County of Los Angeles
CHIEF EXECUTIVE OFFICE
713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

September 4, 2007

REVISED

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

Dear Supervisors:

DEPARTMENT OF HEALTH SERVICES: REQUEST FOR APPROVAL OF ONE PROPOSITION A AGREEMENT FOR THE PROVISION OF OPHTHALMOLOGICAL SERVICES AT MARTIN LUTHER KING, JR.–HARBOR HOSPITAL (SUPERVISORIAL DISTRICT 2) (3 VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Make a finding pursuant to Los Angeles County Code section 2.121.420 that the Ophthalmological Services at Martin Luther King, Jr.-Harbor Hospital (MLK-Harbor) can more feasibly be performed by independent contractors;

2. Approve and authorize the Chair of the Board to sign one Proposition A agreement for the provision of ophthalmological services at MLK-Harbor with The Los Angeles Ophthalmology Medical Group, Inc., (LAOMG) effective upon Board approval through September 30, 2007, with a month-to-month extension through November 30, 2007 at a total maximum obligation of $298,800.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Effective June 30, 2007, the County's medical school affiliation agreement with the Charles R. Drew University of Medicine (Drew) ended. Under that agreement, and among other services, Drew was responsible for providing ambulatory and inpatient, as well as emergency room, ophthalmological clinical and surgical services at MLK-Harbor. To discharge its contractual obligation to the County, Drew subcontracted the responsibility to provide the services to the recommended contractor, LAOMG.

Approval of a contract directly between the County and LAOMG, Drew's former subcontractor, will assure continuity of care to MLK-Harbor's patients and permit MLK-Harbor to provide these services on a short term basis while it conducts a Request for Information (RFI) to determine whether alternative providers are available and interested.

FISCAL IMPACT/FINANCING

The total maximum obligation for the Agreement, including the month-to-month extension, is $298,800. Funding is included in the Fiscal Year 2007-08 Adopted Budget and will be requested in future fiscal years, if necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

For a number of years, Drew was responsible for the provision of ambulatory and inpatient, as well as emergency room, ophthalmological clinical and surgical services at MLK-Harbor. To discharge its contractual obligation to the County, Drew subcontracted the responsibility to provide oversight and training of Drew residents providing ophthalmology services to LAOMG, the recommended contractor.

Effective June 30, 2007, Drew's medical school affiliation agreement with the County ended, resulting in the lapse of these contracted services from July 1, 2007 through July 30, 2007. During this lapse period, a County physician provided only the most critical clinic, inpatient, and emergency services. The Department has been able, in conjunction with the Internal Services Department, to issue a Purchase Order, which has allowed MLK-Harbor to resume, effective July 31, 2007, the provision of services previously provided by Drew.

Approval of this Agreement will ensure that MLK-Harbor patients will be treated by the same physician group that formerly was responsible for the provision of these resident services, and will be the most expeditious means of providing services in the short term. In light of the most recent actions involving MLK-Harbor, the Agreement will provide only for outpatient clinic and surgical services. All other services, including inpatient and emergency, are no longer necessary.

The services will be provided in the subspecialty opthamology clinics where physical assessments will be performed to identify and treat eye diseases such as corneal, retinal and diabetic-related diseases. In addition, the contractor will perform outpatient surgical procedures for the treatment of various eye conditions involving, e.g., the cornea, retina and cataracts.

Finally, the Department is asking that your Board make a finding, pursuant to Los Angeles County Code section 2.121.420, that these physician services can more feasibly be performed by an independent contractor.

The Agreement may be terminated at any time by either party, upon a 30-day advance written notice to the other party. In the event that ophthalmology outpatient services are no longer needed, the Director may terminate this Agreement upon a 10-day written notice to the Contractor.

Attachment A provides additional information.

County Counsel has reviewed and approved Exhibit 1, as to use and form.

CONTRACTING PROCESS

Effective July 31, 2007, LAOMG is providing limited services under a Purchase Order. The Department intends to initiate an expedited RFI to determine whether alternative service providers would be able to provide this service. As such, the Department is recommending the proposed Agreement as a short term arrangement pending completion of the RFI.

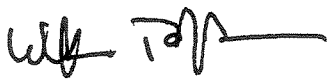
The Department has determined that these physician services are subject to the Proposition A guidelines. However, your Board recently approved an amendment to the Proposition A ordinance that permits contracting for physician services upon a determination that the use of an independent contractor is more feasible than the use of County employees. Based on the fact that the Department contracted with Drew for responsibility of these ophthalmological clinical and surgical services, and that Drew, in turn, subcontracted the responsibility to LAOMG because of the difficulty in recruiting such services in this geographical area, the use of an independent contractor in this case is more feasible than using County physicians. Accordingly, the Department is requesting that your Board find that the use of a contracted physician group is more feasible than using County physicians.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of this Agreement will permit the Department to provide vital outpatient services and ensure continuity of care for MLK-Harbor patients pending completion of a RFI.

When approved, the Department requires three signed copies of the Board's action.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:SAS
DJ:LT:bjs

Attachments (2)

c: County Counsel
Director and Chief Medical Officer, Department of Health Services

SUMMARY OF BOARD LETTER

1. Type of Service:

   Ophthalmology services at Martin Luther King, Jr.- Harbor (MLK-Harbor)

2. Address and Contact Person:

   The Los Angeles Ophthalmology Medical Group
   3737 Martin Luther King Jr. Blvd
   Suite 550
   Lynwood, CA 90262
   Attention: Richard Casey, MD
   Telephone: (310) 669-8845, Ext. 224

3. Term:

   Effective upon Board approval through September 30, 2007, with a month-to-month extension through November 30, 2007

4. Financial Information:

   The total maximum obligation, including the month-to-month extension, is $298,800. Funding is included in the Fiscal Year 2007-08 Adopted Budget and will be requested in future fiscal years, if necessary.

5. Accountable for Program Monitoring:

   MLK-Harbor Administration

6. Primary Geographic Area to be Served:

   2nd District

7. Approvals:

MLK-Harbor Administrator:	Barbara Franzreb
Contracts and Grants Division:	Cara O'Neill, Chief
County Counsel (approval as to form)	Sharon A. Reichman, Principal Deputy

OphthBLAttach

EXHIBIT 1

Contract No.

OPHTHALMOLOGY CLINIC AND SURGICAL SERVICES AGREEMENT

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

by and between COUNTY OF LOS ANGELES (hereafter "County"),

and THE LOS ANGELES OPHTHALMOLOGY MEDICAL GROUP, INC., (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 Martin Luther King, Jr. - Harbor (hereafter "MLK-H"); and

WHEREAS, a significant number of Ophthalmology Clinic and Surgical ("Ophthalmology") physician services must be available to meet the needs of sick or injured County patients requiring treatment at MLK-H; and

WHEREAS, County has determined that it has insufficient Ophthalmology physician staff to provide all of the necessary Ophthalmology services required for its patients at MLK-H; and

WHEREAS, for purposes of this Agreement, the term "physician staff" and "physician services" shall mean Board Eligible/Board Certified Physician/Specialists; and

WHEREAS, there is an immediate need at MLK-H for General Ophthalmology clinical services, and for urgent surgical Ophthalmology services; and

WHEREAS, County has further determined that contracting for Ophthalmology physician services to be provided hereunder is feasible; and

WHEREAS, Contractor is a provider of Ophthalmology physician services and is able to provide directly Ophthalmology physician coverage at MLK-H by physicians, all of whom are duly licensed and certified under the laws of the State of California to engage in the practice of their respective professions; and

WHEREAS, for purposes of this Agreement, the term "County Patient" shall mean a patient who seeks medical treatment from a County Department of Health Services facility and who is treated by County or County contracted staff at the County health care facility; 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 Board approval and shall continue in full force and effect to and including September 30, 2007, with the option of the Director of Health Services to extend the term on a month-to-month basis through November 30, 2007, at the rates currently set forth in Exhibit B, attached hereto and incorporated herein by reference.

If, within the term of this Agreement, either party terminates the Agreement for cause, then Contractor is prohibited from entering into an Agreement with the County for the same services at MLK-H within the Agreement term.

Notwithstanding the foregoing, this Agreement also may be terminated at any time by either party, upon the giving of at least thirty (30) calendar days' advance written notice thereof to the other party. County may also terminate this Agreement, upon giving of written notice at least ten (10) calendar days, in the event that Ophthalmology Outpatient services are no longer needed by MLK-H.

County may terminate this Agreement immediately if Contractor, or any of its officers, employees, or agents, including any one or more of its physicians fails 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 physicians engage in, or if County has reasonable justification to believe that Contractor, or such employees, or agents, including Contractor's physicians 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 ("DHS"), 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 MLK-H Administrator or his/her duly authorized designee.

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

All such inspections and reviews made at the Contractor's office(s) 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. MAXIMUM OBLIGATION: The Maximum Obligation for this Agreement for the term through September 30, 2007, shall not exceed one hundred fifty-one thousand two hundred dollars ($151,200). In the event the parties mutually agree to extend the Agreement term through November 30, 2007, the maximum obligation for the extension period shall not exceed one hundred forty-seven thousand six hundred dollars ($147,600). The total for this Agreement, including the two month extension, shall not exceed two hundred ninety-eight thousand eight hundred dollars ($298,800). The parties acknowledge that the Maximum Obligation reflects an Ophthalmology Clinic

volume requiring an anticipated maximum Contractor utilization of two physicians, eight hours per day, five days per week, for the months of August, September, October, and November 2007.

Notwithstanding the foregoing, Contractor agrees and understands that the County is under no obligation to guarantee a specific amount of patient volume in the Ophthalmology Clinic. Contractor understands that the County is not liable for overestimating or understating a projected amount of patients presenting in the Ophthalmology Clinic or Emergency Department of MLK-H .

4. DESCRIPTION OF SERVICES: Contractor shall provide OPTHALMOLOGY medical services, as described in Exhibit "A", attached hereto and incorporated herein by reference, at MLK-H.

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

MLK-H is required to maintain patient and other records for physicians providing services at MLK-H, including those for Contractor and Contractor's physicians. Such records may include, but are not limited to: Physician Time Allocation Survey and Medicare Penalty Statement. Contractor shall fully cooperate with MLK-H in completing such records whenever requested by Administrator to do so.

6. NONEXCLUSIVITY: County acknowledges that Contractor shall be the exclusive provider to County at MLK-H of the services to be provided under this Agreement. Notwithstanding the foregoing, the parties acknowledge that the County

has, or may enter into, contracts with other providers for the provision of services, including Ophthalmology services, at its other facilities. Contractor agrees to provide County during the term of this Agreement with the services in Exhibit "A".

7. 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 physicians. 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 physicians 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 physicians 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 physicians pursuant to this Agreement.

D. Contractor shall inform all of its physicians 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.

8. SUBCONTRACTING:

A. For purposes of this Agreement, all subcontracts must first be approved in writing by Director. Contractor's written request to Director for approval to enter into a subcontract shall be made at least thirty (30) calendar days prior to the subcontract's proposed effective date, and shall include:

(1) Identification of the proposed subcontractor (who shall be licensed as appropriate for provision of subcontract services);

(2) A copy of the proposed subcontract, which includes the payment amount. (Any later modification of such subcontract shall take the form of a formally written subcontract amendment which also must be approved in writing by Director in the same manner as described above, before such amendment is effective.);

(3) Any other information and/or certification(s) requested by Director.

B. Director shall review Contractor's request to subcontract and shall determine, in his/her sole discretion, whether or not to consent to such a request on a case-by-case basis.

C. Subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. The making of subcontracts hereunder shall not

relieve Contractor of any requirement under this Agreement, including, but not limited to, the duty to properly supervise and coordinate the work of subcontractors. Further, Director's approval of any subcontract shall also not be construed to limit in any way, any of County's rights or remedies contained in this Agreement.

D. In the event that Director consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments or other compensation to all subcontractors, and their officers, employees, and agents.

E. In the event that Director consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, or any subcontractor, or to any officers, employees, or agents, of Contractor, or any subcontractor, for any liability, damages, costs, or expenses, arising from or related to County's exercising of such a right.

F. Subcontracts shall contain the following provision: "This contract is a subcontract under the terms of a prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract." Further, Contractor shall also reflect as subcontractor requirements in the subcontract form all of the requirements of Paragraphs 4, 5, 6, 9, and 10 of this Agreement as well as all of the provisions of the Additional Provisions.

Contractor shall deliver to Director a fully executed copy of each subcontract entered into by Contractor, as it pertains to the provision of services under this Agreement, on or immediately after the effective date of the subcontract, but in no event, later than the date any services are to be performed under the subcontract.

G. Director is hereby authorized to act for and on the behalf of County pursuant to this Paragraph, including but not limited to, consenting to any subcontracting.

9. COUNTY PROFESSIONAL LIABILITY INDEMNIFICATION:

A. County shall indemnify, defend, and save harmless Contractor, its officers, and employees (for purposes of this Paragraph hereafter collectively referred to as "Contractor") from liability, expense and claims for damages resulting from or related to a medical incident arising out of the provision of contract services hereunder. For purposes of this Agreement, a medical incident shall mean any act or omission in the rendering of, or failure to render, medical services, or treatment to County patients by Contractor, at County's MLK-H, in the performance of Contractor's professional obligations under this Agreement.

B. County's indemnification of Contractor hereunder shall only apply to payments of settlements, judgments, and awards to third parties, including legal defense expenses. County's indemnification of Contractor hereunder shall further only arise if Contractor's liability is to a County patient or the patient's representative, and the patient, at the time of the medical incident, was assigned to the care of Contractor. To the extent that County is obligated to provide an

indemnification program hereunder, County will also provide claims administration and legal defense on behalf of Contractor.

C. Contractor shall give prompt telephonic notice (within twenty-four [24] hours) to MLK-H's Risk Manager of any incident, action, or claim to which Contractor reasonably believes this indemnification applies and shall fully cooperate with County and its claims representatives, in any defense, settlement, or other disposition of such incident, action, or claim. Such telephonic notice shall be immediately followed by written notice to MLK-H's Risk Manager. Such written notice shall include all of the information listed in County's Risk Management form. Contractor hereby acknowledges receipt of said County Risk Management form.

D. County reserves the right to investigate any incident, action, or claim. In such event, Contractor shall allow County representatives access to the medical records and reports pertaining to the services provided to any County patient involved in such incident, action, or claim. Contractor shall also allow County representatives access to its employees and agents, if any, who provided services to the County patients involved in such incident, action, or claim.

County's agents, as designated by Director, will consult with Contractor regarding the disposition of any action or claim hereunder. However, County reserves the right to determine the final disposition of any action or claim. In the event Contractor does not agree with County's agents in any defense, settlement, or other disposition of such action or claim, Contractor may pursue defense, settlement, or other disposition of such action or claim independently

and County's indemnification obligation with respect to such action or claim shall immediately terminate. In such event, County shall have no financial obligation on behalf of Contractor for liability, expenses, including legal defense fees and expenses, or payments of settlements, judgments, awards, or damages arising out of the medical incident.

E. County shall have no indemnification responsibility or liability for any incident, action, or claim against Contractor if Contractor has failed to fully and reasonably cooperate with County and its agents in the defense, settlement, or other disposition of such incident, action, or claim.

In addition, County shall have no indemnification responsibility or liability for any incident, action, or claim against Contractor by patients or their legal representatives, other than those covered specifically by this Agreement. Moreover, this indemnification shall not cover Contractor's damages or expenses arising out of Contractor's willful or criminal misconduct, nor shall it cover the award of any punitive damages.

F. The provisions of this Paragraph shall survive the expiration or earlier termination of this Agreement for actions or claims against Contractor.

10. COUNTY GENERAL LIABILITY INDEMNIFICATION: As part of County's consideration under this Agreement, County shall indemnify, defend, and save harmless Contractor, its officers, and employees (in this Paragraph hereafter collectively referred to as "Contractor") from general liability, expense, and claims for damages of third parties resulting from or directly related to the provision of services at County's MLK-H to County patients under this Agreement, except that this indemnification shall not

extend to Contractor's willful or criminal misconduct or to any Contractor actions which result in the imposition of punitive damages. Nor shall this indemnification cover claims or actions against Contractor arising from Contractor's or his or her employees' negligent use of an automobile or other motor vehicle.

11. CONTRACTOR INDEMNIFICATION: With the exception of the professional liability indemnification and the general liability indemnification provided by County, as stated above, 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.

12. GENERAL INSURANCE REQUIREMENTS: Without limiting County's indemnification of Contractor, and during the term of this Agreement, Contractor shall provide 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 County, and such coverage shall be provided and maintained at Contractor's own expense.

A. Evidence of Insurance: Certification(s) or other evidence of coverage 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.

(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) Pursuant to Paragraph 11, INSURANCE COVERAGE REQUIREMENTS, 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, 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.

13. INSURANCE COVERAGE REQUIREMENTS:

A. General Liability Insurance. If Contractor maintains a private medical practice and County patients will receive services at the Contractor's private practice location(s), then Contractor also shall maintain general liability insurance (written on 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. Professional Liability Insurance: Consistent with MLK-H's Professional Staff Associations' Bylaws governing physician services, if Contractor maintains a private medical practice and admits and treats his or her private patients at MLK-H, or if Contractor maintains a private medical practice and County patients will receive services at the Contractor's private practice location(s), then Contractor shall provide for herself/himself/itself a program of medical malpractice insurance or errors and omissions 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-year reporting period commencing upon termination or cancellation of this Agreement.

If Contractor does not maintain a private medical practice and does not admit or treat private patients at County's MLK-H, or if Contractor maintains a private medical practice, but does not treat County patients at Contractor's private practice location(s), then Contractor need not provide for herself/himself/itself a program of malpractice insurance or errors and omissions insurance to cover services provided under this Agreement.

D. Workers Compensation and Employer's Liability Insurance: If Contractor utilizes any of its employees or agents in the provision of any medical services at MLK-H hereunder, as set forth in Exhibit "A", Paragraph 4, then Contractor shall provide 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

14. 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.

15. 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

B. Notices to Contractor shall be addressed as follows:

The Los Angeles Ophthalmology Medical Group, Inc.,
3737 Martin Luther King Jr. Blvd.
Suite 550
Lynwood, California 90262

Attention: Richard Casey, M.D.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its Chair of the Board,

/
/
/
/

/

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 _____
Chairman of the Board of Supervisors

ATTEST:

Sachi A. Hamai
Executive Officer, Board of Supervisors

By _____

CONTRACTOR

THE LOS ANGELES OPHTHALMOLOGY
By MEDICAL GROUP, INC.
(Printed Name) Richard Casey

By _____
(Signature)

Title _____
(AFFIX CORPORATE SEAL HERE)

APPROVED AS TO FORM:

Raymond G. Fortner, Jr.
County Counsel

By _____
Deputy County Counsel

DEPARTMENT OF HEALTH SERVICES

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

EXHIBIT A

DESCRIPTION OF SERVICES

OPHTHALMOLOGY CLINIC AND SURGICAL SERVICES AGREEMENT

1. DEFINITIONS: All DEFINITIONS below are applicable to this Exhibit "A", Exhibit "B", and Attachment "A" only.

A. Shift: A shift consists of eight consecutive hours. There are two (2) shifts in a sixteen (16) hour day.

B. Physician: A physician who is Board Certified or Board Eligible in the specialty of Ophthalmology.

C. Patient Visit: "Patient visit" shall mean a face-to-face encounter between a patient and a physician who shall exercise independent judgment in the provision of preventive, diagnostic or treatment services. A "patient visit" shall be evidenced by a completed Encounter Form, substantially similar to the HCFA 1500, the 937P, or other forms requiring comparable Encounter Data, a copy of any such form shall be placed in the patient's medical record.

D. Clinic Services: "Clinic Services" shall mean those patient visits provided in a General Ophthalmology clinical setting. Clinic Services shall be provided on a five (5) day per week basis, Monday through Friday, for up to one shift (eight [8] consecutive hours) per day. During the term of this Agreement, Contractor shall provide Clinic Services, including urgent and surgical procedures. Contractor shall not provide elective surgical procedures. However, Contractor shall perform urgent and emergent surgical procedures in order to

preserve vision or prevent irreversible vision loss.

2. SERVICES TO BE PROVIDED: Contractor shall arrange for the provision of Ophthalmology ("Ophthalmology") medical services at MLK-H by Contractor's physicians. Such services shall include at a minimum, but not be limited to, the following:

A. Ophthalmology Clinic: Provision of one (1) or two (2) physicians for clinic coverage for weekdays for the months of August, 2007 and September, 2007 – not including Monday, September 3, 2007 - Labor Day, October 8, 2007 - Columbus Day, November 12, 2007 - Veterans Day, and November 22 and 23, 2007 - Thanksgiving Holiday. Labor Day, Columbus Day, Veterans Day and Thanksgiving Holiday shall be considered weekend days.

B. Administrative Services: Administrative services shall be provided in the form of an Ophthalmology Medical Director who will serve as the primary contact between Contractor and MLK-H. Contractor's Medical Director or designee shall be available either on-site or by telephonic contact on a sixteen (16) hour/seven (7) day basis. Contractor shall also provide additional administrative staff, as Contractor determines, to perform services required under this Agreement.

C. Both parties to this Agreement acknowledge that Contractor's ability to staff Ophthalmology services at MLK-H is partially related to the Ophthalmology service volume. County agrees to promptly (within 24 hours) notify Contractor of any decision that will impact the service volume in any way.

D. Contractor shall ensure the managing, discharging of, and

consulting for Ophthalmology outpatients at MLK-H, to include after-hour (weekend, holidays, etc.) review and disposition of critical and abnormal laboratory and radiology tests results for MLK-H Ophthalmology Clinic outpatients treated earlier. Only physicians meeting the County's criteria outlined hereunder and who are acceptable to MLK-H's Administrator shall be assigned to MLK-H.

E. Monitoring of Ophthalmology Facility Quality Indicators: County agrees to support the prompt adoption of standardized order sets and forms that have been developed and/or reviewed by Contractor's Medical Director and approved by Administrator in order to ensure that evidence based practice guidelines are developed and implemented.

F. Referrals: In the event that the physician on duty determines that there is an immediate need for a higher level of care, Contractor shall initiate the appropriate referral of the outpatient to another appropriate institution which provides the required level of care, in a timely fashion.

G. Ophthalmology medical services shall be performed only for County patients and shall be under the direction of MLK-H's Medical Director. MLK-H shall retain professional and administrative responsibility for the services provided under this Agreement. Such services include, but are not limited to, the following: Ophthalmology medical services as set forth in this Paragraph 2, with specific times, places, and dates scheduled in advance, in writing, and agreed upon by MLK-H's Medical Director, or his designee, and Contractor's Ophthalmology Medical Director.

3. CONTRACTOR RESPONSIBILITIES:

A. Business License: Contractor and/or Contractor's Owner and major Shareholder shall provide evidence that it has, for a minimum of two (2) years, been in business as a provider of ophthalmology medical services described in this Agreement. Prior to the execution of this Agreement, Contractor shall provide the Department of Health Services "(DHS"), Contracts and Grants Division, with a copy of its current business license(s) and appropriate Employer Identification Number.

B. Physician License: Contractor shall ensure that each of its Physicians is duly licensed to practice medicine in the State of California, and Board certified or Board eligible in his or her particular specialty. Contractor shall assure that the physicians who agree to provide services through Contractor hereunder shall at all times meet the minimum professional qualifications for his/her specialty, as defined by MLK-H.

C. Coverage: Contractor shall ensure that there is physician coverage as described in Section 2(A), Ophthalmology Clinic above, in the Ophthalmology of MLK-H. Such coverage shall include sufficient on-site, full time physicians, to provide medical services to the Ophthalmology of MLK-H. "Sufficient staff" means that at least one physician shall provide on-site coverage for each shift in the Ophthalmology Clinic. The Ophthalmology physicians shall be responsible for all Ophthalmology medical services including, but not limited to, those outpatient care services listed herein.

Physicians in the Ophthalmology shall render medical services within the community standards of medical practice to patients arriving at the Ophthalmology. Physicians shall screen, provide treatment as necessary to stabilize each patient's condition, and recommend follow-up care to patients, as appropriate.

D. Medical Staffing: Contractor shall provide staffing for Ophthalmology which shall include, at a minimum, sufficient staff (physicians) to provide clinical medical services. Administrative staff shall be provided as Contractor determines.

Staff shall include, at a minimum:

Ophthalmology Clinic

1 Physician for each Ophthalmology Clinic shifts, i.e., five (5)days per week, one (1) shift per day.

E. Maintenance of Standards: Contractor shall maintain the standards necessary for accreditation and California Code of Regulations, Title 22, and Federal Medicare conditions of participation compliance for the physician components of the applicable services.

Contractor shall perform all services hereunder 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 MLK-H, and of the professional staff association of MLK-H.

Contractor shall ensure that all physicians providing medical services hereunder shall be in conformance with the continuing education requirements established by The Joint Commission.

F. Ophthalmology Medical Director: Contractor shall designate an Ophthalmology Medical Director who will be the principal point of contact with the County. The appointment of the Ophthalmology Medical Director shall be approved by MLK-H's Administrator.

The Ophthalmology Medical Director shall be duly licensed to practice medicine in the State of California, and Board certified. The Ophthalmology Medical Director shall have demonstrated outstanding clinical, management, leadership and communication skills. The Ophthalmology Medical Director shall have the ability to work effectively with other medical personnel and to participate in diverse management teams. Further, the Ophthalmology Medical Director shall demonstrate general business and financial management skills, including expertise in risk management, compliance, COBRA and The Joint Commission issues, as applicable, and customer service.

G. Professional Services Billing Contractor, including its principals and Ophthalmology personnel, 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 Ophthalmology personnel take all steps necessary to assign to County their rights to payment by any patient or third party payor, including Medicare and Medi-Cal.

H. Financial Screening Staff: Contractor shall cooperate with County's efforts to identify the patient's financial resources in the Ophthalmology, to the extent allowed by law.

I. Recruitment:

1. 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 MLK-H. Contractor shall also query the National Data Bank and State Medical Board on each physician candidate, prior to providing services hereunder, and report to MLK-H's Administrator all adverse reports related to medical malpractice and disciplinary action involving that physician.

2. Contractor shall provide MLK-H with 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 MLK-H's staff designated by the Administrator.

J. Infection Control: If any of Contractor's physicians 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 MLK-H Infection Control Department or its successor to each facility where the physician 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 during the usual incubation period for such infectious disease, the 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.

K. Physical Examinations/Immunizations: Contractor shall ensure that each physician 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 Joint Commission 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 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.

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

L. Department Of Health Services Risk Management Information Handbook: Contractor's physicians assigned to MLK-H 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.

M. Quality Indicators: Contractor shall participate in MLK-H's Quality Improvement Program ("QIP") and shall establish Quality Indicators in conjunction with MLK-H's QIP. Examples of such Quality Indicators may include, but not be limited to, the following:

1. Patient Satisfaction Surveys
2. Ophthalmology Clinic Waiting Time
3. Accuracy and Timeliness of Medical Record completion
4. Contractor-Staff (e.g., nursing, clerical, and ancillary, etc.) relationships surveys
5. Patient Elopement

N. Written Schedule: Contractor's Ophthalmology Medical Director shall prepare, on a monthly basis and in consultation and collaboration with MLK-H's Medical Director or his designee, a written schedule of Ophthalmology coverage for shifts requiring Contractor coverage. Such schedule shall be presented in duplicate for review and approval by the MLK-H Medical Director prior to the first day of the scheduling month.

O. Invoice: Contractor shall provide County with a complete invoice on a monthly basis in accordance with Exhibit "B", in order to receive payment from County.

P. Other: Contractor shall ensure that its physicians provide nontraditional services in Ophthalmology to include, but not be limited to, phone consultations with emergency physicians and pharmacies regarding patient prescriptions.

4. PHYSICIAN REQUIREMENTS:

A. Licenses: All physicians providing medical services hereunder shall provide MLK-H Administrator with a copy of all current licenses, credentials, and certifications, as appropriate, at the time such physician is first assigned to said County Facility.

All physicians providing medical services hereunder must meet the credentialing criteria set forth in the credentialing process prior to providing medical services under this Agreement. The MLK-H Administrator shall verify the current status of each physician's license, medical clearance(s), credentials, and certifications, as appropriate, when such physician is first assigned to such

MLK-H. MLK-H shall refuse utilization of any physician who does not meet MLK-H's credentialing criteria and/or whose license, credentials, and certifications, as appropriate, are not current.

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

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 physicians providing services hereunder must read and sign a statement that she/he has read the Occupational Safety and Health Administration ("OSHA") Bloodborne Pathogens Programmed Instruction packet prior to providing services under this Agreement. Cardio-Pulmonary Resuscitation Certification: If not Board certified, all physicians 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.

C. Contractor shall ensure that its physicians fully cooperate with MLK-H in completing certain records, as requested by Administrator. Such records may include, but are not limited to: Physician Time Allocation Survey,

Professional Services Assignment Agreement, and a Medicare Penalty Statement.

5. COUNTY RESPONSIBILITIES:

A. County shall provide all needed nursing and support staff for the Ophthalmology at MLK-H. County shall also provide all needed ancillary services for the Ophthalmology at MLK-H to include, but not be limited to,

1. general laboratory support
2. radiological imaging support
3. pharmaceutical and surgical supplies
4. pharmacy support
5. digital imaging and angiography services
6. materials management and medical records supplies
7. ocular pathology for all histo-pathological specimen analyses for surgical special evaluation

B. Medical Director of MLK-H shall assure that Ophthalmology medical services, as identified on the Contractor's monthly written schedule, were indeed provided and that MLK-H maintains appropriate time records to reflect the provision of same. MLK-H shall maintain such schedules throughout the Agreement term and for a period of five years thereafter for the purposes of inspection and audit.

C. County shall pay Contractor in accordance with the procedures in Exhibit "B", BILLING, PAYMENT AND SCHEDULE OF RATES, attached hereto.

D. County shall provide supplies, desk, telephone, and other clerical supplies for physicians' usage.

6. PERSONNEL:

A. MLK-H's Administrator may refuse the provision of service by, or the assignment of, any of Contractor's personnel, in his or her sole discretion, during the term of this Agreement. Contractor agrees to accept and abide by any decision of MLK-H and promptly shall remove any such personnel from service under this Agreement. After prompt removal of such personnel by Contractor, Contractor may appeal the MLK-H decision within five (5) calendar days of prompt removal of such personnel, in writing to the Department's Medical Director, whose decision shall be final.

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

In any of the above cases, Contractor may bill MLK-H for the actual hours worked by said individual prior to his/her removal.

B. The intent of the parties is to communicate in good faith regarding problems involving Contractor-assigned personnel.

C. MLK-H may refuse assignment of a physician who has previously been requested to be removed from the provision of services by any other County facility.

D. Contractor shall establish appropriate policies and procedures regarding initial and follow-up procedures for Contractor's personnel who experience an industrial accident (e.g., needle stick) while working at County Facility. In the event one of Contractor's personnel receives a needle stick, such

physician may seek immediate medical care at MLK-H at Contractor's expense. Follow-up for personnel 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.

7. STANDARDS OF CARE:

A. 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.

8. PARKING SPACE: When providing services at a MLK-H hereunder, Contractor's personnel shall be furnished by Administrator with a maximum of two assigned parking areas at the MLK-H, if available.

Ophthalmology:ier
8/16/07

EXHIBIT B

BILLING, PAYMENT AND SCHEDULE OF RATES

OPHTHALMOLOGY CLINIC AND SURGICAL SERVICES AGREEMENT

1. BILLING AND PAYMENT: Contractor shall bill County monthly 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 Ophthalmology Clinic And Surgical Services Agreement ("Ophthalmology") services (procedures) provided, name of the personnel who provided services, dates, the number of hours services were provided, the number of patient visits on a daily basis – by provider, including the provider's name and staff position, the total number of patient visits provided in the billing period, and any other charges or credits, as set forth in this Agreement. All invoices must be accompanied by a completed written schedule, as referenced in Exhibit "A" paragraph 3., CONTRACTOR RESPONSIBILITIES, N, for the billing month.

Billings shall be made and forwarded to Martin Luther King, Jr.- Harbor ("MLK-H") to the attention of the Expenditure Management Division promptly on a monthly basis. 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 MLK-H, will be returned to Contractor for correction before payment is made.

A. Contractor shall fully cooperate with Medical Facility staff, and the staff of the County's Treasurer-Tax Collector or any County billing and collection contractor, in billing third-party payers and patients for care provided by Contractor hereunder.

B. In the event this Agreement is suspended, canceled, or terminated, County's payment obligation above shall cease as of the date of such suspension, cancellation, or termination. All unpaid past due balances, including payment for all unpaid services provided according to the terms of this Agreement, shall be due and payable at the time of termination.

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

Contractor agrees that County will bill for all third party payors for patients receiving medical services under this Agreement, and that Contractor has no claim on such third party payments.

3. ENCOUNTER DATA: Contractor shall ensure that its physicians fully cooperate with MLK-H in the billing processes which include completing patient Encounter Data, as requested by Administrator. Such Encounter Data shall be substantially similar to the HCFA 1500, the 937P, or other forms requiring comparable Encounter Data.

4. PAYMENT AMOUNT: County shall compensate Contractor for all Ophthalmology services provided to County patients hereunder in accordance with the provisions below:

County's reimbursement to Contractor, for the months of August 2007 and September 2007, shall be calculated as follows:

August 2007 (Full Month's Funding)

	AMOUNT
1. Clinic Services 2 physicians; 8 hours per day; 23 days $225 per hour	$82,800

September 2007

1. Clinic Services 2 physicians; 8 hours per day; 19 days $225 per hour	$68,400
Total	$151,200

October 2007 – Optional Extension Month

1. Clinic Services 2 physicians; 8 hours per day; 22 days $225 per hour	$79,200

November 2007 – Optional Extension Month

1. Clinic Services 2 physicians; 8 hours per day; 22 days $225 per hour	$68,400
Grand Total (with expansion)	$298,800

MLK-H Medical Director shall assure that such medical services were indeed provided and that MLK-H maintains appropriate time records and Encounter Data to reflect the provision of same.

Contractor agrees that should any physician 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, and neither party shall have any claim against County for such services.

County's maximum obligation to Contractor for Ophthalmology services, as set forth in Exhibit "A", shall not exceed two hundred ninety-eight thousand eight hundred dollars ($298,800) during the term of this Agreement.

Contractor shall be available to provide Ophthalmology Services in MLK-H's Ophthalmology Clinic eight (8) hours a day, five (5) days a week. On-site, full-time physicians shall be provided for Ophthalmology.

Ophthalmology:ier
8/16/07

OPHTHALMOLOGY CLINIC AND SURGICAL SERVICES AGREEMENT

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ADDITIONAL PROVISIONS

OPHTHALMOLOGY CLINIC AND SURGICAL SERVICES AGREEMENT

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 ophthalmologists. 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. <u>County Audit Settlements</u>: 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 by 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. Contractor shall allow County representatives access to its employment records during regular business hours to verify compliance with these provisions when so requested by Director. Prior to any such inspection, Contractor may remove personal employee information from such records, which

is protected under the privacy laws of the State of California. To the extent any such information may come into the possession of County during such an inspection, County hereby promises to protect same from disclosure to third parties.

E. 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.

F. 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.

G. 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 ophthalmologists 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 MLK-H, such persons shall be subject to the rules and regulations of MLK-H. 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 ophthalmologist(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 ophthalmologists, 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 ophthalmologists, employees and agents. Contractor agrees that if a patient requests assistance in obtaining the services of an attorney, Contractor, its officers, physician ophthalmologists, 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 ophthalmologists, 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 ophthalmologists 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 ophthalmologists 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 statues 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 ophthalmologists, 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. CONTRACTOR'S WILLINGNESS TO CONSIDER COUNTY'S EMPLOYEES FOR EMPLOYMENT: Contractor agrees to receive referrals from County's Department of Human Resources of qualified permanent employees who are targeted for layoff or qualified former employees who have been laid off and are on a re-employment list during the life of this Agreement. Such referred permanent or former County employees shall be given first consideration of employment as Contractor vacancies occur after the implementation and throughout the term of this Agreement.

Notwithstanding this or any other provision of this Agreement, the parties do not in any way intend that any person shall acquire any rights as a third party beneficiary of this Agreement.

21. CONSIDERATION OF COUNTY'S DEPARTMENT OF PUBLIC SOCIAL SERVICES ("DPSS") GREATER AVENUES FOR INDEPENDENCE ("GAIN") PROGRAM OR GENERAL RELIEF OPPORTUNITY FOR WORK ("GROW") PARTICIPANTS FOR EMPLOYMENT: Should Contractor require additional or replacement personnel after the effective date of this Agreement, Contractor shall give consideration for any such employment openings to participants in County's GAIN or GROW program(s), who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to Contractor.

In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

22. 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.

23. 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 judgment, 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.

24. 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.

25. 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.

26. 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).

27. 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.

28. 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.

29. 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.

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

31. 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 ophthalmologists, 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 ophthalmologists, or independent contractors are at a County MLK-H.

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

32. 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.

33. 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.

34. 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.

35. 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.

36. 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.

37. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF AGREEMENT: Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Agreement. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.

38. COMPLIANCE WITH CIVIL RIGHTS LAWS: Contractor hereby assures that it will comply with all applicable provisions of the Civil Rights Act of 1964, 42 U.S.C. Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Agreement or under any project, program, or activity supported by this Agreement.

39. TERMINATION FOR DEFAULT:

A. The County may, by written notice to Contractor, terminate the whole or any part of this Agreement, if, in the judgment of the Director:

(1) Contractor has materially breached this Agreement;

(2) Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Agreement; or

(3) Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Agreement, or of any obligations of this Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

B. In the event that the County terminates this Agreement in whole or in part as provided in Sub-paragraph 39A above, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. Contractor shall continue the performance of this Agreement to the extent not terminated under the provisions of this sub-paragraph.

C. Except with respect to defaults of any subcontractor, Contractor shall not be liable for any such excess costs of the type identified in the subparagraph above if its failure to perform this Agreement arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal

or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather, but in every case, the failure to perform must be beyond the control and without the fault or negligence of Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without the fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Subparagraph 39C, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.

D. If, after the County has given notice of termination under the provisions of this Sub-paragraph 39C, it is determined by the County that Contractor was not in default under the provisions of this Sub-paragraph 39C, or that the default was excusable under the provisions of Sub-paragraph 39B, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Sub-paragraph 39A.

E. The rights and remedies of the County provided in this Sub-paragraph 39 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

40. CONFLICT OF TERMS: To the extent that any conflict exists between the language of the body of this Agreement and of the language of the exhibits attached hereto, the former shall govern and prevail.

Ophthalmology:ier
7/24/07