



County of Los Angeles
CHIEF EXECUTIVE OFFICE

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(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

April 8, 2008

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

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES: APPROVAL OF OVERFLOW MEDICAL
RECORDS CODING AND ABSTRACTING SERVICES AGREEMENTS
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director, or his designee, to execute nine agreements with the qualified agencies identified in Attachment A for the continued provision of overflow medical records coding and abstracting services at Department of Health Services (DHS or Department) facilities, effective May 1, 2008 through April 30, 2009, with four automatic one-year renewals through April 30, 2013, at a total estimated first-year cost of \$9,364,616.
2. Delegate authority to the Director, or his designee, to offer and execute medical records coding and abstracting services agreements to other licensed and qualified agencies under the same terms and conditions, if necessary to meet service needs, subject to review and approval by County Counsel, the Chief Executive Office, and notification to the Board.
3. Authorize the Director, or his designee, to execute and approve Cost-of-Living Adjustments (COLAs), at the Director's discretion, consistent with the Board's COLA policy.
4. Delegate authority to the Director, or his designee, to terminate with or without cause any of the agreements with the agencies as necessary. The required action will be approved by County Counsel and the Chief Executive Office prior to their execution, with notification to the Board.

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

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The primary purpose of the recommended actions is to obtain the Board's approval of nine agreements with qualified agencies for the provision of overflow medical records coding and abstracting services for DHS facilities, and delegate authority to the Director, or his designee, to offer and execute medical records coding and abstracting services form agreements, substantially similar to Exhibit I, with any licensed and qualified agencies to ensure the needs of the Department are met. Any new contractors will be evaluated by DHS to ensure that the minimum qualifications required by the Qualification Process (QP) are met.

DHS Health Care Workforce Development Program, in collaboration with SEIU Local 721, implemented a Health Information Technology (HIT) Training and Placement program designed to prepare County employees for placement in medical records coding positions within the department, in an effort to reduce reliance on registry staff. Since the programs inception, 91 DHS employees have gone through the Basic HIT Coding programs, 41 have been promoted to HIT items. DHS is processing an additional 23 graduate applications.

Board approval of the recommended actions will ensure uninterrupted overflow medical records coding and abstracting services at DHS facilities while the Department continues to work with labor-management to train and mentor HIT staff within DHS to fill vacant County positions.

The four existing agreements are slated to expire on April 30, 2008.

FISCAL IMPACT/FINANCING

Expenditures for overflow medical records coding and abstracting services for the period of May 1, 2008 through April 30, 2009 are estimated to be \$9,364,616. Funding for the agreements is included in the Department's Fiscal Year 2007-08 Final Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Medical records coding and abstracting services are specialized diagnostic and operative coding and abstracting services, including tumor registry coding and abstracting, and cancer surveillance reporting. Patients' medical records are audited, coded and abstracted in accordance with established numerical coding systems and special hospital coding systems. Without proper coding of these procedures, DHS would not be reimbursed for various medical procedures.

This is a re-solicitation and there is no employee impact. Contractors are required to comply with all standard County contracting requirements, including: 1) Indemnification and Insurance provisions approved by CEO Risk Management; 2) Safely Surrendered Baby Law; 3) HIPAA requirements; 4) No Payment for Services Following Expiration; 5) Charitable Activities Compliance; and 6) Transitional Job Opportunities Program.

Honorable Board of Supervisors
April 8, 2008
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The term of the agreements will commence on May 1, 2008 and remain in effect through April 30, 2009, with four automatic one-year renewals through April 30, 2013. The agreements include provisions for termination with or without cause, upon 10 calendar days' prior written notice to the Contractor and 30 calendar days' prior written notice by the Contractor.

Contract monitoring functions will continue to be performed by the DHS Facilities.

The Agreement (Exhibit I) has been approved as to use and form by County Counsel.

CONTRACTING PROCESS

On September 18, 2007, the Department released a QP for the provision of overflow medical records coding and abstracting services. By the November 7, 2007 deadline, DHS received nine Statements of Qualifications (SOQs). The SOQs were evaluated by a DHS evaluation committee. All nine agencies met the minimum qualifications of the QP. Three agencies are existing contractors. The evaluation committee has recommended award of an agreement to each of the agencies listed on Attachment A.

The QP was advertised in local newspapers and posted on the County Website and DHS' Website.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will ensure the continued provision of overflow medical records coding and abstracting services for DHS facilities.

CONCLUSION

When approved, the Department of Health Services requires two signed copies of the Board's action.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:SAS
MLM:DH:bjs

Attachments (2)

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

OVERFLOW MEDICAL RECORDS
CODING AND ABSTRACTING SERVICES AGREEMENTS

1. AE and Associates, LLC
1390 West Sixth Street Pai Plaza
Unit 120
Corona, CA 92882
Arnaldo T. Ardevela, President
Telephone: (951) 278 3477
Email: arnoldaeassollic@aol.com
2. JENN International, Inc. dba
Jenn International Personnel Agency
3250 Wilshire Blvd., Suite 926
Los Angeles, CA 90010
Jennifer B. Oracion, President and CEO
Telephone: (213) 338-1688
Email: jennifer@jenninternational.com
3. Ladera Career Paths, Inc.
6820 La Tijera Blvd., Suite 217
Los Angeles, CA 90045-1931
Anna E. Little, President and CEO
Telephone: (310) 568-0244
Email: anna@laderacareerpathsinc.com
4. Codebusters, Inc.
28907 Deodar Place
Santa Clarita, CA 91350
Linda J. Kobayashi, President
Telephone: (661) 296-1907
Email: linda@codebusters.com
5. Healthcare Cost Solutions, Inc.
120 Newport Center Drive, Suite 290
Newport Beach, CA 92660
Bridget Gallagher, CEO
Telephone: (949) 759-1253
Email: bgallagher@hcsstat.com
6. Associate Record Technician Services
Acquisition Corp., dba Sourcecorp
Healthserve
600 Corporate Point, Suite 1150
Culver City, CA 90230
Veronica Hoy, Vice President
Telephone: (310) 641-7446
Email: veronicahoy@srcp.com
7. Codemed, Inc.
8939 S. Sepulveda Blvd. Suite 302
Los Angeles, CA 90045
Graciela Galvan, President
Telephone: (310) 645-9415
Email: info@codemed-inc.com
8. Caban Resources LLC
15901 Hawthorne Blvd. Suite 320
Lawndale, CA 90260
Robert Caban, President
Telephone: (310) 793-7176
Email: Robert.caban@cabanresources.com
9. ASAP Staffing, Inc.
11 Goldan Shore, Suite 360
Long Beach, CA 90802
Simon Zaman, President
Telephone: (562) 499-2120
Email: simon@mri-corp.com



Health Services
LOS ANGELES COUNTY



AGREEMENT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

CONTRACTOR: _____

FOR

OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES

**AGREEMENT PROVISIONS
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OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING AGREEMENT

This Agreement is made and entered into this _____ day
of _____, 2008,

by and between
and

COUNTY OF LOS ANGELES
(hereafter "County"),

(hereafter "Contractor").

RECITALS

WHEREAS, pursuant to California Health and Safety Code Sections 1441 and 1445, County has established and operates, through its Department of Health Services a network of County hospitals, comprehensive health centers, community health centers, public health centers, and a community health plan. In addition, the County also operates through the Sheriff's Department various health facilities. These facilities (hereafter collectively referred to as "County Facilities") are located in geographic locations covering over 4,000 square miles, all of which periodically require medical records coding and abstracting services on an as-needed, temporary basis.

WHEREAS, this Agreement is authorized by California Government Code Sections 23004, 26227, and 31000, and

WHEREAS, Contractor is duly licensed and certified under the laws of the State of California to engage in the business of providing medical records coding and abstracting services as described hereunder and is prepared and qualified to perform the required services; and

WHEREAS, Contractor is willing to provide the services described herein for and in consideration of the payments provided under this Agreement and under the terms and conditions hereinafter set forth; and

WHEREAS, County desires that these services be provided within the County Facilities under supervision of County's Department of Health Services, through County's Program Managers located at each of the County's five hospitals including their respective Comprehensive Health Centers and Health Centers; and

WHEREAS, County has determined that its existing staff has not sufficient manpower and that it is unable to recruit adequately qualified personnel to perform these needed services; and

WHEREAS, County's Director of Health Services has made a finding that it is necessary to secure outside overflow medical records coding and abstracting services as required on an intermittent basis; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, I, J, K L, M N, and O are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits according to the following priority:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - All Inclusive Hourly Rates
- 1.3 EXHIBIT C - Organization Affidavit
- 1.6 EXHIBIT D - Contractor's EEO Certification
- 1.7 EXHIBIT E - Attestation of Willingness to Consider GAIN/GROW Participants
- 1.8 EXHIBIT F - County's Administration
- 1.9 EXHIBIT G - Contractor's Administration
- 1.10 EXHIBIT H - Jury Service Ordinance
- 1.11 EXHIBIT I - Safely Surrendered Baby Law
- 1.12 EXHIBIT J - Local Small Business Enterprise Preference Program
- 1.13 EXHIBIT K - Charitable Contributions Certification
- 1.14 EXHIBIT L - Contractor Acknowledgment and Confidentiality Agreement
- 1.15 EXHIBIT M - Contractor Employee Acknowledgment and Confidentiality Agreement
- 1.16 EXHIBIT N - Contractor Non-Employee Acknowledgment and Confidentiality Agreement
- 1.17 EXHIBIT O - HIPAA 1996

This Contract, Exhibits identified herein and attached hereto, County's Request for Qualifications for Medical Records Coding and Abstracting Services dated September 2007 including Addendum No. 1, and Contractor's SOQ, incorporated herein by reference but not attached, shall constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Sub-paragraph 8.4 - Change Notices and Amendments and signed by both parties.

2.0 DEFINITIONS

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Contract/Agreement:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.
- 2.2 **Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.
- 2.3 **Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.4 **County Contract Project Monitor:** Person designated by County's Project Director to manage the operations under this Contract, and oversee the day to day activities. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by Contractor.
- 2.5 **County Project Director (Chief Executive Officer):** Chief Executive Officer or Administrator designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.
- 2.6 **County Program Manager:** Authorized employee of the County Facility.
- 2.7 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.8 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

3.0 WORK

- 3.1 Contractor agrees to provide County Facilities, upon request, the personnel and services described in the Statement of Work, Exhibit A.
- 3.2 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in the Statement of Work, Exhibit A.
- 3.3 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

4.0 TERM OF AGREEMENT

- 4.1 The term of this Agreement shall commence on May 1, 2008 and continue in full force and effect through April 30, 2009, with four (4) automatic renewals through April 30, 2013.

- 4.2 This Agreement may be canceled or terminated any time by County, with or without cause, upon giving of at least ten (10) calendar days' prior written notice to Contractor.

5.0 CONTRACT BILLINGS

- 5.1 All billings by Contractor for services provided pursuant to this Agreement shall be in accordance with the terms, conditions and the all inclusive hourly rates set forth in Exhibit B, attached hereto and incorporated by reference.
- 5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the County's prior written approval.

5.3 No Payment for Services Provided Following Expiration/Termination of Contract

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 Contract. 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 Contract 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 Contract.

5.4 Invoices and Payments

- 5.4.1 Contractor shall invoice County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A - Statement of Work and elsewhere hereunder. Contractor shall prepare invoices, which shall include the charges owed to Contractor by County under the terms of this Contract. Contractor's payments shall be as provided in Exhibit B - All Inclusive Hourly Rates, and Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by

County. If County does not approve work in writing no payment shall be due to Contractor for that work.

- 5.4.2 Contractor's invoices shall be priced and submitted in accordance with Exhibit B - All Inclusive Hourly Rates.
- 5.4.3 Contractor's invoices shall contain the information set forth in Exhibit A - Statement of Work describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.
- 5.4.4 All invoices under this Contract shall be submitted in two (2) copies to the appropriate County Referring Facility as referenced in the Statement of Work, Exhibit A, at the address provided by the County Referring Facility.
- 5.4.5 **County Approval of Invoices.** All invoices submitted by the Contractor for payment must have the written approval of the County's Referring Facility prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld, and in no instance will such approval take more than two (2) weeks from receipt of properly prepared invoices by the County.

5.6 Cost of Living Adjustments (COLAs): The all inclusive hourly rate amounts (less start-up costs, equipment, profit, management overhead) identified in Exhibit B, All Inclusive Hourly Rates may be adjusted annually at the County's sole discretion, for inflation at the end of each Contract Year for the following Contract Year capped at the lesser of:

- The most recently published percentage change in the Bureau of labor Statistics, Los Angeles-Riverside-Orange County, Consumer Price Index for Urban Consumers (CPI-U) for the 12 month period preceding the contract anniversary date; or
- The general salary movement percentage for County employees for the 12 month period preceding the prior July 1st.

The adjusted amounts shall be used to determine the new charge for such new Contract Year for services provided. Percentage changes in the specified index shall not be applied to start-up costs, equipment, profit, or management overhead costs. Furthermore, should fiscal circumstances ultimately prevent the Board from

approving any increase in County employee salaries, no cost of living adjustments will be granted. Inflation Adjustment and Contractor's future contract year budgets must be requested in writing along with supporting documentation to the Chief of Contracts and Grants Division.. The request must be submitted 60 days prior to the end of each contract year for the following contract year.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following Sub-paragraphs are designated in Exhibit F. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 County's Administrator (Chief Executive Officer)

Responsibilities of the County's Administrator include:

- ensuring that the objectives of this Contract are met;
- providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.2 County's Contract Project Monitor

The responsibilities of the County's Project Monitor include:

- meeting with Contractor's Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, overseeing the day-to-day administration of this Contract, or other work provided by or on behalf of Contractor.
- The County's Project Monitor shall request on an annual basis Contractor to provide documentation validating the current status of the Contractor's license, certification, and accreditation, if any.
- The County's Project Monitor is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

6.3 Contract Coordinator: Authorized employee of County facilities. This position on occasion may have the same duties as the County's Project Monitor.

7.0 ADMINISTRATION OF CONTRACT CONTRACTOR

7.1 Contractor's Project Manager

7.1.1 Contractor's Project Manager is designated in Exhibit G. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Project Manager/Monitor on a regular basis.

7.2 Approval of Contractor's Staff

County has the absolute right to approve or disapprove all of Contractor's staff performing work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Manager.

7.3 Contractor's Staff Identification

7.3.1 Contractor shall provide all staff assigned to this Contract with a photo identification badge. The format and content of the badge is subject to the Contractor discretion. Contractor staff, while on duty at County facility or its grounds, shall prominently display the photo identification badge on the upper part of the body.

7.3.2 Contractor shall notify the County within one business day when staff is terminated from working on this Contract.

7.3.3 If County requests the removal of Contractor's staff, Contractor is responsible to retrieve and immediately destroy the Contractor's staff's photo identification badge at the time of removal from working on the Contract.

7.4 Background and Security Investigations

7.4.1 At any time prior to or during term of this Contract, the County may require that all Contractor staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.

7.4.2 County may request that Contractor's staff be immediately removed from working on the County Contract at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any

information obtained through the County conducted background clearance.

7.4.3 County may immediately deny or terminate facility access to Contractor's staff who do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access, at the sole discretion of the County.

7.4.4 Disqualification, if any, of Contractor staff, pursuant to this Sub-paragraph 7.4, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.5 CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA)

The County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Contract, the Contractor provides services to the County and the Contractor receives, has access to and/or creates Protected Health Information as defined in Exhibit O in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit O, Contractor's Obligations As a "Business Associate" Under Health Insurance Portability and Accountability Act of 1996 (HIPAA).

8.0 STANDARD TERMS AND CONDITIONS

8.1 PROHIBITION AGAINST ASSIGNMENT AND DELEGATION

8.1.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

8.1.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest

they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment 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 the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

- 8.1.3 If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor as identified in Exhibit C, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. 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.

8.2 AUTHORIZATION WARRANTY

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

8.3 BUDGET REDUCTIONS

- 8.3.1 In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation correspondingly for that fiscal year and any subsequent fiscal year services provided by the Contractor under the Contract. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within 30 calendar days of the Board's approval of such actions. The Contractor shall continue to provide all of the services set forth in the Contract.

8.3.2 County shall not be obligated for Contractor's performance hereunder or by any provision of this Agreement during any of County's future fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall terminate as of June 30 of the last County fiscal year for which funds were appropriated. The Director shall notify Contractor in writing of such non-allocation of funds at the earliest possible date.

8.4 AMENDMENTS AND ADMINISTRATIVE AMENDMENTS

8.4.1 For any change which affects the scope of work, term, contract sum, payments, or any term or condition included under this Contract, an amendment to this Agreement shall be prepared and executed by the Board of Supervisors and Contractor, except for the following:

8.4.1.1 Director or his designee is authorized to approve and execute COLAs, at the end of each contract year for the following contract year, consistent with the Board's COLA policy, and at his sole discretion.

8.4.1.2 Director or his authorized designee is authorized to execute and approve new agreements, when contracting for said services becomes a critical need.

8.5 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the certification in Exhibit L, the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or raises charitable contributions

without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202).

8.6 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints. Within ten (10) business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints. The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint. When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines. Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

8.7 COMPLIANCE WITH APPLICABLE LAW

8.7.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.7.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

8.8 COMPLIANCE WITH CIVIL RIGHTS LAWS

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC 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 Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit D - Contractor's EEO Certification.

8.9 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.9.1 Jury Service Program

This Contract 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.

8.9.2 Written Employee Jury Service Policy

8.9.2.1 Unless Contractor has demonstrated to the 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 the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

8.9.2.2 For purposes of this Sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full time employee of Contractor. "Full-time" means 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 the 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 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any

such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

8.9.2.3. If Contractor is not required to comply with the Jury Service Program when the Contract commences, 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 definition 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. The County may also require, at any time during the Contract and at its sole discretion, that Contractor demonstrate to the 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 Program.

8.9.2.4. Contractor's violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.10 CONFLICT OF INTEREST

8.10.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.10.2 The 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 Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

8.11 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give **first consideration** for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

8.12 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the 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.

8.13 CONTRACTOR'S RESPONSIBILITY AND DEBARMENT

8.13.1 Responsible Contractor

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.

8.13.2 Chapter 2.202 of the County Code

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 in the contract, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.

8.13.3 Non-responsible Contractor

County may debar Contractor if County's 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 an 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 engaged 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.

8.13.4 County's Contractor Hearing Board

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 County's Contractor Hearing Board.

The County's 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 County's 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.

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 County's Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right at its sole discretion to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

If a Contractor has been debarred for a period longer than five (5) years, that Contractor may, after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of County.

The County's Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the County's Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the County's Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the County's Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

The County's Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The County's Contractor Hearing Board shall

present its proposed decision and recommendation 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 County's Contractor Hearing Board.

8.13.5 Subcontractors of Contractor

These terms shall also apply to any subcontractors of County Contractors.

8.14 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION-LOWER TIER COVERED TRANSACTIONS (45 C.F.R. PART 76)

Contractor hereby acknowledges that the County is prohibited from contracting with and making sub-awards to parties that are suspended, debarred, ineligible, or excluded or whose principals are suspended, debarred, ineligible, or excluded from securing federally funded contracts. By executing this Agreement, Contractor certifies that neither it nor any of its owners, officers, partners, directors or other principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Agreement, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director, or other principal of any subcontractor is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Contractor shall immediately notify County in writing, during the term of this Agreement, should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible, or excluded from securing federally funded contracts. Failure of Contractor to comply with this provision shall constitute a material breach of this Agreement upon which County may immediately terminate or suspend this Agreement.

8.15 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.15.1 Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through contract 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.

8.15.2 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 653 (a)] and California Unemployment Insurance Code section 1088.55, and shall implement all lawfully served Wage and Earnings Withholdings 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).

8.16 COUNTY'S QUALITY ASSURANCE PLAN

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

8.17 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

8.17.1 Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Contractor or employees or agents of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.17.2 If Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Contractor by cash payment upon demand.

8.18 EMPLOYMENT ELIGIBILITY VERIFICATION

The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The

Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

8.19 FACSIMILE REPRESENTATIONS

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Change Notices and Amendments prepared pursuant to Sub-paragraph 8.4, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Change Notices and Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.20 FAIR LABOR STANDARDS

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees 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 work performed by the Contractor's employees for which the County may be found jointly or solely liable.

8.21 GENERAL INSURANCE REQUIREMENTS

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other

insurance or self-insurance programs maintained by the County. Such coverage shall be provided and maintained at the Contractor's own expense.

8.21.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to:

L.A. County - DHS	Paula McGehee,
Centralized Contract	Contract Administrator
Monitoring Division	Contracts and Grants Division
5555 Ferguson Drive, Ste 210	313 N. Figueroa St., 6 th Floor E
Commerce, CA 90022	Los Angeles, CA 90012

Prior to commencing services under this Contract. Such certificates or other evidence shall:

- Specifically identify this Contract by Contract Number;
- Clearly evidence all coverages required in this Contract;
- Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses 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.

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

8.21.3 Failure to Maintain Coverage: Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

8.21.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:

- Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
- Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.
- Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County Contract Manager.
- Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

8.21.5 Compensation for County Costs: In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

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

- The Contractor providing evidence of insurance covering the activities of subcontractors, or
- The Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

8.22 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.23 INDEPENDENT CONTRACTOR STATUS

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

8.23.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.23.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for

furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.23.4 Acknowledgment that each of Contractor's employees understands that such person is an employee of Contractor and not an employee of County shall be signed by each employee of Contractor.

8.23.5 As previously instructed in Sub-paragraph 7.5 - Compliance with Health Insurance Portability and Accountability Act of 1996 (HIPAA) Contractor expressly acknowledges and agrees that the provision of services under this Agreement does require or permit access by Contractor or any of its employees to any patient medical records.

8.24 INDEMNIFICATION

The Contractor shall indemnify, defend and hold harmless the County, 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 the Contractor's acts and/or omissions arising from and/or relating to this Contract.

8.25 INSURANCE COVERAGE REQUIREMENTS

8.25.1 **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

8.25.2 **Automobile Liability** 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".

8.25.3 **Workers' Compensation and Employers' Liability** insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime

employment, coverage shall provide workers' compensation benefits as required by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the 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

8.25.4 Professional Liability

Insurance covering liability arising from any error, omission negligent wrongful act of Contractor, its officers or employees with limits of not less than \$1 million per occurrence and \$2 million aggregate. The coverage also shall provide an extended two year reporting period commencing upon termination or cancellation of this Agreement.

8.26 LICENSES, PERMITS, REGISTRATIONS, AND CERTIFICATIONS

Contractor shall obtain and maintain in effect during the term of this Agreement, all valid licenses, permits, registrations, and certificates required by law which are applicable to its performance of this Agreement, and shall ensure that all its officers, employees, and agents, who perform services hereunder obtain and maintain in effect during the term of this Agreement, all valid licenses, permits, registrations, and certificates required by law which are applicable to their performance of services hereunder.

8.27 MOST FAVORED PUBLIC ENTITY

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

8.28 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 all applicable requirements of Federal and State law. For the purpose of this paragraph, discrimination in the provision of services may include, but 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 not equivalent, or is not provided in an equivalent manner or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service other than precautions dictated by infectious control procedures; 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 requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall ensure that recipient of services under this Agreement are provided services without regard to race, color, religion, national origin, ancestry, sex, age, or physical or mental handicap.

8.29 NONDISCRIMINATION AND AFFIRMATIVE ACTION

- 8.29.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.29.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D - Contractor's EEO Certification.
- 8.29.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.29.4 The Contractor certifies and agrees that it will 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 disability, marital status, or political affiliation.

- 8.29.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.29.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.29 when so requested by the County.
- 8.29.7 If the County finds that any provisions of this Sub-paragraph 8.29 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.
- 8.29.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

8.30 NONEXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Contractor. This Contract shall not restrict DHS from acquiring similar, equal or like goods and/or services from other entities or sources.

8.31 NOTICE OF DELAYS

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay

the timely performance of this Contract, that party shall, within one (1) day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.32 NOTICE OF DISPUTES

The Contractor shall bring to the attention of the County's Contract Project Manager and/or County Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Contract Project Manager or County Project Director is not able to resolve the dispute, the Director, or designee shall resolve it.

8.33 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

The 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 No. 1015.

8.34 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits F, County's Administration and G, Contractor's Administration. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Director shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.35 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.36 PUBLIC RECORDS ACT

8.36.1 Any documents submitted by Contractor; all information obtained in connection with the County's right to audit and inspect Contractor's

documents, books, and accounting records pursuant to Sub-paragraph 8.38 Record Retention and Inspection/Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Statement of Qualifications (SOQ) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.36.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.37 PUBLICITY

8.37.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

8.37.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-paragraph shall apply.

8.38 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or records relating to this Contract. All such material, including, but not limited to, all financial records, timecards and other employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of seven (7) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.38.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.38.2 Failure on the part of the Contractor to comply with any of the provisions of this Sub-paragraph shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.38.3 If, at any time during the term of this Contract or within seven (7) years after the expiration or termination of this Contract, representatives of the

County may conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

8.39 RECYCLED BOND PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

8.40 REPORTING OF ELDER AND DEPENDENT ADULT ABUSE

If treatment services are provided hereunder, Contractor understands that certain of its staff are "mandated reporters" as defined in Welfare and Institutions code Section 1530(a). In such case, Contractor further understands that in suspected instances of elder or depended adult abuse, such staff have certain immediate and follow-up reporting responsibilities as described in welfare and institutions Code Section 15630. Contractor staff's failure to report as required is considered a breach of contract subject to immediate termination and is also a misdemeanor, punishable by up to one year in jail, a fine of up to \$5,000, or both.

8.41 SAFELY SURRENDERED BABY LAW

Notice to Employees Regarding the Safely Surrendered Baby Law: The Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I of this contract and is also available on the Internet at www.babysafela.org for printing purposes.

Contractor's acknowledgment of County's commitment to the Safely Surrendered Baby Law: The Contractor acknowledges that the County places a high priority on

the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used.

8.42 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.

8.43 SUBCONTRACTING

- 8.43.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.
- 8.43.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:
- A description of the work to be performed by the subcontractor;
 - A draft copy of the proposed subcontract; and
 - Other pertinent information and/or certifications requested by the County.
- 8.43.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) were Contractor employees.
- 8.43.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

- 8.43.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its subcontractors of this County right.
- 8.43.6 The County's Chief Executive Officer is authorized to act for and on behalf of the County with respect to approval of any subcontract and subcontractor employees.
- 8.43.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.43.8 Before any subcontractor employee may perform any work hereunder, the Contractor shall obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by the County from each approved subcontractor. The Contractor shall ensure delivery of all such documents to:

County of Los Angeles/Department of Health Services
Paula McGehee, Contract Administrator
Contracts and Grants Division
313 N. Figueroa St., 6th Floor East
Los Angeles, CA 90012

8.44 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN CHILD SUPPORT COMPLIANCE

Failure of Contractor to maintain compliance with the requirements set forth in "Contractor's Warranty of Adherence to County's Child Support Compliance Program" Paragraph above, shall constitute default by Contractor 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 or written notice shall be grounds upon which County may terminate this contract pursuant to the "Termination for Default" Paragraph of this Agreement and pursue debarment of Contractor, pursuant to County Code Chapter 2.202

8.45 TERMINATION FOR CONVENIENCE

8.45.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent. Contractor may terminate this agreement with or without cause, upon giving thirty (30) calendar days' prior written notice to County.

8.45.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- Stop work under this Contract on the date and to the extent specified in such notice, and
- Complete performance of such part of the work as shall not have been terminated by such notice.

8.45.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Sub-paragraph 8.38, Record Retention & Inspection/Audit Settlement.

8.46 TERMINATION FOR DEFAULT

8.46.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:

- Contractor has materially breached this Contract;
- Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract 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.

- 8.46.2 In the event that the County terminates this Contract in whole or in part as provided in Sub-paragraph 8.45.1, 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. The 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. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this sub-paragraph.
- 8.46.3 Except with respect to defaults of any subcontractor, the Contractor shall not be liable for any such excess costs of the type identified hereinabove if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the 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 the 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 the Contractor and subcontractor, and without the fault or negligence of either of them, the 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 the Contractor to meet the required performance schedule. As used in this Sub-paragraph 8.46.3, the terms "subcontractor" and "subcontractors" mean subcontractor(s) at any tier.
- 8.46.4 If, after the County has given notice of termination under the provisions of this paragraph, it is determined by the County that the Contractor was not in default under the provisions of this paragraph, or that the default was excusable under the provisions of Sub-paragraph 8.45, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Paragraph 8.45 - Termination for Convenience.
- 8.46.5 In the event the County terminates this Contract in its entirety due to the Contractor's default as provided in Paragraph 8.46.1, the Contractor and

the County agree that the County will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the County's costs of procurement of replacement services and costs incurred due to delays in procuring such services. Therefore, the Contractor and the County agree that the County shall, at its sole option and in lieu of the provisions of Sub-Paragraph 8.46.2, be entitled to liquidated damages from the Contractor, pursuant to California Civil Code Section 1671, in the amount of Five Thousand Dollars (\$5,000) or five percent (5%) of the applicable year's Contract sum, whichever is less, as equitable compensation to the County for such actual damages. This amount of liquidated damages shall be either paid by the Contractor to the County by cash payment upon demand or, at the sole discretion of the Director, or designee, deducted from any amounts due to the Contractor by the County, whether under this Contract or otherwise.

These liquidated damages shall be in addition to any credits, which the County is otherwise entitled to under this Contract, and the Contractor's payment of these liquidated damages shall not in any way change, or affect the provisions of Paragraph 8.24 - Indemnification.

8.46.6 The rights and remedies of the County provided in this Paragraph 8.46 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.47 TERMINATION FOR IMPROPER CONSIDERATION

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

8.47.2 The Contractor shall immediately report any attempt by a County officer or employee 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.

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

8.48 TERMINATION FOR INSOLVENCY

8.48.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.48.2 The rights and remedies of the County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.49 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.50 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.51 TRANSITIONAL JOB OPPORTUNITIES PROGRAM

This Contract is subject to the provisions of the County's ordinance entitled Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Transitional Job Opportunity vendor.

Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Transitional Job Opportunity vendor.

If Contractor has obtained County certification as a Transitional Job Opportunity vendor by reason of having furnished incorrect supporting information or by reason of having withheld information, and knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
2. in addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent (10%) of the amount of the contract; and

3. be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any entity that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the certifying department of this information prior to responding to a solicitation or accepting a contract award.

8.52 VALIDITY

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

8.53 WAIVER

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.54 WARRANTY AGAINST CONTINGENT FEES

- 8.54.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.
- 8.54.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its Director of Health Services and Contractor has caused this Contract to be executed on its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

APPROVED AS TO FORM
BY THE OFFICE OF COUNTY COUNSEL

By _____
Deputy

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

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

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

Contractor

By _____

Title _____

STATEMENT OF WORK

OVERFLOW MEDICAL RECORDS CODING AND ABSTRACTING SERVICES

1.0 OVERVIEW:

Contractor shall provide specialized diagnostic and operative coding and abstracting services, including tumor registry coding and abstracting and cancer surveillance reporting.

Contractor understands that County does not guarantee any minimum or maximum of utilization of their services, and may or may not be utilized, at County's sole discretion.

2.0 SERVICES TO BE PROVIDED:

2.1 Contractor personnel must be able to perform on-line and/or paper abstracting and coding, diagnostic research review, tumor registry coding and abstracting, cancer surveillance reporting, chart deficiency review, and on-line data entry and abstracting for release of information.

3.0 DEFINITIONSAcceptable Quality Level (AQL)

A measure of variance from the standard performance (100%). The AQL represents maximum allowable monthly deviations from the standard before financial deductions are initiated. For this service the AQL is 100% perfect performance. Failure to meet the AQL shall result in a deduction from Contractor's monthly reimbursement.

Administrator

The Administrator of a Medical Center, Comprehensive Health Center or Health Center or his/her authorized designee. Facilities' authorized designee, e.g., the facilities' Chief Executive Officer, Medical Center's Administrator, Chief Operating Officer.

Payments

Contractor's payments shall be as provided in Exhibit B - All Inclusive Hourly Rates, and Contractor shall be paid only for the services provided pursuant to this Agreement.

Quality Assurance Evaluator (QAE)

County officer or employee responsible for County's monitoring of the contract.

Contract Coordinator

The County officer or employee responsible for coordinating County responsibilities and interfacing with Contractor in the daily performance of the contract. This person might also perform the duties of the QAE, and the Contract Program Monitor.

Contract Discrepancy Report (CDR)

A report used by Contract Monitors to record discrepancies or problems with a Contractor's performance with provisions of a contract. A copy of the CDR is provided to a Contractor for response and corrective action as necessary.

Contract Program Monitor (CPM)

The facility administrative officer or authorized designee responsible for all actions required to monitor any resultant contract, or his/her duly authorized designee. This person might also perform the duties of the QAE.

Contract Manager

Employee of Contractor who is responsible for overall management and coordination of any resultant contract.

Contract Start Date

Date Contractor begins work (start of the basic contract period) in accordance with the terms of any resultant contract.

County Facility/Medical Center

Refers to County facility where services will be rendered.

Director

County's Director of Health Services, or his duly authorized designee.

Performance Requirements Summary (PRS)

Identifies certain service indicators of the contract that will be evaluated by County to assure that contract performance standards are met by Contractor.

Quality Assurance Monitoring Plan - (QAMP).

The monitoring plan developed by County, specifically for this contract, to monitor compliance with the contract. The County Contract Project Monitor shall use a monitoring plan similar to Technical Exhibits 1 and 3.

Quality Control Plan

All necessary measures taken by Contractor to assure that the quality of service will meet the contract requirements regarding timeliness, accuracy, appearance, completeness, consistency, and conformity to all requirements set forth in Appendix B (Scope of Work).

Workday

Services are generally provided on an as-needed twenty-four hour basis, Monday through Sunday, including County observed Holidays. A workday is defined herein as an eight (8) hour day.

4.0 **STAFFING:**

Contractor shall provide the required personnel at County facility to provide the service needs of the contract.

4.1 **Health Information Associate**

Minimum Qualifications: Satisfactory completion of an academic curriculum in an American Health Information Management Association (AHIMA) approved coding program and one year of full-time experience in patient records administration and medical records coding, abstracting and billing systems, including assigning ICD-9-CM and/or CPT codes from patient records -OR- Certification as a Certified Coding Associate (CCA) by AHIMA -OR- Certification as a Certified Coding Specialist-Physician Based by AHIMA.

Definition: Under the general supervision of a higher level supervisor or other administrative supervisor, Health Information Associates collect, analyze, abstract and code health information for reimbursement, statistics and mandatory reporting, coordinate their services with billing operations, and administer the medical records of patients of an outpatient or clinical operation.

Classification Standards: The Health Information Associate (HIA) usually allocated in a clinic or outpatient setting, is a journey-level classification of a class series providing

health information collection, analysis, abstracting and coding for inpatient or outpatient care. The HIA is characterized by its focus on outpatient health information management, less complex coding and encounter form review billing operations, usually of clinic services and routine diagnoses and procedures, and abstracting of medical records. The typical assignment is in an outpatient facility, clinic or limited-diagnosis specialty provider of medical services and advice. HIAs are generally supervised and their work product periodically reviewed for accuracy and completeness, billable reimbursement and revenue maximization, and conformity to applicable laws and regulations, departmental requirements and Joint Commission standards.

Duties include but are not limited to: Researches, retrieves and assembles physicians' orders, nursing notes and other medical records into patients' charts, and assists in the storage and retrieval of medical records maintained by the clinic or facility; retrieves and reconciles patient encounter forms with clinic notes, may edit encounter information in Affinity (or other health information system) as necessary, and sorts encounter forms by service(s) or other defined method for filing and storage. Reviews health information and encounter form for completeness, consistency, accuracy and compliance with HIPAA and other applicable laws and regulations, department procedures and the Joint Commission standards, assuring that all relevant medical documentation is included; enters coded medical data into a computer terminal (Affinity or other health information system), and selects diagnoses and procedures codes from designated computer-based coding and abstracting systems. Abstracts and codes less complex medical and related data from patient medical records for routine or surgical and medical procedures. Utilizes International Classification of Diseases, 9th Ed. (ICD-9-CM) and Health Care Common Procedural Coding System/Current Procedural Terminology (CPT/HCPCS) nomenclature, Ambulatory Payment Classifications (APCs), Diagnostic and Statistical Manual of Mental Disorders, Version IV (DSM-IV), and other coding systems as experience is gained. Collects metrics and develops aggregated data and reports regarding patient diagnoses, treatments, and other relevant health information; may log, track, update and reconcile productivity sheets, clinic tracers, referrals, encounter forms, patient visits and diagnosis records, and provider reports and metrics; verifies that cases of communicable diseases have been properly reported to the Health Department, or reports as directed by the supervisor.

4.2 **Health Information Technician**

Minimum Qualifications: Certification as a Certified Coding Specialist (CCS) by the American Health Information Management Association (AHIMA), and two years of full-time experience in medical records coding, abstracting, and managing health information and reports -OR- Certification as a Registered Health Information Technician (RHIT) by AHIMA, and one year of full-time experience abstracting and coding medical records -OR- Certification as a Registered Health Information Administrator (RHIA) by AHIMA.

Definition: Under the general supervision of a higher level supervisor, Health Information Technicians collect and code health information for reimbursement, statistics and mandatory reporting for a County hospital or complex care facility.

Classification Standards: The Health Information Technician (HIT) is the full journey-level classification of a class series providing inpatient and outpatient abstracting, and coding services, using Health Care Common Procedural Coding System/Current Procedural Terminology (CPT/HCPCS), International Classification of Diseases, 9th Ed. (ICD-9-CM), and other coding and classification nomenclature. The HIT is characterized by its focus on complex coding, and may provide limited supervision to, and serve as a lead worker for, Health Information Associates and other medical records staff. Health Information Technicians work diligently to ensure their work product maximizes reimbursement and conforms to departmental requirements, regulatory and the Joint Commission standards.

Positions receive guidance as needed from the supervisor, and abstract, code, and audit inpatient and difficult or complex outpatient medical and surgical procedures. Duties include but are not limited to: Assembles and analyzes health information for completeness, consistency and compliance with the Health Insurance Portability and Accountability Act (HIPAA) and other state and federal laws and regulations, departmental and hospital policies and procedures, and the Joint Commission standards, assuring that all relevant medical documentation is included. Confirms pathologies, dates and times of treatments and procedures, and abstracts the patient's medical record; seeks clarification, correction and/or completion of medical records or charts from responsible physicians, nurses, laboratories and other clinical staff. Abstracts and codes extensive and difficult medical and related data, such as complex surgical procedures and other complex medical treatments, sequences diagnoses and procedures, and consults medical coding resources, such as the National Cancer Institute for disease and co-morbidity information, to assign the correct diagnosis related groups (DRGs) to a patient's record. Enters coded medical data into a computer terminal (Affinity or other health information system), and selects diagnoses and procedures codes from designated computer-based coding systems; reviews and corrects codes generated by the encounter form scanning process, coordinates updating the encounter form with services providers to assure current codes are maintained for accurate billing and reporting; may complete the UB92 and other insurance claim forms. Effectively utilizes ICD-9-CM, CPT/HCPCS nomenclature, Ambulatory Payment Classifications (APCs), Diagnostic and Statistical Manual of Mental Disorders, Version IV (DSM-IV), and other coding systems to maximize reimbursements and assure conformity with the Joint Commission and departmental standards. May provide guidance and direction to clerical staff and other Health Information personnel engaged in reviewing health information for completeness, consistency and compliance with laws and departmental and facility regulations. Verifies that cases of communicable diseases have been properly reported; may abstract error reports from state and federal agencies, including the Centers for Disease Control (CDC), and prepare CDC and state-mandated reports.

4.3 **Health Information Senior Technician**

Minimum Qualifications: Certification as a Certified Coding Specialist (CCS) by the American Health Information Management Association (AHIMA), and three years of full-time experience managing patient information, coding and abstracting medical records - OR- Certification as a Registered Health Information Technician by AHIMA, and two years of full-time experience in medical information management, coding and abstracting of medical records -OR- Certification as a Registered Health Information Administrator by AHIMA and one year of full-time experience in medical information management, coding and abstracting of medical records.

Definition: Under limited supervision of a higher level supervisor, Health Information Senior Technicians perform, and may provide leadership or limited supervision over the provision of, highly complex services in the collection, management, coding and abstraction of health information.

Classification Standards: The Health Information Senior Technician (HIST) is the advanced journey/expert level classification in a series providing inpatient and outpatient coding and abstracting services using International Classification of Diseases, 9th Ed. (ICD-9-CM) and Health Care Common Procedural Coding System/Current Procedural Terminology (CPT/HCPCS), and other coding and classification nomenclature. The HIST is characterized by its focus on expertise in health information management, complex coding for reimbursement maximization, including assigning diagnosis related groups (DRGs), and providing guidance to other health information workers. Health Information Senior Technicians work diligently to ensure their work product and that of other health

information staff maximizes reimbursement, satisfies mandatory reporting requirements for data and statistics, and fully satisfies legal requirements, departmental procedures and the Joint Commission standards. Positions in the class will abstract and code the most difficult patient cases, review and respond to claims payment denials, and serve as unit experts and specialists in specialized facilities.

Duties include but are not limited to: Reviews patients' health information for completeness, consistency and compliance with laws and regulations, including the Health Insurance Portability and Accountability Act (HIPAA), department and facility procedures and requirements, and Joint Commission standards. Leads and may supervise a team of health information personnel and/or clerical staff engaged in reviewing patients' medical files for completeness, consistency and compliance with laws, Joint Commission standards and departmental regulations; provides direction and guidance to Health Information and medical records staff, providing basic and intermediate coding and abstracting services to the work unit. Assures that all relevant medical documentation is included in patients' medical records, and tactfully and persistently seeks clarification, correction or completion of medical records or charts from responsible physicians, nurses, laboratories and other clinical staff; confirms pathologies, dates and times of treatments and procedures, and abstracts patients' medical records. Abstracts and codes the most difficult inpatient cases, such as complex invasive surgical procedures, difficult disease categories and/or trauma, and cases involving multiple body systems and co-morbidities; facilitates patient discharge reviews and recommends (and may approve) additional coding. Accurately selects principal diagnosis, sequence diagnoses and procedures and demonstrates significant knowledge of co-morbidities and other factors affecting the assignment of correct DRGs to patients' records. Enters coded medical data into a computer terminal, and selects diagnoses and procedure codes from designated computer-based coding systems, such as 3M encoder; coordinates efforts with billing staff to maximize reimbursement, and resolves coding issues, such as unacceptable codes. Expertly utilizes ICD-9-CM and CPT-4/HCPCS nomenclature, Ambulatory Payment Classifications (APCs), Diagnostic and Statistical Manual of Mental Disorders, Version IV (DSM-IV), and other coding and classification systems to maximize reimbursements and assure conformity with Joint Commission and departmental standards. Abstracts cancer patients' demographic and morphology data, diagnosis(es) and treatments, provider data, diagnostic findings and treatment results and histology, tumor extent and behaviors (e.g., TMM staging), and related information as appropriate, and performs cancer registry quality checks on abstracts. Trains and assists other health information management staff with patient records, coding and reimbursement issues and concerns; may train staff in new coding systems such as ICD, 10th edition, and coding and billing situations and factors unique to a specialty area. Assures the integrity of Medi-Cal billings and applies fraud, waste and abuse regulations and procedural controls to the work; may track and prepare control lists, conduct medical record quality reviews, and audit patient health information. Verifies that cases of communicable diseases have been properly reported.

4.4 **Health Information Management Supervisor**

Minimum Qualifications: Certification as a Registered Health Information Technician (RHIT) by the American Health Information Management Association (AHIMA), and three years of technical health information experience, including medical records coding, one year of which must have been in a supervisory or senior/lead capacity over other Health Information Technicians or Medical Records Coders -OR- Certification as a Registered Health Information Administrator (RHIA) by AHIMA, completion of a Bachelor's degree in medical records administration accredited by the Commission on Accreditation for Health Informatics and Information Management Education and two years of technical health

information experience, including medical records coding, of which one year must have been in a supervisory capacity over other Health Information Technicians or Medical Records Coders -OR- Certification as a Certified Coding Specialist (CCS) by AHIMA and four years of technical health information experience, including one year in a supervisory or senior/lead capacity over other Health Information Technicians or Medical Records Coders.

Definition: Supervises and participates in the work of a group of technical staff engaged in coding and auditing patient medical records in a County medical facility.

Classification Standards: Positions allocable to this class typically report to a higher-level manager and supervise a small to medium size unit of journey-level Health Information coding staff who provide coding and abstracting services using International Classification of Diseases, Health Care Common Procedural Coding System/Current Procedural Terminology, and other coding systems. Positions are characterized by their responsibility to provide full technical and administrative supervision and guidance to Health Information coding staff to ensure that the work product performed/completed maximizes reimbursement, satisfies reporting requirements for data and statistics, and fully meets legal and compliance requirements. In a smaller organizational setting, positions may also serve as the highest level supervisor over department coding functions while supervising both Health Information technical coding staff and related medical records clerical functions.

Duties include but are not limited to: Plans and schedules work for the unit ensuring proper staffing and distribution of assignments to accomplish required tasks; plans and schedules meetings with subordinates to explain and implement new policies, procedures and practices. Monitors the work of technical coding staff engaged in reviewing patients' medical files for completeness, consistency and compliance with hospital regulations and special hospital codes. Prepares or supervises the preparation of regular statistical reports and special requests as needed by medical personnel and outside institutions and agencies. Supervises various personnel activities including, but not limited to, hiring, preparing performance appraisals, and vacation schedules; monitors individual and group productivity reports and follows up as appropriate. Coordinates the work of the unit with other organizational units; confers with professional staff to clarify medical, surgical or laboratory data which cannot be readily interpreted. Resolves day-to-day problems encountered by employees concerning the disposition of patient medical records and services provided. Organizes training and orientation programs in work procedures and operational activities for new and continuing employees; prepares and revises instructional materials to guide and assist employees. Maintains records as required; assists medical support personnel with special projects as requested. Remains current with ICD-9-CM and CPT-4 coding guidelines and conventions.

4.5 **Health Information Management Senior Supervisor**

Minimum Qualifications: Certification as a Registered Health Information Technician (RHIT) by the American Health Information Management Association (AHIMA), and four years of technical health information experience, including medical records coding, one year of which must have been in a supervisory capacity over other medical records coding staff -OR- Certification as a Registered Health Information Administrator (RHIA) by AHIMA, completion of a Bachelor's degree in medical records administration accredited by the Commission on Accreditation for Health Informatics and Information Management Education, and three years of technical health information experience, including medical records coding, one year of which must have been in a supervisory capacity over other medical records coding staff -OR- Certification as a Certified Coding Specialist (CCS) by AHIMA and four years of technical health information experience, of which two years must have been in a supervisory or senior/lead capacity over other medical records coding staff.

Definition: Supervises and coordinates a large coding and auditing technical section and related support staff of a Health Information Management program at a County hospital.

Classification Standards: Positions allocable to this class report to a higher-level manager and supervise a moderate to large group of journey-level technical health information technicians and support staff who perform highly complex services in the collection, abstracting, and coding of health information or a larger group of technical coding staff performing the less complex coding and encounter review form in an outpatient setting using International Classification of Diseases, Health Care Common Procedural Coding System/Current Procedural Terminology, and other coding systems. The assignments at this level are characterized by greater degree of complexity in the technical coding, operations and requirements and the overall coordination of services throughout the hospital. Incumbents in these positions typically supervise through subordinate supervisors or lead staff and have full administrative and technical supervision over coding staff.

Duties include but are not limited to: Plans, organizes, assigns and reviews the work of technical coding sections and support staff engaged in reviewing patients' medical files for completeness, consistency and compliance with hospital regulations and special hospital codes. Plans and schedules meetings with subordinates to explain and implement new policies, procedures and practices; instructs and provides guidance to employees in hospital rules and regulations. Develops and directs the implementation of procedures and policies governing health information and coordinates the implementation of changes with other units in the hospital. Supervises the preparation of a variety of regular and special medical-statistical reports; prepares correspondence and other medical-statistical data to hospital units, County departments and to outside institutions and agencies. Supervises and monitors the release of medical information to the public, private medical facilities, governmental agencies, and the courts in accordance with department and facility policies and procedures and legal requirements and regulations, including the Health Insurance Portability and Accountability Act Security Standards, governing the release of medical information. Supervises staff engaged in Itemized Data Collection and providing patient medical record scanning services. Acts as a consultant to hospital staff on legal issues related to patient's health information, including consents for treatment, release of medical information, and consents of autopsies. Assists management in organizing the work of the division by conducting studies and making recommendations concerning staffing, organization, budgeting, and work flow operations. May serve on hospital committees such as health information audit, utilization, surgery and tissue; reviews legislative/regulation changes and makes appropriate recommendations and modifications as deemed necessary. Maintains records as required; assists medical support personnel with special projects as requested. Provides orientation and training for initial and ongoing competence of staff. Prepares performance evaluations, interviews and hires staff, handles disciplinary actions. Remains current with ICD-9-CM and CPT-4 coding guidelines and conventions.

5.0 EQUIPMENT REPLACEMENT:

5.1 County shall replace, at its expense, any County equipment which existed prior to the commencement of services hereunder and which is damaged or worn out, when it has been determined by County the repair or further maintenance of such equipment is not economically feasible and it has been determined by County that there has not been any fault or negligence on the part of the Contractor. If Contractor is found by County to have been at fault or negligent in the use, care, control and/or maintenance of any such equipment then Contractor shall pay County for all costs incurred by County, as determined by County, to replace and install such equipment, less normal depreciation on the equipment replaced as determined by

County, or County may deduct such costs, less such depreciation, from any amounts due to Contractor from County hereunder.

- 5.2 Contractor's personnel may bring assistive devices, e.g., ICD-9 CM, CPT-4/CHPCS, and DSM IV, coding books to the worksite if Hospital agrees. The County is not responsible for the replacement of any personnel equipment.

6.0 COUNTY SPACE

- 6.1 Contractor's personnel shall be permitted to utilize the Hospital's employee dining room.
- 6.2 County will provide office space, equipment and all required stationary and forms. Parking space may be provided on an as-available basis.

7.0 ADDITION/DELETION OF SPECIFIC TASKS AND/OR WORK HOURS

- 7.1 The scope of services to be performed under this Contract may be reduced with regard to any County facility or portion thereof, upon County's vacating such facility, or portion thereof or, in the alternative reducing services at such facility. County will notify Contractor, in writing, at least five (5) calendar days prior to the effective date of the reduction.
- 7.2 The scope of services may also be reduced with regard to the hours and/or days of operation at any County facility covered by the Contract. Payment adjustments, as applicable, shall be made to reflect such service reduction.

8.0 QUALITY CONTROL

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the CPM for review. The plan shall include, but is not limited to, the following:

- 8.1 Method of monitoring to ensure that Contract requirements are being met;
- 8.2 A record of all inspection conducted by the Contractor, any corrective action taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action, shall be provided to the County upon request.
- 8.3 County shall have the option of testing contractor personnel prior to acceptance of personnel referred by Contractor. Specific work activities performed by Contractor's personnel shall be under the direction of County's Project Manager, or his/her authorized designee, at the individual Medical facilities. County reserves the right to refuse utilization of specific employees of Contractor for any reason. Contractor shall immediately remove such employee(s) and replace them so that services can be continued without interruption.

9.0 COUNTY'S QUALITY ASSURANCE PLAN

- 9.1 The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined herein. All listings of services used in the quality assurance procedures are intended to be completely consistent with the Contract and the SOW, and are not meant in any case to create, extend, revise, or

expand any obligation of Contractor beyond that defined in the Contract and the SOW. In any case of apparent inconsistency between services as stated in the Contract and the SOW and this quality assurance plan, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this quality assurance plan which is not clearly and forthrightly set forth in the Contract and the SOW, that apparent service will be null and void and place no requirement on Contractor, as determined solely by County.

When the Contractor's performance does not conform with the requirements of this Contract, the County will have the option to apply the following non-performance remedies:

- Require Contractor to implement a formal corrective action plan, subject to approval by the County. In the plan, the Contractor must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.
- Reduce payment to Contractor by a computed amount based on the penalty fee(s) in the PRS.
- Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance.
- Failure of the Contractor to comply with or satisfy the request(s) for improvement of performance of work specified within five (5) days may result in a reduction of contract utilization for services, contract termination, and possible debarment.

This section does not preclude the County's right to terminate the contract upon thirty (30) days written notice with or without cause, as provided for in the Contract, Paragraph 8.0, Terms and Conditions, Sub-paragraph 8.45, Termination for Convenience.

9.2 Monthly Meetings

Contractor is required to attend scheduled monthly meetings. Failure to attend will cause an assessment of fifty dollars (\$50.00).

9.3 County Monitoring Checklist (Technical Exhibit 1)

Contractor performance shall be inspected each calendar month. County may use a variety of inspection methods to evaluate Contractor's performance. Methods of monitoring that may be used are one hundred (100) percent inspection of output items for services at randomly sampled times. The CPM shall use a County Monitoring Checklist (similar to *Technical Exhibit 1*) to carry out one hundred (100) percent inspections of Contractor on a random basis. During these inspections, the CPM will complete County Monitoring Checklist on a monthly basis and determine each calendar month if Contractor has achieved one hundred (100) percent of the total points possible for services performed. The County Monitoring Checklist shall be utilized as described in the following example using the sample Technical Exhibit 1.

- A. The maximum number of points available is 23 which equals 100% of AQL.
- B. Therefore, if Contractor receives an average monthly score less than 23 there will be an Unsatisfactory Performance Deduction of Two Hundred Fifty Dollars (\$250) for each point below 23. For example, if Contractor's score is 20, 3 points less than 23, Contractor may be subject to a Seven Hundred

Fifty Dollar (\$750) Unsatisfactory Performance Deduction (i.e., 3 points x \$250).

9.4 Contract Discrepancy Report (Technical Exhibit 2)

Verbal notification of a Contract discrepancy will be made to the CPM as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

The CPM will determine whether a formal Contract Discrepancy Report (CDR) shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the CPM within five (5) workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the CDR shall be submitted to the CPM within ten (10) workdays.

9.5 Performance Requirements Summary Chart (Technical Exhibit 3)

A formal CDR shall be accompanied with a Performance Requirements Summary (PRS) Chart similar to Technical Exhibit 3.

9.6 Criteria For Acceptable and Unacceptable Performance Performance of the listed services is considered acceptable when Contractor has achieved 100% compliance with coding and abstracting services performed. When the performance fails to meet the 100% compliance level, the CPM shall complete a CDR. The CDR requires Contractor to explain in writing why performance was unacceptable, how performance shall be returned to an acceptable level, and how recurrence of the problem shall be prevented. Unacceptable service performance may result in Unsatisfactory Performance Deduction(s) as described in Paragraph 9.7 below. The CPM shall evaluate Contractor's explanation on the CDR, and if the CPM determines, in his/her sole discretion, that the particular defective performance for the particular service was caused by accident, strike, or similar occurrence beyond the control and without the fault or negligence of Contractor, then the CPM may decline to assess the Unsatisfactory Performance Deduction.

9.7 Unsatisfactory Performance Deductions

A point system shall be used to determine the amount of Unsatisfactory Performance deductions to be assessed when performance is less than the Acceptable Quality Level. The primary method to be used for determining the monthly level of service provided will be regular inspections utilizing a County Monitoring Checklist. Unsatisfactory performance shall be based upon the overall level of service provided each calendar month. The AQL for each month shall be One Hundred percent (100%) of the maximum number of points available according to the Monitoring Checklist. Contractor shall be assessed Two Hundred Fifty Dollars (\$250) for unsatisfactory performance for each point below the AQL .

When deficiencies occur, a follow-up inspection will be made at the end of one month. If, upon the follow-up inspection, an overall 100% is not achieved, an additional deduction of Five Hundred Dollars (\$500) shall be assessed. This follow-up inspection and Five Hundred Dollar (\$500) deduction process shall occur monthly until the deficiencies are corrected as described above.

9.8 County Observations

In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

10.0 RESPONSIBILITIES

The County's and the Contractor's responsibilities are as follows:

COUNTY

10.1 Personnel

The County will administer the Contract according to the Contract, Paragraph 6.0, Administration of Contract. Specific duties will include:

10.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.

10.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.

10.1.3 County personnel shall be available to provide overall supervision and guidance to Contractor's personnel.

10.2 Furnished Items

County will provide office space, equipment and all required stationary and forms. Such materials shall be only for the purpose required for the performance of services hereunder. Contractor is prohibited from use of such forms, space, equipment and all stationary and forms for purposes other than for the performance of any resultant contract. Parking space will be provided on an as-available basis.

CONTRACTOR

10.3 Project Manager

10.3.1 Contractor shall provide a full-time Project Manager with five (5) consecutive years of experience in the performance of medical record coder management and in the overall supervision of day-to-day activities of contract operations. County must have access to the Project Manager on a twenty-four (24) hour per day basis, 365 days per year. Contractor shall provide a telephone number where the Project Manager can be reached on a twenty-four (24) hour per day basis.

10.3.2 Project Manager shall act as a central point of contact with the County. Project Manager shall demonstrate previous experience in the management of work requirements for facilities similar in size and complexity.

10.3.3 Project Manager shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager shall be able to effectively communicate, in English, both orally and in writing.

10.4 Personnel

10.4.1 Contractor shall assign a sufficient number of employees to perform the required workload. All employees assigned to a County facility must speak and understand English.

- 10.4.2 All employees hired by Contractor and assigned to a County facility site shall undergo a physical examination at Contractor's expense before commencing services. Such pre-employment physical examination shall be completed prior to the initiation of employment and shall include at least the following: TB Screening - A two (2) step Mantoux PPD skin test must be initiated if employee is negative by history (pregnancy and BCG vaccination is not a contradiction for PPD skin test). A chest x-ray will be required if the employee is skin-test positive by history.
- **Immunizations**
Each employee shall show proof of current immunizations for the following diseases; measles, mumps, rubella, diphtheria, tetanus, record of varicella (chickenpox) history,(if history is unclear, recommend varicella titer to check immune status).
 - **Hepatitis B**
Employee must be offered Hepatitis B vaccine. Employees who decline the vaccine must sign a waiver declining the test for specified reasons. Contractor shall provide employee with post-vaccine lab tests to show evidence of zero-conversion.
 - **Annual Physical Examinations**
Employees shall undergo a physical examination annually at the expense of Contractor. The physical examination is to include TB screening and a review of immunizations (if necessary). Contractor shall provide the CPM a copy of the results of the physical examinations. Contractor shall provide Administrator with written certification from a licensed medical provider that each of its employees who performs services hereunder is free from contagious disease, has been immunized against common communicable diseases, and is physically capable to perform such services. Contractor shall have a plan for post exposure follow up of employees exposed to communicable diseases. The plan must be reviewed and approved by hospital Infection Control.
- 10.4.3 Medical records shall be made available for review upon the request of CPM of all staff members.
- 10.4.4 All Contractor's Employees on each shift must be able to effectively communicate, in English, both orally and in writing with their supervisory personnel.
- 10.4.5 Contractor must provide County Contract Coordinator or his designee with a current list of employees including supervisors providing services at County facilities with each monthly service invoice. This monthly listing should also include the total number of hours worked per employees. Contractor shall provide on a quarterly basis a more detailed listing of all employees providing services at County facility which includes name, date of employment, date of birth, current address, phone number and the date of latest physical examination. Contractor must keep this list updated.
- 10.4.6 The use or possession of alcoholic beverages or illegal drugs by Contractor personnel while at County facilities is strictly prohibited. Any violation shall

be cause for immediate removal of the offenders by Contractor from further work at County facilities.

- 10.4.7 Smoking is prohibited in all of County facility buildings, except in the designated areas as approved by County Contract Coordinator.
- 10.4.8 Contractor's employees may not bring any type of weapons or unlawful goods onto County facilities.
- 10.4.9 During the time that Contractor's employees or agents are at County facilities, such persons shall be subject to the facility's rules, regulations, and procedures, including, but not limited to, entry and exit procedures, emergency procedures, and appropriate contacts with patients. Contractor shall instruct such persons who are to provide services on such rules, regulations, and procedures and to maintain records of such instruction. Contractor shall take immediate corrective action upon receipt of written and/or verbal notice from County Contract Coordinator or his designee that: (1) any such employee has violated such rules or regulations, or (2) such employee's actions, while on County premises, indicate that such employee may adversely affect the delivery of health care services. In the event that County Contract Coordinator decides that the corrective action taken by Contractor is not sufficient, then Contractor, at request of Contract Coordinator shall remove or suspend such employee from the provision of services hereunder.

10.5 Identification Badges

- 10.5.1 County shall furnish and require every Contract employee to wear a visible photo identification badge identifying employee by name, classification and work area. Such badge shall be displayed on employee's person at all times he/she is on County designated property.

10.6 Background and Security Investigations

- 10.6.1 At any time prior to or during term of this Contract, the County may require that all Contractor staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.
- 10.6.2 County may request that Contractor's staff be immediately removed from working on the County Contract at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County conducted background clearance.
- 10.6.3 County may immediately deny or terminate facility access to Contractor's staff who do not pass such investigation(s) to the satisfaction of the County

whose background or conduct is incompatible with County facility access, at the sole discretion of the County.

- 10.6.4 Disqualification, if any, of Contractor staff, pursuant to this Sub-paragraph 10.6, shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

10.7 Training

10.7.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees.

10.7.2 All employees shall be trained in their assigned tasks and HIPAA, and as instructed in the Standard Agreement, Paragraph 7.5 - Compliance with Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the "Contractor Employee Acknowledgment, Confidentiality, and Copyright Assignment Agreement", Exhibit M. The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the "Contractor Non-Employee Acknowledgment, Confidentiality and Copyright Assignment Agreement", Exhibit N.

10.8 Contractor's Office

10.8.1 Contractor shall maintain an office at some fixed place located in the Los Angeles Metropolitan Area with a telephone in the company's name where Contractor conducts business. The office shall be staffed during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service shall be provided to receive calls. The Contractor shall answer calls received by the answering service within two (2) hours of receipt of the call. Whenever immediate action is required at a facility, County may, after a reasonable attempt to notify Contractor, cause such action to be taken by County's work force or by another Contractor and shall charge the cost as determined by County thereof against Contractor, or may deduct such cost from any amount due to Contractor from County.

10.8.2 The Contractor shall maintain a written log of all complaints, the date, time, and the action taken or reason for the non-action. The log of complaints shall be open to inspection by the CPM at all reasonable times.

10.8.3 All complaints shall be abated as soon as possible after notification; but in all cases within twenty-four (24) hours, to the satisfaction of the CPM. If any complaint is not abated within twenty-four (24) hours, CPM shall be notified immediately of the reason for not abating the complaint followed by a written report to CPM within five (5) days.

11.0 HOURS/DAY OF WORK

Contractor shall generally provide services between the hours of 6:00 a.m. to 6:00 p.m., Monday through Sunday, except for County observed Holidays. The CPM will provide the Contractor with a list of County-recognized holidays.

12.0 WORK SCHEDULES

12.1 Contractor shall submit for review and approval a work schedule for each facility to the CPM within ten (10) days prior to starting work. Said work schedules shall be set on an annual calendar identifying all the required tasks. The schedules shall list the time frames by day of the week, morning, and afternoon the tasks will be performed.

13.0 UNSCHEDULED WORK

13.1 The CPM or his designee may authorize the Contractor to perform unscheduled work, when the need for such work arises out of extraordinary incidents such as riots, acts of God.

13.2 Prior to performing any unscheduled work, the Contractor shall prepare and submit a written description of the work with an estimate of labor. If the unscheduled work exceeds the Contractor's estimate, the CPM or his/her designee must approve the excess cost in writing. In any case, no unscheduled work shall commence without prior written authorization.

13.3 Contractor shall contact CPM for approval before beginning the work. A written estimate shall be sent within twenty-four (24) hours for approval. Contractor shall submit an invoice to CPM with a copy to the Administrator within five (5) working days after completion of the work.

13.4 All unscheduled work shall commence on the established specified date. Contractor shall proceed diligently to complete said work within the time allotted.

13.5 The County reserves the right to perform unscheduled work itself or assign the work to another Contractor.

14.0 SPECIFIC WORK REQUIREMENTS

Specific tasks, and how and when they are to be performed are identified throughout this Exhibit A. The listing at the end of this Appendix identifies the specific tasks to be inspected for determining Unsatisfactory Performance Deductions.

14.1 Signs/Improvements: Contractor shall not post signs or advertising matter upon the premises or improvements thereon, unless prior approval therefor is obtained from County Facility Designee.

14.2 Safety: Contractor agrees to perform all work required hereunder in such a manner as to meet all acceptable standards for safe practices during the service related to the work; and agrees additionally to accept the sole responsibility for complying with all local, County, State or other legal requirements including but not limited to, full compliance with the terms of the applicable O.S.H.A. and CAL. O.S.H.A. Safety Orders at all times so as to protect all persons, including Contractor's employees, agents of County, vendors, members of the public or others from foreseeable injury, or damage to their property.

**MEDICAL RECORDS CODING AND ABSTRACTING SERVICES
COUNTY MONITORING CHECKLIST (Sample)**

INSPECTION DATE: _____

AREAS INSPECTED: _____

Instructions: Columns A and B list certain required Agreement Services and the service standards to measure performance. Column C contains the maximum number of points that can be earned for each service standard.

County's monitor shall inspect services provided by this Agreement. Enter in Column D the number of points earned that best reflects the quality of completed work for each respective standard.

The maximum number of points that can be earned for all standards is 23; Contractor must earn at least the Acceptable Quality Level(AQL) of 23 points to be in compliance (AQL = 23 X 100% = 23).

The facility may assess Contractor an Unsatisfactory Performance Deduction, for each point below the AQL.

A.	B.	C.	D.	E.
REQUIRED SERVICE	SERVICE STANDARD (SS)	MAX. PTS	POINTS EARNED	PT. CRITERIA
on-line abstracting & coding	1. Correct diagnoses assigned.	3	3	3 met
	2. Data correctly entered into HIS.	1	1	1 met
	3. Achieved productivity standard	1	1	1 met
	a. Four (4) per hour - inpatient records			
	b. 15 per hour - outpatient records			
	Total	5	5	
paper abstracting & coding	1. Correct diagnoses assigned.	3	2	2 met
	2. Data correctly entered on Data Collection Sheet.	1	1	1 met
	3. Achieved productivity standard	1	1	1 met
	a. Four (4) per hour - inpatient records			
	b. 15 per hour - outpatient records			
	Total	5	4	

**MEDICAL RECORDS CODING AND ABSTRACTING SERVICES
COUNTY MONITORING CHECKLIST (Sample)**

INSPECTION DATE: _____

AREAS INSPECTED: _____

A.	B.	C.	D.	E.
REQUIRED SERVICE	SERVICE STANDARD (SS)	MAX. PTS	POINTS EARNED	PT. CRITERIA
Cancer Registry Abstracting & Coding	1. Correct site of tumor identified.	2	2	2 met
	2. Correct tumor identified.	2	2	2 met
	3. Follow-up of patients with cancer.	1	1	1 met
	Total	<u>5</u>	<u>5</u>	
Chart Deficiency Review	1. Assigned appropriate deficiency to correct physician	3	3	3 met
	Total	<u>3</u>	<u>3</u>	
Master Patient Index Clean-up	1. Verification of identity of patient records to be merged.	3	3	3 met
	2. Processing of requests for merger (4 per hour)	2	2	2 met
	Total	<u>5</u>	<u>5</u>	

**MEDICAL RECORDS CODING AND ABSTRACTING SERVICES
COUNTY MONITORING CHECKLIST (Sample)**

INSPECTION DATE: _____

AREAS INSPECTED: _____

Instructions: Complete lines 2, 3, and 5 by following the formula outlined in the table below to determine if Contractor's performance is below the AQL and subject to Unsatisfactory Performance Deductions.

1	Max AQL Points	23
2	AQL Points Earned	
3	Points Subject To Unsatisfactory Performance Deduction (Variance -Line 1 minus Line 2)	
4	Unsatisfactory Performance Deduction For Each Point Below The AQL	\$250.00
5	Total Dollar Unsatisfactory Performance Deduction Fees (Line 3 Times Line 4)	

CONTRACT DISCREPANCY REPORT

TO:

FROM:

DATES:

Prepared: _____

Returned by Contractor: _____

Action Completed: _____

DISCREPANCY PROBLEMS:

Signature of County Representative: _____

Date: _____

CONTRACTOR RESPONSE: (Cause and Corrective Action):

Signature of County Representative: _____

Date: _____

COUNTY EVALUATION OF CONTRACTOR RESPONSE:

Signature of County Representative: _____

Date: _____

COUNTY ACTIONS:

CONTRACTOR NOTIFIED OF ACTION:

Signature of County Representative: _____

Date: _____

Signature of County Representative: _____

Date: _____

PERFORMANCE REQUIREMENTS SUMMARY(PRS) CHART

SAMPLE

REQUIRED SERVICE	SERVICE INDICATOR	SERVICE STANDARDS	ACCEPTABLE QUALITY	COUNTY METHOD OF MONITORING	UNSATISFACTORY PERFORMANCE DEDUCTION
1. On line coding	Assignment of correct diagnosis	See Exhibit A (Statement of Work)	*	Periodic 100 percent inspection by use of a Monitoring Checklist; Consumer Complaints	**
2. Paper coding	Assignment of correct diagnosis	Same as above	*	Same as above	**
3. Cancer Registry Coding	Identification of tumor and site	Same as above	*	Same as above	**
4. Chart Deficiency Review	Assignment of appropriate deficiency to correct physician	Same as above	*	Same as above	**
5. On line data entry	Correct data entered in hospital information system (HIS)	Same as above	*	Same as above	**
6. MPI Clean up	MPI Verification and merger of duplicate/overlay patient records	Same as above	*	Same as above	**

The Acceptable Quality Level of service for each calendar month shall be 100% of the maximum points available per calendar month according to the Monitoring Checklist.

* Contractor may be assessed Two Hundred Fifty Dollars (\$250) for unsatisfactory performance for each point per calendar month below the Acceptable Quality Level.

BILLING AND RATES
FOR
MEDICAL RECORDS CODING AND ABSTRACTING SERVICES

RATES:

The following all inclusive hourly rates apply for the following services:

Service	Hourly Rate
Health Information Associate	\$39.00
Health Information Technician	\$40.00
Health Information Senior Technician	\$44.00
Health Information Management Supervisor	\$51.00
Health Information Management Senior Supervisor	\$55.00

Contractor acknowledges and certifies that it meets and will comply with all of the terms of the QP released in September 2007 and the Agreement.

FIRM/AGENCY'S Name:

Address:

e-mail address: _____ Telephone number: _____

Fax number: _____

On behalf of _____
(Name of Firm/Agency)

I _____ certify
(Name of authorized representative)

that the information contained in this Contractor's Organization Questionnaire/Affidavit is true and correct to the best of my information and belief.

Signature:	_____	Internal Revenue Service Employer Identification Number:	_____
Title:	_____	California Business License Number:	_____
Date:	_____	County WebVen Number:	_____

EQUAL EMPLOYMENT OPPORTUNITY(EEO) CERTIFICATION

Company Name _____

Address _____

Internal Revenue Service Employer Identification Number _____

GENERAL

In accordance with provisions of the County Code of the County of Los Angeles, the Contractor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CERTIFICATION	YES	NO
1. Contractor has written policy statement prohibiting discrimination in all phases of employment.		
2. Contractor periodically conducts a self-analysis or utilization analysis of its work force.		
3. Contractor has a system for determining if its employment practices are discriminatory against protected groups.		
4. When areas are identified in employment practices, Contractor has a system for taking reasonable corrective action to include establishment of goal and/or timetables.		

Signature _____

Date _____

Name and Title of Signer (please print) _____

ATTESTATION OF WILLINGNESS TO CONSIDER
GAIN/GROW PARTICIPANTS

As a threshold requirement for consideration for contract award, Contractor shall demonstrate a proven record for hiring GAIN/GROW participants or shall attest to a willingness to consider GAIN/GROW participants for any future employment opening if they meet the minimum qualifications for that opening. Additionally, Contractor shall attest to a willingness to provide employed GAIN/GROW participants access to the Contractor's employee mentoring program, if available, to assist these individuals in obtaining permanent employment and/or promotional opportunities.

Contractors unable to meet this requirement shall not be considered for contract award.

Contractor shall complete all of the following information, sign where indicated below, and return this form with any resumes and/or fixed price bid being submitted:

- A. Contractor has a proven record of hiring GAIN/GROW participants and will continue to consider GAIN/GROW participants for any future employment openings.

YES NO (subject to verification by County)

- B. Contractor is willing to consider GAIN/GROW participants for any future employment openings if the GAIN/GROW participant meets the minimum qualifications for the opening. "Consider" means that Contractor is willing to interview qualified GAIN/GROW participants.

YES NO

- C. Contractor is willing to provide employed GAIN/GROW participants access to its employee-mentoring program, if available.

YES NO
 N/A (Program not available)

Contractor Organization: _____

Signature: _____

Print Name: _____

Title: _____ Date: _____

Tel.#: _____ Fax #: _____

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

County Facility	Project Manager	Project Monitor
Harbor-UCLA Medical Center 1000 W. Carson Street Torrance, CA 90509 Project Director: Gail V. Anderson Chief Medical Officer	Name: Valeria Caesar Telephone: 310 222 2045 Fax: 310 222-0430 E-Mail: vcaesar@dhs.lacounty.gov	Name: Telephone: (Same) Fax: E-Mail:
LAC+USC Healthcare Network 1200 N. State Street Los Angeles, CA 90033 Project Director: Pete Delgado Chief Executive Officer	Name: Blaine Speights Telephone: 323 226-6911 Fax: 323 226-3660 E-Mail: bspeights@dhs.lacounty.gov	Name: Rosa Aguirre Telephone: 323 226-3660 Fax: 323 226-2234 E-Mail: raguirre@dhs.lacounty.gov
Martin Luther King, Jr. - MACC 12021 S. Wilmington Ave. Los Angeles, CA 90059 Project Director: Antoinette Smith Epps Interim Chief Executive Officer	Name: Vanessa Crawford Telephone: 310 668-5048 Fax: 310 604-8461 E-Mail: vcrawford@dhs.lacounty.gov	Name: Telephone: (Same) Fax: E-Mail:
ValleyCare Olive View-UCLA 14445 Olive View Drive Sylmar, CA 91342 Project Director: Gretchen McGinley Interim Chief Executive Officer	Name: Anne Robinson Telephone: 818 364-3001 Fax: 818 364-3011 E-Mail: arobinson@dhs.lacounty.gov	Name: Telephone: (Same) Fax: E-Mail:
Rancho Los Amigos National Rehabilitation Center 7601 E. Imperial Hwy. Downey, CA 90242 Project Director: Jorge Orozco Interim Chief Executive Officer	Name: Andretta Hayden Telephone: 562 401-7660 Fax: 562 803-0167 E-Mail: awhayden@dhs.lacounty.gov	Name: Telephone: (Same) Fax: E-Mail:

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: _____ **Contract No.** _____

CONTRACTOR'S PROJECT MANAGER:

Name: _____
Title: _____
Address: _____
Telephone: () _____
Facsimile: () _____
E-Mail Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____
Title: _____
Address: _____
Telephone: () _____
Facsimile: () _____
E-Mail Address: _____

Name: _____
Title: _____
Address: _____
Telephone: () _____
Facsimile: () _____
E-Mail Address: _____

Notices to Contractor shall be sent to the following address:

Name: _____
Title: _____
Address: _____
Telephone: () _____
Facsimile: () _____
E-Mail Address: _____

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies.

2.203.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.4.0 or a successor provision; or
 - 6. A purchase card pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision; or

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

Page 2 of 3

7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section A-0300 or a successor provision; or
 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if the lesser number is a recognized industry standard as determined by the chief administrative officer or the contractor has a long-standing practice that defines a full-time schedule as less than 40 hours per week.

2.203.030 Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable.

2.203.040 Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service.

2.203.050 Other Provisions.

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

2.203.060 Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor.

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

2.203.070. Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

"Dominant in its field of operation" means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

2.203.090. Severability.

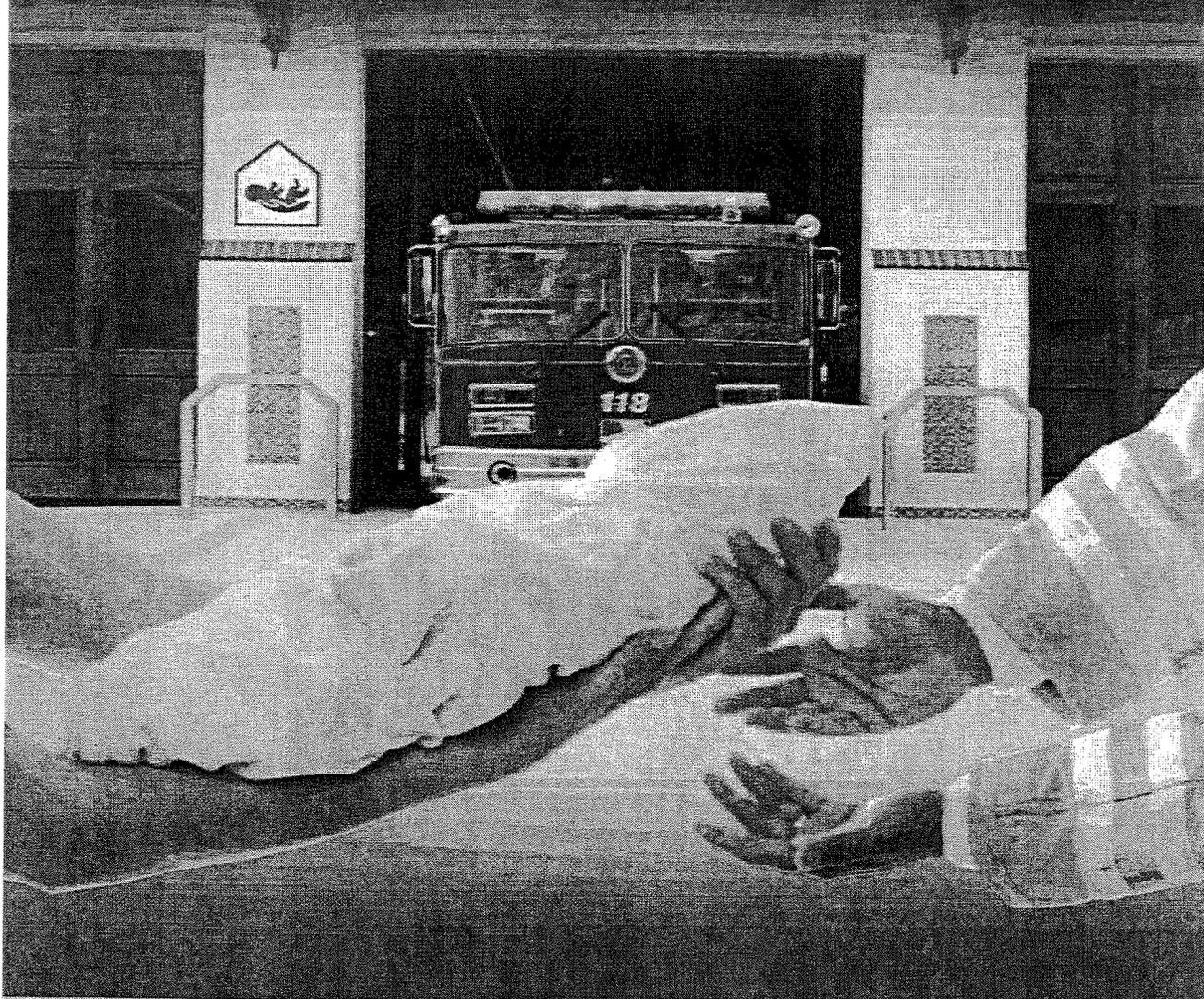
If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

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/

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Safely Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

www.babysafe.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

In Los Angeles County 1 877 BABY SAFE 1 877 222 9723

www.babysafeia.org

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

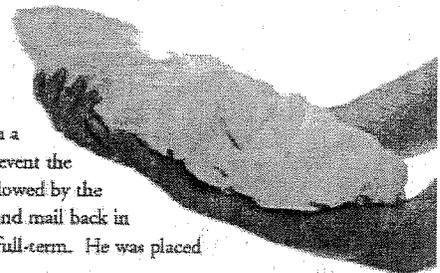
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM

This Contract is subject to the provisions of the County's ordinance entitled Local Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

If Contractor has obtained County certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;

In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and

Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment)

The above penalties shall also apply if Contractor is no longer eligible for certification as a result in a change of their status and Contractor failed to notify the State and the County's Office of Affirmative Action Compliance of this information.

CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

Check the Certification below that is applicable to your company.

___ Contractor has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California's Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Contractor engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General's Registry of Charitable Trusts when filed.

OR

___ Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

Signature

Date

Name and Title of Signer (please print)

BACKGROUND AND RESOURCES: CALIFORNIA CHARITIES REGULATION

There is a keen public interest in preventing misuse of charitable contributions. California's "Supervision of Trustees and Fundraisers for Charitable Purposes Act" regulates those raising and receiving charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) tightened Charitable Purposes Act requirements for charitable organization administration and fundraising.

The Charitable Purposes Act rules cover California public benefit corporations, unincorporated associations, and trustee entities. They may include similar foreign corporations doing business or holding property in California. Generally, an organization is subject to the registration and reporting requirements of the Charitable Purposes Act if it is a California nonprofit public benefit corporation or is tax exempt under Internal Revenue Code § 501(c)(3), and not exempt from reporting under Government Code § 12583. Most educational institutions, hospitals, cemeteries, and religious organizations are exempt from Supervision of Trustees Act requirements.

Key new Charitable Purposes Act requirements affect executive compensation, fund-raising practices and documentation. Charities with over \$2 million of revenues (excluding grants and service-contract funds a governmental entity requires to be accounted for) have new audit requirements. Charities required to have audits must also establish an audit committee whose members have no material financial interest in any entity doing business with the charity.

Organizations or persons that receive or raise charitable contributions are likely to be subject to the Charitable Purposes Act. A Contractor on Los Angeles County contracts must determine if it is subject to the Charitable Purposes Act and certify either that:

- It is not presently subject to the Act, but will comply if later activities make it subject, or,
- If subject, it is currently in compliance.

RESOURCES

The following references to resources are offered to assist Contractors who engage in charitable contributions activities. Each Contractor, however, is ultimately responsible to research and determine its own legal obligations and properly complete its compliance certification.

In California, supervision of charities is the responsibility of the Attorney General, whose website, <http://caag.state.ca.us/>, contains much information helpful to regulated charitable organizations.

1.0 LAWS AFFECTING NONPROFITS

The "Supervision of Trustees and Fundraisers for Charitable Purposes Act" is found at California Government Code §§ 12580 through 12599.7. Implementing regulations are found at Title 11, California Code of Regulations, §§ 300 through 312. In California, charitable solicitations ("advertising") are governed by Business & Professions Code §§ 17510 through 17510.95. Regulation of nonprofit corporations is found at Title 11, California Code of Regulations, §§ 999.1 through 999.5. (Amended regulations are pending.) Links to all of these rules are at: <http://caag.state.ca.us/charities/statutes.htm>.

2.0 SUPPORT FOR NONPROFIT ORGANIZATIONS

Several organizations offer both complimentary and fee-based assistance to nonprofits, including in Los Angeles, the Center for Nonprofit Management, 606 S. Olive St #2450, Los Angeles, CA 90014 (213) 623-7080 <http://www.cnmsocal.org/>, and statewide, the California Association of Nonprofits, <http://www.canonprofits.org>. Both organizations' websites offer information about how to establish and manage a charitable organization.

The above information, including the organizations listed, provided under this sub-section of this Exhibit M is for informational purposes only. Nothing contained in this sub-section shall be construed as an endorsement by the County of Los Angeles of such organizations.

CONTRACTOR ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract.)

CONTRACTOR NAME _____ Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgment and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

Printed Name: _____
Title: _____
Signature: _____
Date: _____

CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract.)

Contractor Name _____ Contract No. _____

Employee Name _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgment and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by my employer for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract or termination of my employment with my employer, whichever occurs first.

Printed Name: _____

Title: _____

Signature: _____

Date: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract.)

Contractor Name _____ Contract No. _____

Non-Employee Name _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Non-Employee Acknowledgement and Confidentiality Agreement.

NON-EMPLOYEE ACKNOWLEDGMENT:

I understand and agree that the Contractor referenced above has exclusive control for purposes of the above-referenced contract. I understand and agree that I must rely exclusively upon the Contractor referenced above for payment of salary and any and all other benefits payable to me or on my behalf by virtue of my performance of work under the above-referenced contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

I understand and agree that I may be required to undergo a background and security investigation(s). I understand and agree that my continued performance of work under the above-referenced contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future contract.

CONFIDENTIALITY AGREEMENT:

I may be involved with work pertaining to services provided by the County of Los Angeles and, if so, I may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, I may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. I understand that if I am involved in County work, the County must ensure that I, too, will protect the confidentiality of such data and information. Consequently, I understand that I must sign this agreement as a condition of my work to be provided by the above-referenced Contractor for the County. I have read this agreement and have taken due time to consider it prior to signing.

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between the above-referenced Contractor and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to the above-referenced Contractor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced contract. I agree to protect these confidential materials against disclosure to other than the above-referenced Contractor or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me, I shall keep such information confidential.

I agree to report to the above-referenced Contractor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to the above-referenced Contractor upon completion of this contract or termination of my services hereunder, whichever occurs first.

Printed Name: _____

Title: _____

Signature: _____

Date: _____

**CONTRACTOR'S OBLIGATION AS A BUSINESS ASSOCIATE
UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996**

Under this Agreement, Contractor (also Business Associate) provides services to County (also Covered Entity) and Business Associate receives, has access to or creates Protected Health Information and/or Electronic Protected Health Information in order to provide those services ("Services Agreement");

Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated there under, including the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Parts 160 and 164 ("Privacy Regulations") and the Health Insurance Reform: Security Standards at 45 Code of Federal Regulations Parts 160, 162, and 164 ("Security Regulations");

The Privacy Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

Therefore, the parties agree as follows:

DEFINITIONS

- 1.1 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.
- 1.2 "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. § 160.103. Electronic Media means (1) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; or (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission. The term "Electronic Media" draws no distinction between internal and external data, at rest (that is, in storage) as well as during transmission.
- 1.3 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health Information means protected health information that is (i) transmitted by electronic media; (ii) maintained in electronic media.
- 1.4 "Individual" means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).
- 1.5 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity.
- 1.6 "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued

by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.

- 1.7 "Services" has the same meaning as in the Services Agreement.
- 1.8 "Use" or "Uses" mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations.
- 1.9 Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Regulations.

OBLIGATIONS OF BUSINESS ASSOCIATE

2.1 Permitted Uses and Disclosures of Protected Health Information. Business Associate:

- (a) Shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in Sections 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 of this Agreement;
- (b) Shall Disclose Protected Health Information to Covered Entity upon request;
- (c) May, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:
 - (i) Use Protected Health Information; and
 - (ii) Disclose Protected Health Information if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose Protected Health Information for any other purpose.

2.2 Adequate Safeguards for Protected Health Information. Business Associate:

- (a) Warrants that it shall implement and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information in any manner other than as permitted by this Agreement. Business Associate agrees to limit the Use and Disclosure of Protected Health Information to the minimum necessary in accordance with the Privacy Regulation's minimum necessary standard.
- (b) Warrants that it shall implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits in accordance with 45 C.F.R. § 164.314(a).

2.3 Reporting Non-Permitted Use or Disclosure. Business Associate shall report to Covered Entity each Use or Disclosure that is made by Business Associate, its employees, representatives, agents or subcontractors but is not specifically permitted by this Agreement. The initial report shall be made by telephone call to the Departmental Privacy Officer telephone number (800) 711-5366 within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure to the Chief Information Privacy Officer at:

Chief Information Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple St., Suite 493
Los Angeles, CA 90012

2.4 Mitigation of Harmful Effect. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.

- 2.5 Availability of Internal Practices, Books and Records to Government Agencies. Business Associate agrees to make its internal practices, books and records relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.
- 2.6 Access to Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.
- 2.7 Amendment of Protected Health Information. Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.
- 2.8 Accounting of Disclosures. Upon Covered Entity's request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or subcontractors. Any accounting provided by Business Associate under this Section 2.8 shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Section 2.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Section 2.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

OBLIGATION OF COVERED ENTITY

- 3.1 Obligation of Covered Entity. Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

TERM AND TERMINATION

- 4.1 Term. The term of this Agreement shall be the same as the term of the Services Agreement. Business Associate's obligations under Sections 2.1 (as modified by Section 4.2), 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 4.3 and 5.2 shall survive the termination or expiration of this Agreement.
- 4.2 Termination for Cause. In addition to and notwithstanding the termination provisions set forth in the Services Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
- (a) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

- (b) Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or

If neither termination nor cure are feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

4.3 Disposition of Protected Health Information Upon Termination or Expiration.

- (a) Except as provided in paragraph (b) of this section, upon termination for any reason or expiration of this Agreement and the Services Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.
- (b) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

MISCELLANEOUS

- 5.1 No Third Party Beneficiaries. Nothing in this Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 5.2 Use of Subcontractors and Agents. Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Agreement.
- 5.3 Relationship to Services Agreement Provisions. In the event that a provision of this Agreement is contrary to a provision of the Services Agreement, the provision of this Agreement shall control. Otherwise, this Agreement shall be construed under, and in accordance with, the terms of the Services Agreement.
- 5.4 Regulatory References. A reference in this Agreement to a section in the Privacy or Security Regulations means the section as in effect or as amended.
- 5.5 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.
- 5.6 Amendment. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations.