



Health Services
LOS ANGELES COUNTY

March 20, 2007

**Los Angeles County
Board of Supervisors**

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First District

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Second District

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Bruce A. Chernof, MD
Director and Chief Medical Officer

John R. Cochran III
Chief Deputy Director

Robert G. Splawn, MD
Senior Medical Director

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:

**NEW SPECIALTY MEDICAL SERVICES HOSPITALIST AGREEMENT
AT RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER
(4th District) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Director of Health Services, or his designee, to offer and sign a new Specialty Medical Services Hospitalist Agreement, substantially similar to Exhibit I, with The Regents of the University of California on behalf of the David Geffen School of Medicine at UCLA, Department of Orthopedic Surgery, for the provision of orthopedic surgery services at Rancho Los Amigos National Rehabilitation Center, which satisfies traditional civil service exceptions permitting contracts and which is exempt under the provisions of Proposition A under County Code Section 2.121, effective upon Board approval through June 30, 2009, at an estimated annual cost of \$216,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

Board approval of the recommended action will enable the Department of Health Services (DHS or Department) to use the services of an orthopedic surgeon, who is a faculty member of the UCLA School of Medicine, to provide orthopedic surgery services, as needed, on a part-time/intermittent basis at Rancho Los Amigos National Rehabilitation Center (RLANRC).

This action will allow the provision of hard-to-recruit and critically needed physician services in the area of orthopedic surgery for County patients at RLANRC.

FISCAL IMPACT/FINANCING:

The total estimated cost for a full 12-month period is \$216,000. The total estimated cost for the period of March 20, 2007 through June 30, 2007 of Fiscal Year (FY) 2006-07 is \$58,500. Funding is included in the RLANRC FY 2006-07 Final Budget and will be requested in future fiscal years.

The hourly compensation rate for the contractor is on file with the Department and is kept confidential in accordance with section 1457 of the California Health and Safety Code. The recommended rate has been shared with each Board Office, the CAO, and County Counsel.

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

Tel: (213) 240-8101
Fax: (213) 481-0503

*To improve health
through leadership,
service and education.*



www.ladhs.org

FACTS AND PROVISIONAL/LEGAL REQUIREMENTS:

Because of the ongoing difficulty in recruiting physician specialists into County employment to staff a number of part-time and full-time service needs in DHS health facilities, the Board historically has approved physician specialty medical services agreements to enable the County to contract with qualified physician specialists interested in providing specialty medical services at County health facilities on an as-needed basis.

Daniel Oakes, M.D. is an orthopedic surgeon who, as a faculty member of the University of Southern California (USC) School of Medicine, provided services at RLANRC's arthritis clinic and performed joint replacement surgeries under the Medical School Affiliation Agreement between Los Angeles County and USC since August 2004. Dr. Oakes recently joined the faculty at UCLA's School of Medicine and by agreement with them cannot perform work at RLANRC under a personal services agreement.

The recommended Hospitalist Agreement with UCLA is needed to allow Dr. Oakes to continue providing orthopedic surgery services at RLANRC, and his services are vital to maintain the joint replacement program. Currently, there is a backlog of cases in excess of one year. Without Dr. Oakes, there will only be one other surgeon available on a part-time basis to perform joint replacement surgeries and waiting times for surgery will increase.

UCLA will be reimbursed for the specialty medical services of Dr. Oakes on an hourly rate basis.

The recommended Agreement includes the latest provisions mandated by the Board, as well as those recommended by County Counsel, consistent with other contracts between the County and The Regents of the University of California. Under the termination provisions of the Agreement, the Agreement may be terminated immediately for breach or for convenience with a 30-day advance written notice by either party. The recommended Agreement also includes provisions requiring the Contractor to comply with all County standard indemnification and insurance requirements.

Attachment A provides additional information.

Exhibit I has been approved as to use and form by County Counsel.

CONTRACTING PROCESS:

For a number of years, the County has contracted with qualified physician specialists to staff a number of part-time and full-time service needs in County health facilities. The recommended Agreement is an extension of that program.

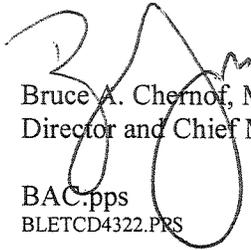
IMPACT ON CURRENT SERVICES (OR PROJECTS):

Board approval of the recommended action will enable DHS to continue to provide orthopedic surgery services to County patients at RLANRC.

The Honorable Board of Supervisors
March 20, 2007
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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Bruce A. Chernof, M.D.
Director and Chief Medical Officer

BAC:pps
BLETC4322.PRS

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

SUMMARY OF AGREEMENT

1. Type of Service:

Specialty Medical Services Hospitalist Agreement with The Regents of the University of California on behalf of the David Geffen School of Medicine at UCLA, Department of Orthopedic Surgery, for the provision of orthopedic surgery services at Rancho Los Amigos National Rehabilitation Center.

2. Contractor's Name, Addresses, and Telephone Number:

UCLA Medical Center
Department of Surgery/Chairman's Office
P.O. Box 951749, 72-131 CHS
Los Angeles, California 90095

3. Term:

Date of Board approval through June 30, 2009.

4. Financial Information:

The total estimated cost for a 12-month period is \$216,000. The total estimated cost for the period effective March 20, 2007 through June 30, 2007 is \$58,500. Funding is included in the RLANRC Fiscal Year 2006-07 Final Budget and will be requested in future fiscal years.

5. Geographic Area To Be Served:

Countywide

6. Accountability for Monitoring:

Rancho Los Amigos National Rehabilitation Center Facility Administrator

7. Approvals:

Operations:	John R. Cochran III, Chief Deputy Director
Contracts and Grants:	Cara O'Neill, Chief
County Counsel (approval as to form):	Sharon A. Reichman, Principal Deputy County Counsel

Contract No. _____

SPECIALTY MEDICAL SERVICES AGREEMENT
(Hospitalist Services)

THIS AGREEMENT is made and entered into this _____ day
of _____, 2007,

by and between

COUNTY OF LOS ANGELES
(hereafter "County"),

and

THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA ON BEHALF OF ITS
DAVID GEFFEN SCHOOL OF
MEDICINE AT UCLA, DEPARTMENT
OF ORTHOPEDIC SURGERY
(hereafter "Contractor").

WHEREAS, pursuant to California Health and Safety Code, Sections 1441 and 1445, County has established and operates, through its Department of Health Services, various County hospitals, comprehensive health centers and health centers, including Rancho Los Amigos National Rehabilitation Center(hereafter "Medical Facility"); and

WHEREAS, a large number of specialty physician services must be available to meet the needs of sick or injured County patients requiring treatment at Medical Facility; and

WHEREAS, County has determined that it has insufficient specialty physician staff to provide all of the necessary specialty services required for its patients at Medical Facility; and

WHEREAS, County has further determined that the specialty medical services to be provided hereunder are part-time and intermittent in nature; and,

WHEREAS, Contractor is a provider of temporary physicians (hereafter "hospitalists") and is able either to provide directly, or to arrange for the provision of, physician coverage at Medical Facility by hospitalists, all of whom are duly licensed and certified under the laws of the State of California to engage in the practice of medicine; and

WHEREAS, Contractor's hospitalists are skilled in various medical specialties and have applied for (or will apply for) and been granted (or will be granted prior to the provision of service hereunder) consultant medical staff membership in Medical Facility's Professional Staff Association ("PSA") and clinical privileges in accordance with such PSA's bylaws; and

WHEREAS, County is authorized by California Government Code sections 26227 and 31000, and by California Health and Safety Code sections 1441, 1445, and 1451 to contract for the medical services described hereunder.

NOW, THEREFORE, the parties hereto agree as follows:

1. TERM AND TERMINATION: The term of this Agreement shall commence upon approval by County's Board of Supervisors, and shall continue in full force and effect to and including June 30, 2007. Thereafter, this Agreement shall automatically renew for three successive, one year terms, through June 30, 2009, without further action of the parties hereto. In the event either party wishes to terminate this Agreement prior to the inception of an automatic renewal period, that party shall provide the other with

written notice at least thirty (30) days prior to the inception of the relevant automatic renewal period.

Notwithstanding the foregoing, this Agreement also may be terminated at any time by either party, with or without cause, upon the giving of at least thirty (30) calendar days' advance written notice thereof to the other.

County may terminate this Agreement immediately if Contractor, or any of its officers, employees, or agents, including any one or more of its hospitalists, fail to comply with the terms of this Agreement or any directions by or on behalf of County issued pursuant hereto.

County may also terminate this Agreement immediately if Contractor, its officers, employees or agents, including its hospitalists, engage in, or if County has reasonable justification to believe that Contractor, or such employees, or agents, including Contractor's hospitalists, may be engaging in, a course of conduct which poses an imminent danger to the life or health of County patients.

County's failure to exercise this right of termination shall not constitute waiver of such right, and the same may be exercised at any subsequent time.

Immediate termination hereunder shall be effected by delivery to Contractor of a written "Notice of Immediate Termination" which shall be effective upon Contractor's receipt of such "Notice of Immediate Termination".

2. ADMINISTRATION: The Director of County's Department of Health Services, or his authorized designee (hereafter collectively "Director"), shall administer this Agreement on behalf of County. Director retains professional and administrative responsibility for the services rendered under this Agreement. The general responsibility, however, does not relieve Contractor from its specific duties stated elsewhere under this Agreement, including, but not limited to, the obligation to perform its professional services according to customary quality of care standards in the community and under this Agreement. Contractor shall designate in writing a person who shall have the authority to administer this Agreement on behalf of Contractor. The term "Administrator", as used in this Agreement, means Director's Medical Facility Administrator or his/her duly authorized designee.

Contractor extends to Director, Administrator, and to authorized representatives of the State and the Joint Commission on Accreditation of Healthcare Organizations ("JCAHO") the right at all reasonable times to review and monitor Contractor's personnel and services, including on-site visits to Contractor's office(s) to verify compliance with applicable standards and regulations and with the terms of this Agreement.

All such inspections made by Director and other County representatives shall be conducted during Contractor's normal

business hours in a manner which will not interfere with Contractor's operations.

3. DESCRIPTION OF SERVICES: Contractor shall, upon the written request of Director or Administrator, arrange for the provision of the specialty medical services described in Exhibit "A", attached hereto and incorporated herein by reference.

4. BILLING AND PAYMENT: All billings by Contractor for services provided pursuant to this Agreement shall be in accordance with the terms, conditions, and rates set forth in Exhibit "B", attached hereto and incorporated herein by reference.

Contractor, including its principals and hospitalists, shall not bill any patient or any payor for services rendered pursuant to this Agreement and shall consider payment by County to be payment in full for such services. Contractor shall assure that its principals and hospitalists take all steps necessary to assign to County their rights to payment by any patient or third party payor, including Medicare and Medi-Cal.

Medical Facility is required to maintain patient and other records for physicians providing services at the Medical Facility, including those for Contractor and Contractor's hospitalists. Such records may include, but are not limited to: Physician Time Allocation Survey, Professional Services Assignment Agreement, and a Medicare Penalty Statement. Contractor shall fully cooperate with Medical Facility in

completing such records whenever requested by Administrator to do so.

5. NONEXCLUSIVITY: Contractor acknowledges that it is not necessarily the exclusive provider to County of the services to be provided under this Agreement, and that County has, or intends to enter into, contracts with other providers of said services for the provision to County thereof. County promises, however, to use its best efforts to utilize Contractor for some services during the Agreement term. Contractor agrees to provide County during the term of this Agreement with the services in Exhibit "A", as County may require of Contractor from time to time.

6. INDEPENDENT CONTRACTOR STATUS:

A. This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of employee, agent, servant, partnership, joint venture, or association, as between County and Contractor or as between County and Contractor provided hospitalists. The employees or agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

B. Contractor shall be solely liable and responsible for providing to, or on behalf of, its employees and hospitalists all legally required employee benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability

benefits, or Federal, State, and local taxes, or other compensation or benefits to any personnel provided by Contractor.

C. Contractor understands and agrees that all persons furnishing services to County pursuant to this Agreement are, for purposes of workers' compensation liability, the sole responsibility of Contractor and not the responsibility of County. Contractor or Contractor's hospitalists, as appropriate, shall bear the sole responsibility and liability for any and all workers' compensation benefits as a result of injuries arising from or connected with services performed by said hospitalists pursuant to this Agreement.

D. Contractor shall inform all of its hospitalists who may provide services under this Agreement in writing of the provisions of this Paragraph. A copy of such written notice shall be retained by Contractor for purposes of inspection and audit and made available to County upon request.

7. SUBCONTRACTING: Contractor will not subcontract the provision of services under this Agreement.

8. INDEMNIFICATION: Contractor shall indemnify, defend, and hold harmless County, and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert

witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Agreement.

9. GENERAL INSURANCE REQUIREMENTS: Without limiting Contractor's indemnification of County and during the term of this Agreement, Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by the County, and such coverage shall be provided and maintained at Contractor's own expense.

A. Evidence of Insurance: Certificate(s) or other evidence satisfactory to County shall be delivered to County's Department of Health Services, Contracts and Grants Division, 313 North Figueroa Street, Sixth Floor-East, Los Angeles, California 90012, prior to commencing services under this Agreement. Such certificates or other evidence shall:

(1) Specifically identify this Agreement by its assigned Contract number.

(2) Clearly evidence all coverages required in this Agreement.

(3) Contain the express condition that County is to be given written notice by mail at least thirty (30)

calendar days in advance of cancellation for all policies evidenced on the certificate of insurance.

(4) Include copies of the additional insured endorsement to the commercial general liability policy, adding County of Los Angeles, its Special Districts, its officials, officers, and employees as insureds for all activities arising from this Agreement.

(5) Identify any deductibles or self-insured retentions for County's approval. County retains the right to require Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to County, or, require Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expense or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

B. Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County.

C. Failure to Maintain Coverage: Failure by Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute

a material breach of contract upon which County may immediately terminate or suspend this Agreement. County, at its sole option, may obtain damages from Contractor resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

D. Notification of Incidents, Claims, or Suits:

Contractor shall report to County:

(1) Any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within twenty-four (24) hours of occurrence.

(2) Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement.

(3) Any injury to a Contractor employee which occurs on County property. This report shall be submitted on a County "Non-Employee Injury Report" to County contract manager.

(4) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property,

monies, or securities entrusted to Contractor under the terms of this Agreement.

E. Compensation for County Costs: In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to County that would be allowable as damages under California law, Contractor shall pay full compensation for all costs incurred by County.

F. Insurance Coverage Requirements for Subcontractors: Contractor shall ensure any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

(1) Contractor providing evidence of insurance covering the activities of subcontractors, or

(2) Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

10. INSURANCE COVERAGE REQUIREMENTS:

A. General Liability Insurance (written on Insurance Services Office [ISO] policy form "CG 00 01" or its equivalent) with limits of not less than the following:

General Aggregate: \$2 Million
Products/Completed Operations Aggregate: \$1 Million
Personal and Advertising Injury: \$1 Million
Each Occurrence: \$1 Million

B. Automobile Liability Insurance (written on ISO policy form "CA 00 01" or its equivalent) with a limit of liability of not less than \$1 Million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

C. Workers Compensation and Employer's Liability Insurance, providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible. In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident: \$1 Million
Disease - Policy Limit: \$1 Million
Disease - Each Employee: \$1 Million

D. Professional Liability Insurance covering liability arising from any error, omission, negligent or wrongful act of Contractor, its officers or employees, with limits of not less than \$1 Million per occurrence and \$3 Million aggregate. The coverage also shall provide an extended two

(2) year reporting period commencing upon expiration or earlier termination or cancellation of this Agreement.

11. ADDITIONAL PROVISIONS: Attached hereto and incorporated herein by reference is a document labeled "ADDITIONAL PROVISIONS". The terms and conditions contained therein are part of this Agreement.

12. NOTICES: Any and all notices required, permitted or desired to be given hereunder by one party to the other shall be in writing and shall be delivered to the other party personally or by United States mail, certified or registered, postage prepaid, return receipt requested, to the parties at the following addresses and to the attention of the person named. Director shall have the authority to issue all notices which are required or permitted by County hereunder. Addresses and persons to be notified may be changed by either party by providing at least ten (10) calendar days prior written notice to the other.

A. Notices to County shall be addressed as follows:

1. Department of Health Services
313 North Figueroa Street
Los Angeles, California 90012

Attention: Chief Deputy

2. Department of Health Services
Contracts and Grants Division
313 North Figueroa Street, Sixth Floor - East
Los Angeles, California 90012

Attention: Division Chief

Director of Health Services, and Contractor has caused this Agreement to be subscribed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By _____
Bruce A. Chernof, M.D.
Director and Chief Medical Officer

THE REGENTS OF THE UNIVERSITY
OF CALIFORNIA ON BEHALF OF ITS
DAVID GEFLEN SCHOOL OF
MEDICINE AT UCLA, DEPARTMENT
OF ORTHOPEDIC SURGERY

Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
RAYMOND G. FORTNER
County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Cara O'Neill, Chief
Contracts and Grants Division

EXHIBIT A

DESCRIPTION OF SERVICES

SPECIALTY MEDICAL SERVICES AGREEMENT
(Hospitalist Services)

1. SERVICES TO BE PROVIDED: Contractor shall arrange for the provision of specialty medical services at Medical Facility by its physician affiliates, each of whom is duly licensed to practice medicine in the State of California, and Board certified or Board eligible in his or her particular specialty, and is or will become a consultant member of the medical staff (with clinical privileges) of the professional staff association at the Medical Facility requiring such services. (Any Contractor-referred physician affiliate who is a consultant member of a professional staff association of any County hospital and who has clinical privileges there shall be deemed qualified to provide specialty medical services at any County comprehensive health center ["CHC"] or health center requiring his or her services, unless the CHC or health center has its own credentialing process. If it does, Contractor's physician affiliates must qualify to provide services there under that Facility's credentialing process.)

Contractor shall assure that the physician affiliates who agree to provide services through Contractor hereunder shall at all times meet the minimum professional qualifications for their specialty, as defined by the requesting Medical Facility.

Specialty medical services shall be performed only for County patients and shall be under the direction of the Medical Facility's Medical Director. Requests for physician assignment shall be in writing and authorized by Administrator. Only physicians meeting the County's criteria outlined hereunder and who are acceptable to Medical Facility's Administrator may be assigned to the Medical Facility.

2. CONTRACTOR RESPONSIBILITIES:

A. Recruitment:

(1) Following execution of this Agreement, Medical Facility's Administrator shall provide Contractor with detailed specifications regarding the physician specialty(ies) which Medical Facilities may occasionally require, the number of physicians required, and any other conditions.

(2) Contractor shall screen and validate each physician's experience and suitability to determine and assure that each such physician meets the professional qualifications requested by Medical Facility. Contractor shall also query the National Data Bank and State Medical Board on each physician candidate, prior to providing services hereunder, and report to Medical Facility's Administrator all adverse reports related to medical malpractice and disciplinary action involving that physician.

(3) Contractor shall provide Medical Facility with a Curriculum Vitae for each physician seeking to provide services under this Agreement. When feasible, Contractor shall make such physician(s) available for personal interview(s) by County Medical Facility's staff designated by the Administrator.

B. Term of Physician Affiliate's Assignment: Contractor's physician affiliate(s) providing services hereunder may not be assigned for a term which extends beyond the expiration date of this Agreement. At all times, the actual time(s) and date(s) of an assignment of a Contractor physician affiliate to Medical Facility, shall be controlled by Administrator who shall memorialize all such assignments in writing.

C. Infection Control: If any of Contractor's physician affiliates is diagnosed with having an infectious disease, and Contractor is made aware of such a diagnosis and such person has had contact with a County patient during the usual incubation period for such infectious disease, then Contractor shall report such occurrences to the Infection Control Department at each Medical Facility where the physician affiliate is on staff within twenty-four (24) hours of becoming aware of the diagnosis.

If a County patient is diagnosed with having an infectious disease, and such County patient has had contact

with any Contractor physician affiliate during the usual incubation period for such infectious disease, the Medical Facility treating the patient shall report such occurrence to Contractor if the law so permits.

For purposes of this Agreement, the infectious diseases reportable hereunder are those listed in the Public Health List of Reportable Diseases.

D. Physical Examinations/Immunizations: Contractor shall ensure that each physician affiliate who performs patient care services under this Agreement is examined by a licensed physician, or other licensed medical practitioner authorized to perform annual physical examinations, on an annual or biannual basis, as required by the JCAHO and section 70723, Title 22, California Code of Regulations and shall provide Administrator at all reasonable time, upon request, with evidence that each such person is free of infectious disease(s), has been immunized against common communicable diseases, has received a chest X-ray and/or annual TB skin test, a rubella antibody titer demonstrating immunity and/or vaccination, and been offered a Hepatitis B antibody titer demonstrating immunity and/or vaccination. In those instances where persons have no demonstrated immunity, and have refused vaccination, a waiver to that effect must be on file and provided upon request.

Written certification that such physician affiliate is free of infectious disease(s), has been tested and/or vaccinated as required above, and is physically able to perform the duties described herein shall be retained by Contractor for purposes of inspection and audit and made available at all reasonable times to Administrator upon request.

A Contractor's physician affiliate not having completed one or more of the above tests may choose to obtain such tests at Medical Facility, at Contractor or the physician's expense, if such tests are offered by Medical Facility. In such event, the time Contractor's personnel spend obtaining such required tests may not be billed to County.

E. Department of Health Services ("DHS") Risk Management Information Handbook: Contractor's physician affiliates referred to County Facilities hereunder must read and sign a statement that she/he has read the DHS Risk Management Information Handbook regarding DHS' malpractice policies and medical protocols prior to providing services under this Agreement.

3. PHYSICIAN AFFILIATE'S PROFESSIONAL QUALIFICATIONS:

A. Licenses: All physician affiliates providing services at County Facilities must be appropriately licensed by the State of California and shall carry their current State license (not a copy) at all times. Contractor shall

verify that each physician affiliate providing services hereunder has a current license, and any other licenses and/or certificates required by law. Documentation that Contractor has verified the current status of all such licenses and/or certifications shall be retained by Contractor for purposes of inspection and audit and made available to County upon request.

All physician affiliates providing services hereunder shall provide Medical Facility Administrator with a copy of all current licenses, credentials, and certifications, as appropriate, at the time such physician affiliate is first assigned to said County Facility.

All physician affiliates providing services hereunder must meet the credentialing criteria set forth in the Medical Facility's Professional Staff Association ("PSA") bylaws or other credentialing process prior to providing services under this Agreement. Each Medical Facility Administrator shall verify the current status of each physician affiliate's license, medical clearance(s), credentials, and certifications, as appropriate, when such physician affiliate is first assigned to such Medical Facility. Medical Facility shall refuse utilization of any physician affiliate who does not meet Medical Facility's PSA credentialing criteria and/or whose license, credentials, and certifications, as appropriate, are not current.

In the event Medical Facility inadvertently utilizes the services of a physician affiliate who lacks the appropriate licenses, credentials, and certificates, as appropriate, Medical Facility shall not pay for any time worked by that physician affiliate.

Failure to maintain one hundred percent (100%) compliance with the requirements of this Paragraph, as determined by a County audit/compliance review, shall constitute a material breach of this Agreement upon which County shall immediately terminate this Agreement.

B. Bloodborne Pathogens Training: All physician affiliates providing services hereunder must read and sign a statement that she/he has read the Occupational Safety and Health Administration's ("OSHA's") most current Bloodborne Pathogens information publications prior to providing services under this Agreement.

C. Cardio-Pulmonary Resuscitation Certification: All physician affiliates providing services hereunder must be currently certified in cardio-pulmonary resuscitation ("CPR") from either the American Heart Association, the American Red Cross, or other County approved program and must carry their current, original (not a copy) CPR card at all times.

D. Joint Commission on the Accreditation of Healthcare Organization Standards: All physician affiliates providing services hereunder shall be in conformance with the continuing education requirements established by the JCAHO.

4. PERSONNEL:

A. Medical Facility's Administrator may discipline or terminate any physician affiliate, for any appropriate reason, in its sole discretion, during the period of such physician affiliate's assignment to Medical Facility. Contractor agrees to accept and abide by any decision of Medical Facility.

Contractor may discipline or terminate any physician affiliate, without cause, in its sole discretion, during the period of physician affiliate's assignment to Medical Facility. County agrees to accept and abide by any decision of Contractor.

In termination cases, Contractor may bill Medical Facility for the actual hours worked by said individual prior to his/her removal.

B. Director shall advise Contractor of verbal or written disciplinary or termination action regarding physician affiliate(s) within a reasonable period of time after issuance. The intent of the parties is to communicate in good faith regarding problems involving Contractor-referred physician affiliates.

C. Any Medical Facility may refuse assignment of a physician affiliate who has previously been requested to be removed from the provision of services by any other County Medical Facility.

D. Contractor shall establish appropriate policies and procedures regarding initial and follow-up procedures for Contractor's physician affiliates who experience an industrial accident (e.g., needle stick) while working at County Facility. In the event one of Contractor's physician affiliates receives a needle stick, such physician affiliate may seek immediate medical care at the assigned Medical Facility at Contractor's expense. Follow-up for physician affiliates exposed to HIV positive patients must be in accordance with Federal Centers for Disease Control and State guidelines and is the responsibility of Contractor and the individual physician affiliate.

5. STANDARDS OF CARE:

A. All services provided hereunder shall be performed in accordance with all applicable and accepted professional and ethical standards of the medical profession and that such services shall be in compliance with all applicable Federal, State, and local laws, ordinances, regulations, rules, and directives, as well as with all applicable regulations, policies, procedures, rules, and directives of the respective Medical Facilities, and of the professional

staff associations of Medical Facilities where Contractor's referred physician affiliates have professional staff association membership.

B. County has established a Quality Assessment and Improvement Committee, composed of County employees appointed by Director to review the services contemplated by this Agreement and to assure a standard of care by Contractor and others which is consistent with the laws of the State and Federal government, with County's Quality Assessment and Improvement standards, and with the prevailing standards of medical practice in the community. Contractor agrees to adhere to the standards thereby established and to permit review by County's Quality Assessment and Improvement Committee representatives.

6. PARKING SPACE: When providing services at a Medical Facility hereunder, Contractor's physician affiliate shall be furnished by Administrator with an assigned parking area at the Medical Facility, if available.

EXHIBIT B

BILLING, PAYMENT, MAXIMUM OBLIGATION AND SCHEDULE OF RATES

SPECIALTY MEDICAL SERVICES AGREEMENT
(Hospitalist Services)

1. BILLING AND PAYMENT: Contractor shall bill County weekly in arrears, in accordance with the terms, conditions, and rates set forth below. All billings shall clearly reflect and provide reasonable detail of the services for which claim is made, including, but not limited to, type of services (procedures) provided, name of the physician affiliate who provided services, date, and hours worked, the authorized rate, and any other charges or credits, as set forth in this Agreement.

Billings shall be made and forwarded to the appropriate Medical Facility to the attention of the Expenditure Management Division promptly at the end of each week. Upon receipt of a complete and correct billing, County shall pay Contractor within thirty (30) working days. Incorrect and/or discrepant billings, as determined by the Medical Facility, will be returned to Contractor for correction before payment is made.

2. MAXIMUM OBLIGATION OF COUNTY: During the term of this Agreement, the maximum obligation of County for all services provided hereunder shall not exceed Four Hundred Ninety Thousand, Five Hundred Dollars (\$490,500) as follows:

A. During the period date of execution by Director through June 30, 2007, the maximum obligation of County

shall not exceed Fifty-Eight Thousand, Five Hundred Dollars (\$58,500);

B. During the period July 1, 2007, through June 30, 2008, the maximum obligation of County shall not exceed Two Hundred Sixteen Thousand Dollars (\$216,000); and,

C. During the period July 1, 2008, through June 30, 2009, the maximum obligation of County shall not exceed Two Hundred Sixteen Thousand Dollars (\$216,000).

3. HOURLY RATES: County shall compensate Contractor for each physician affiliate providing services hereunder in accordance with the schedule of rate(s) listed below.

Contractor agrees that should any physician affiliate perform services not requested and specified in Exhibit "A", such services shall be deemed to be a gratuitous effort on the part of Contractor and the physician affiliate, and neither party shall have any claim against County for such services.

<u>Services</u>	<u>Rates*</u>
Orthopedic Surgery	\$_____. per hour

* If services are paid on an hourly basis, payment for any period less than an hour shall be prorated.

** Mealtime and break periods are not covered for purposes of determining time compensable under this rate schedule.

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ADDITIONAL PROVISIONS

SPECIALTY MEDICAL SERVICES AGREEMENT
(Hospitalist Services)

1. RECORDS AND AUDITS:

A. Records of Services Rendered: Contractor shall prepare and maintain accurate and complete financial records of its activities and operations as they relate to services provided under this Agreement in accordance with generally accepted accounting principles. Contractor shall also maintain accurate and complete personnel time records and other records of all services provided hereunder by Contractor's referred radiologists. All such records shall include supporting documentation and other information sufficient to fully and accurately reflect Contractor's provision of services hereunder, and all charges billed to County.

All such records shall be retained by Contractor for a minimum period of five (5) years following the expiration or earlier termination of this Agreement. During such five (5) years, as well as during the term of this Agreement, all such records shall be made available by Contractor at a location in Southern California and shall be made available during County's normal business hours to representatives of County's Auditor-Controller and the Department of Health Services for purposes of inspection and audit.

B. Federal Access to Records: If, and to the extent that, Section 1861(v)(1)(I) of the Social Security Act [42 U.S.C. Section 1395(v)(1)(I)] is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Agreement, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States, or to any of their duly authorized representatives, the contract, books, documents, and records of Contractor which are necessary to verify the nature and extent of the cost of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through a subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve-month period with a related organization (as that term is defined under Federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents, and records of the subcontractor.

C. Audit Reports: In the event that an audit is conducted of Contractor by a Federal or State auditor, Contractor shall file a copy of each such audit report(s) with County's Auditor-Controller Department within thirty (30) days of receipt thereof unless otherwise provided for under this Agreement, or under applicable State or Federal

regulations. To the extent permitted by law, County shall maintain the confidentiality of all such audit report(s).

D. Audit/Compliance Review: In the event County representatives conduct an audit/compliance review of Contractor, Contractor shall fully cooperate with County's representatives. Contractor shall allow County representatives access to all records of services rendered, including personnel time records, and all financial records and reports pertaining to, and required under, this Agreement and shall allow photocopies to be made of these documents utilizing Contractor's photo-copier, for which County shall reimburse Contractor its customary charge for record copying services, if requested. Director shall provide Contractor with at least ten (10) working days prior written notice of any audit/compliance review.

County may conduct a statistical audit/compliance review of all claims paid by County during a specified period. The sample shall be determined in accordance with generally accepted auditing standards. An exit conference shall be held following the performance of any such audit/compliance review at which time the results shall be discussed with Contractor. Contractor shall be provided with a copy of any written evaluation report(s).

Contractor shall have the opportunity to review County's findings for Contractor, and Contractor shall have thirty

(30) days after receipt of County's audit/compliance review results to provide documentation to the County representatives to resolve audit exceptions. If, at the end of the thirty (30) period there remain audit exceptions which have not been resolved to the satisfaction of County's representatives, then the exception rate found in the audit or sample results shall be applied to the total County payments made to Contractor for all claims paid during the audit/compliance review period to determine Contractor's liability to County.

E. County Audit Settlements: If, at any time during the term of this Agreement or at any time within five (5) years after the expiration or earlier termination of this Agreement, authorized representatives of County conduct an audit of Contractor regarding the services provided to County hereunder and if such audit finds that County's dollar liability for such services is less than payments made by County to Contractor then Contractor agrees that the difference shall be either: (1) repaid forthwith by Contractor to County by cash payment, or (2) at Director's option, deducted from any further amount due to Contractor from County. If such audit finds that County's dollar liability for services provided hereunder is more than payments made by County to Contractor, then the difference

shall be paid forthwith by County to Contractor by cash payment.

F. Failure to Comply: Failure of Contractor to comply with the requirements of this Paragraph shall constitute a material breach of this Agreement upon which County shall give Contractor a written "Notice of Material Breach". If such breach has not been cured within ten (10) business days following the giving of such Notice, then County may, at County's sole discretion, immediately terminate this Agreement pursuant to the provisions of Paragraph 1, TERM AND TERMINATION, in the body of this Agreement. County's failure to exercise this right of termination shall not constitute waiver of such right, and the same may be exercised at any subsequent time.

2. CONFIDENTIALITY: Contractor shall maintain the confidentiality of all records and information, including, but not limited to, billings, County records, and patient records, in accordance with all applicable Federal, State, and local laws, ordinances, regulations, and directives relating to confidentiality. Contractor shall inform all its officers, employees and agents providing services hereunder of the confidentiality provisions of this Agreement. Contractor shall indemnify and hold harmless County, its officers, employees and agents, from and against any and all loss, damages, liability and

expense arising out of any disclosure of such records and information by Contractor, its officers, employees, or agents.

3. NONDISCRIMINATION IN SERVICES: Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ancestry, sex, age or physical or mental handicap, in accordance with requirements of Federal and State law. For the purpose of this Paragraph, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of a facility; providing any service, or benefit to any person which is different, or is provided in a different manner or at a different time, from that provided to others; subjecting any person to segregation or separate treatment in any matter related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership or any other requirement or condition which person must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to race, color, religion, national origin, ancestry, sex, age or physical or mental handicap.

4. NONDISCRIMINATION IN EMPLOYMENT:

A. Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries or holding companies are and will be treated equally by it without regard to, and will not be discriminated against because of, race, color, religion, ancestry, national origin, sex, age or physical or mental handicap, in compliance with all applicable anti-discrimination laws and regulations of the United States of America and the State of California as they now exist or may hereafter be amended.

B. Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment without regard to, or because of race, color, religion, ancestry, national origin, sex, age or physical or mental handicap, in compliance with all applicable anti-discrimination laws and regulations of the United States of America and the State of California as they now exist or may hereafter be amended. Such action shall include, but is not limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

C. Contractor shall deal with its subcontractors, bidders or vendors without regard to, or because of race,

color, religion, ancestry, national origin, sex, age or physical or mental handicap, as required by all applicable anti-discrimination laws and regulations of the United States of America and the State of California as they now exist or may hereafter be amended.

D. If County finds that any of the above provisions have been violated, the same shall constitute a material breach of Agreement upon which County may determine to cancel, terminate, or suspend this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Paragraph have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Opportunity Commission that Contractor has violated Federal or State anti-discrimination laws or regulations shall or constitute a finding by County that Contractor has violated anti-discrimination provisions of this Paragraph.

E. The parties agree that in the event Contractor violates the anti-discrimination provisions of this Paragraph, County shall, at its option, be entitled to a sum of Five Hundred Dollars (\$500) per violation or group of such violations investigated, pursuant to Civil Code Section 1671 as liquidated damages.

F. The parties understand and agree that the liquidated damages payable pursuant to Subparagraph F above are meant

to compensate County for the costs of each investigation of violation(s) of the anti-discrimination provisions of this Paragraph, and therefore, the parties agree that the basis for assessing liquidated damages for purposes of Subparagraph F above shall be the number of investigative reports submitted to Director, provided that no violation may be covered in more than one report. Director shall use his best efforts to ensure that violations will be grouped together whenever possible for purposes of investigation.

5. LICENSES, PERMITS, REGISTRATIONS AND CERTIFICATES:

Contractor shall obtain and maintain in effect during the term of this Agreement all appropriate licenses, permits, registrations and certificates required by law for the operation of its business and for the provision of services under this Agreement. Copies of all such applicable licenses, permits, registrations and certifications shall be delivered to County's Department of Health Services, Contracts and Grants Division, 313 North Figueroa Street, Sixth Floor-East, Los Angeles, California 90012, prior to commencing services under this Agreement.

Contractor shall further ensure that all its personnel, including all its physician radiologists and independent contractors, who perform services hereunder obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations and certificates required by law which are applicable to their performance hereunder. Copies of such

licenses, permits, registrations and certifications shall be made available to County upon request.

6. RULES AND REGULATIONS: During the time the Contractor's personnel are at Medical Facility, such persons shall be subject to the rules and regulations of Medical Facility. It is the responsibility of Contractor to acquaint itself and such persons who may provide services hereunder with such rules and regulations. Contractor shall immediately and permanently withdraw any of its personnel from the provision of services hereunder upon receipt of oral or written notice from Director that (i) such person has violated such rules and regulations, or (ii) such person's actions, while on County premises, may harm County patients. Director shall provide Contractor with a written statement of the facts supporting any such violation or action.

7. STAFF PERFORMANCE WHILE UNDER THE INFLUENCE: Contractor shall not knowingly permit any person to perform services hereunder while under the influence of any alcoholic beverage, medication, narcotic or other substance that might impair his/her physical or mental performance.

8. CONTRACTOR PERFORMANCE DURING CIVIL UNREST OR DISASTER: Contractor recognizes that health care facilities maintained by County, including shelters and relief facilities operated by County during a disaster, provide care essential to the residents of the communities they serve, and that these services are of

particular importance at the time of a natural disaster or other similar event, or at the time of a riot, insurrection, civil unrest. Notwithstanding any other provision of this Agreement, Contractor and Contractor's radiologist(s) shall continue to provide services at County Facilities and, if requested to do so by Director, shall also provide services at County operated shelters and relief facilities during any natural disaster or other similar event, riot, insurrection or civil unrest, so long as such performance remains physically possible.

Director shall provide Contractor with an explanation of the services and responsibilities required of Contractor in the event of a disaster or civil unrest.

9. UNLAWFUL SOLICITATION: Contractor shall inform all of its officers, physician radiologists, employees and agents providing services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of the California Business and Professions Code (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of said provisions by its officers, physician radiologists, employees and agents. Contractor agrees that if a patient requests assistance in obtaining the services of an attorney, Contractor, its officers, physician radiologists, employees and agents will refer the patient to the attorney referral service of

those bar associations within Los Angeles County that have such a service.

10. CONFLICT OF INTEREST: No County officer or employee whose position in County enables him/her to influence the award or the administration of this Agreement or any competing agreement, and no spouse or economic dependent of such officer or employee, shall be employed in any capacity by Contractor herein, or have any other direct or indirect financial interest in this Agreement.

No officer or employee of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in County's approval, or ongoing evaluation, of such services, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict or interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to Director. Full written disclosure shall include, without limitation, identification of all persons involved and complete description of all relevant circumstances.

11. COVENANT AGAINST CONTINGENT FEES:

A. Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

B. For breach or violation of this warranty, County shall have the right to terminate this Agreement and, in its sole discretion, to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

12. COMPLIANCE WITH APPLICABLE LAW:

A. Contractor shall comply with all Federal, State, and local laws, ordinances, rules, regulations and directives applicable to its performance hereunder. Further, all provisions required thereby to be included in this Agreement are hereby incorporated herein by reference.

B. Contractor shall indemnify and hold harmless County, its officers, employees, and agents, from and against any and all loss, damage, liability or expense resulting from any violation on the part of Contractor, its officers, physician radiologists, employees or agents of such Federal,

State or local laws, ordinances, rules, regulations or directives.

13. FAIR LABOR STANDARDS: Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act, and shall indemnify, defend and hold harmless County, its officers, employees, and agents from any and all liability including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs and attorneys' fees arising under any wage and hour law including, but not limited to, the Federal Fair Labor Standards Act for services performed by Contractor's physician radiologists or employees for which County may be found jointly or solely liable.

14. EMPLOYMENT ELIGIBILITY VERIFICATION: Contractor warrants that it fully complies with all Federal statutes and regulations regarding employment of aliens and others, and that all its employees and physician radiologists performing services hereunder meet the citizenship or alien status requirements contained in Federal statutes and regulations. Contractor shall obtain, from all covered personnel performing services hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for all covered personnel for the period prescribed by law. Contractor shall indemnify, defend and hold harmless County, its officers and

employees from employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of Federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

15. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT: Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice 1015.

16. RESTRICTIONS ON LOBBYING: If any Federal monies are to be used to pay for Contractor's services under this Agreement, Contractor shall comply with all certification and disclosure requirements prescribed by Section 319, Public Law 101-121 (31 United States Code Section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully comply with all such certification and disclosure requirements.

17. COUNTY LOBBYISTS: Contractor and each County lobbyist or County lobbyist firm, as defined in Los Angeles County Code Section 2.160.010, retained by Contractor shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist

or County lobbyist firm retained by Contractor to fully comply with the County Lobbyist Ordinance shall constitute material breach of this Agreement upon which County may immediately terminate or suspend this Agreement.

18. MERGER PROVISION: The body of this Agreement, together with the Exhibits attached hereto, fully expresses all understandings of the parties concerning all matters covered and shall constitute the total Agreement. No addition to, or alteration of, the terms of this Agreement whether by written or verbal understanding of the parties, their officers, physician radiologists, employees or agents shall be valid unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties.

19. SEVERABILITY: If any provision of this Agreement, including any provision in an exhibit, or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

20. COUNTY'S QUALITY ASSURANCE PLAN: Director or his/her agent will evaluate Contractor's performance under this Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all contract terms and performance standards. Contractor deficiencies which County determines are severe or continuing and that may place performance of this Agreement in jeopardy if not corrected will

be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by Director and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Agreement or impose other penalties as specified in this Agreement.

21. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION:

A. Except as may be needed to affiliate medical personnel required under this Agreement, Contractor shall not delegate its duties under this Agreement, whether in whole or in part, without the prior written consent of County. Nor shall Contractor assign its rights hereunder, in whole or in part, without such County consent. Any assignment or delegation which does not have such prior County consent shall be null and void. For purposes of this Paragraph, such County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any billings to County by any delegatee or assignee on any claim under this Agreement, absent such County consent, shall not be paid by County. Any payments by County to any delegatee or assignee on any claim under this Agreement, in consequence of any such County consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off, recoupment, or other reduction for any

claims which County may have against Contractor, whether under this Agreement or otherwise.

B. Shareholders or partners, or both, of Contractor may sell, exchange, assign, divest, or otherwise transfer any interest they may have therein. However, in the event any such sale, exchange, assignment, divestment, or other transfer is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Agreement, then prior written consent thereof by County's Board of Supervisors shall be required. Any payments by County to Contractor on any claim under this Agreement shall not waive or constitute such County consent. Consent to any such sale, exchange, assignment, divestment, or other transfer shall be refused only if County, in its sole judgement, determines that the transferee(s) is (are) lacking in experience, capability, or financial ability to perform all Agreement services and other work. This in no way limits any County right found elsewhere in this Agreement, including, but not limited to, any right to terminate this Agreement.

22. SERVICE DELIVERY SITE - MAINTENANCE STANDARDS:

Contractor shall assure that the locations where services are provided under provisions of this Agreement are operated at all

times in accordance with County community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facilities shall include a review of compliance with the provisions of this Paragraph.

23. TERMINATION FOR IMPROPER CONSIDERATION: County may, by written notice to Contractor, immediately terminate the right of Contractor to proceed under this Agreement if it is found that consideration, in any form, was offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment, or extension of the Agreement, or the making of any determinations with respect to Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

Contractor shall immediately report any attempt by a County officer, employee, or agent to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the

County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

24. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County contracts are in compliance with their court-ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department ("CSSD") Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

25. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

Failure of Contractor to maintain compliance with the requirements set forth in the CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Paragraph immediately above, shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this Agreement pursuant to the TERM AND TERMINATION Paragraph of this Agreement, and pursue debarment of Contractor pursuant to County Code Chapter 2.202.

26. CONTRACTOR'S ACKNOWLEDGMENT OF COUNTY'S COMMITMENT TO CHILD SUPPORT ENFORCEMENT: Contractor acknowledges that County places a high priority on the enforcement of child support laws and the apprehension of child support evaders. Contractor understands that it is County's policy to encourage all County Contractors to voluntarily post County's "L.A.'s Most Wanted: Delinquent Parents" poster in a prominent position at Contractor's place of business. County's CSSD will supply Contractor with the poster to be used.

27. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM: Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from providing

services under any health care program funded by the Federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director within thirty (30) calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a Federally funded health care program; and (2) any exclusionary action taken by any agency of the Federal government against Contractor or one or more staff members barring it or the staff members from participation in a Federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any Federal exclusion of Contractor or its staff members from such participation in a Federally funded health care program.

Failure by Contractor to meet the requirements of this Paragraph shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement.

28. INTERPRETATION: This Agreement shall be interpreted in accordance with the laws of the State of California.

29. PROHIBITION AGAINST THE RECRUITMENT OF COUNTY EMPLOYEES: Except as may otherwise be expressly stated to the contrary herein, Contractor, and Contractor's employees, officers, agents, physician radiologists, or independent contractors, shall not hire, recruit, attempt to recruit, or cause to be recruited, any

County employee to become an employee of Contractor, while Contractor, its employees, officers, agents, physician radiologists, or independent contractors are at a County Medical Facility.

Any such attempt at hiring or recruitment of any County employee by Contractor, its employees, officers, agents, physician radiologists, or independent contractors shall constitute a material breach of this Agreement upon which County shall immediately terminate this Agreement.

30. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is County's policy to conduct business only with responsible contractors.

B. Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if County acquires information concerning the performance of Contractor on this or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided under this Agreement, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time not to exceed three (3) years, and terminate any or all existing contracts Contractor may have with County.

C. County may debar Contractor if the Board of Supervisors finds, in its discretion, that Contractor has done any of the following: (1) violated a term of a contract with County or a nonprofit corporation created by County, (2) committed any act or omission which negatively reflects on Contractor's quality, fitness, or capacity to perform a contract with County, any other public entity, or a nonprofit corporation created by County, or engage in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against County or any other public entity.

D. If there is evidence that Contractor may be subject to debarment, the Department will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether Contractor should be

debarred, and, if so, the appropriate length of time of the debarment. Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contract Hearing Board.

G. These terms shall also apply to any subcontractors of Contractor.

31. COMPLIANCE WITH HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996: The parties acknowledge the existence of the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations ("HIPAA"). Contractor understands and agrees 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, both internally and externally, including the training of its staff and the establishment of proper procedures

for the release of such information, and the use of appropriate consents and authorizations specified under HIPAA.

The parties acknowledge their separate and independent obligations with respect to HIPAA, and that such obligations relate to transactions and code sets, privacy, and security. Contractor understands and agrees that it is separately and independently responsible for compliance with HIPAA in all these areas and that County has not undertaken any responsibility for compliance on Contractor's behalf. Contractor has not relied, and will not in any way rely, on County for legal advice or other representations with respect to Contractor's obligations under HIPAA, but will independently seek its own counsel and take the necessary measures to comply with the law and its implementing regulations.

Contractor and County understand and agree that each is independently responsible for HIPAA compliance and agree to take all necessary and reasonable actions to comply with the requirements of the HIPAA law and implementing regulations related to transactions and code set, privacy, and security. Each party further agrees to indemnify and hold harmless the other party (including their officers, employees, and agents), for its failure to comply with HIPAA.

32. COMPLIANCE WITH JURY SERVICE PROGRAM:

A. Jury Service Program: This Agreement is subject to the provisions of the County's ordinance entitled Contractor

Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy:

(1) Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its employees shall receive from Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service served. Contractor's policy may further provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fee received for jury service.

(2) For purpose of this Paragraph, and as set forth in the Jury Service Program provision of the County Code as described hereinabove: "Contractor" shall mean a person, partnership, corporation, or other entity, that has a contract with County, or a subcontract with a County contractor, and has received, or will receive, an aggregate sum of Fifty Thousand Dollars (\$50,000) or

more in any twelve (12) month period under one (1) or more County contracts or subcontracts; "employee" shall mean any California resident who is a full-time employee of Contractor; and "full-time" shall mean forty (40) hours or more worked per week, or a lesser number of hours, if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time.

Full-time employees providing short-term temporary services of ninety (90) days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

(3) If Contractor is not required to comply with the Jury Service Program on the effective date of this Agreement, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time

either comes within the Jury Service Program's definitions of "contractor", or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the Agreement term, and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or that Contractor continues to qualify for an exception to the Jury Service Program. Contractor and its subcontractors, if applicable, may demonstrate their exemption, or compliance, with the above subject Jury Service Program by completing a "County of Los Angeles Contractor Employee Jury Service Program Application for Exemption and Certification Form" which should be obtained from, and returned to, Director within ten (10) calendar days before the effective date of this Agreement.

(4) Contractor's violation of this Paragraph of the Agreement may constitute a material breach of this Agreement. In the event of such breach, County may, in its sole discretion, terminate this Agreement and/or bar Contractor from the award of future County contracts for

a period of time consistent with the seriousness of the breach.

33. SAFELY SURRENDERED BABY LAW: Contractor shall notify and provide to each of its officers, employees, and agents, and shall require that each of Contractor's sub-contractors providing services under this Agreement also notify and provide to each of its officers, employees, and agents, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. County's fact sheet is available on the Internet at www.babysafela.org for printing and review purposes. Further, Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage Contractor and all of its subcontractors, providing services under this Agreement, if any, to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at their place of business. County's Department of Children and Family Services will supply Contractor with the poster to be used.

34. USE OF RECYCLED-CONTENT PAPER: Consistent with County's Board of Supervisors policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content bond paper and paper products to the maximum extent possible in connection with services to be performed by Contractor under this Agreement.