States Service of Health and Human Services ("Secretary") or the Comptroller General of the United States General Accounting Office ("Comptroller"), or any of their duly authorized representatives, a copy of this Agreement and such books, documents, and records of either party as are necessary to certify the nature and extent of costs of the services UCLA provided under this Agreement. UCLA further agrees that if it carries out any of its duties under this Agreement through a subcontract with a value or cost of \$10,000 or more over a twelve (12)-month period with a related organization, that such subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request of the Secretary or the Comptroller General, or any of their duly authorized representatives, the subcontract, and books, documents and records of such organization that are necessary to verify the nature and extent of such costs.

8.19 Authorized Representatives. Each of the persons signing below represents and warrants to the other party that he/she is duly authorized to sign this Agreement and that upon his/her execution of this Agreement, this Agreement is a binding obligation of the party on whose behalf the person executes this Agreement.

8.20 Entire Agreement. This Agreement, including its Exhibits, Appendices, and Schedules, constitutes the entire agreement between the Parties relating to the subject matter of this Agreement and shall supersede all prior arrangements, negotiations, and understandings between the Parties, whether oral or written. No waiver of any term, provision or condition of this Agreement shall be deemed to be, or shall constitute a waiver of any term, and no waiver of any present condition shall constitute a waiver of such condition occurring in the future.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the day and year set forth above.

**THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA, on behalf of its
Los Angeles Campus, David Geffen
School of Medicine at UCLA and the Ronald
Reagan UCLA Medical Center
("UCLA")**

**COUNTY OF LOS ANGELES
("PROVIDER")
Department of Health Services**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

SCHEDULE 7.3

INSURANCE TO BE MAINTAINED BY PROVIDER

Provider at its sole cost and expense, shall insure its activities in connection with this Agreement, and obtain, keep in force and maintain insurance as follows:

1. Professional Medical Liability Insurance with financially-sound and reputable companies with limits of two million dollars (\$2,000,000) per occurrence and a general aggregate of five million dollars (\$5,000,000). If such insurance is written on a claims-made form, it shall continue for three (3) years following termination of this Agreement. The insurance shall have a retroactive date prior to coinciding with the effective date of this Agreement and a deductible of no more than five hundred thousand dollars (\$500,000). In the event that a claims-made policy is canceled or non-renewed, then Provider shall obtain extended reporting (tail) coverage for the remainder of the five (5)-year period.
2. Comprehensive or Commercial Form General Liability Insurance (contractual liability included) with a limit of five million dollars (\$5,000,000) per occurrence. If such insurance is written on a claims-made form, it shall continue for three (3) years following termination of this Agreement. The insurance shall have a retroactive date prior to or coinciding with the effective date of this Agreement.
3. Workers' Compensation Insurance in a form and amount covering Provider's full liability as required by law under the Workers' Compensation Insurance and Safety Act of the State of California as amended from time to time.
4. Such other insurance in such amounts which from time to time may be reasonably required by the mutual consent of the Parties against other insurance risks relating to performance.

It should be expressly understood, however, that the coverages required under this Agreement shall not in any way limit the liability of Provider.

The coverage referred to in Section 2 above shall be endorsed to include UCLA as an additional insured. Such a provision, however, shall only apply in proportion to and to the extent of the negligent acts or omissions of Provider, its officers, agents, and/or employees. Provider, upon execution of this Agreement, shall furnish UCLA with Certificates of Insurance evidencing compliance with all requirements. Certificates shall further provide for thirty (30) days' advance written notice to UCLA of any modification, change or cancellation of any of the above insurance coverages.

SCHEDULE 7.4

INSURANCE TO BE MAINTAINED BY UCLA

UCLA warrants that it maintains a program of self-insurance that covers its activities in connection with this Agreement as follows:

1. Professional Medical Liability Insurance with self-insured retention of five million dollars (\$5,000,000) per occurrence.
2. Comprehensive General Liability Insurance with self-insured retention of five million dollars (\$5,000,000) per occurrence.
3. Worker's Compensation Liability Insurance with self-insured retention in amounts required by the State of California.
4. Such other insurance in such amounts from time to time may be reasonably required by the mutual consent of the Parties against other insurance risks relating to performance.

It should be expressly understood, however, that the coverages required under this Agreement shall not in any way limit the liability of UCLA.

The coverage referred to in Section 2 above shall be endorsed to include Provider as an additional insured. Such a provision, however, shall only apply in proportion to and to the extent of the negligent acts or omissions of UCLA, its officers, agents, and/or employees. UCLA, upon execution of this Agreement, shall furnish Provider with Certificates of Insurance evidencing compliance with all requirements. Certificates shall further provide for thirty (30) days' advance written notice to Provider of any modification, change or cancellation of any of the above insurance coverages.