



COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR
KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

January 17, 2012

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:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

3 January 17, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**RECOMMENDATION TO AWARD CONTRACTS FOR
DELINQUENT ACCOUNT COLLECTION SERVICES
(ALL DISTRICTS) (4 VOTES)**

SUBJECT

The County of Los Angeles Treasurer and Tax (TTC) and Department of Health Services (DHS) are requesting delegated authority to execute Contracts with Linebarger Goggan Blair & Sampson, LLP (Linebarger) for tertiary collection services for the provision of Delinquent Account Collection Services (DACs).

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the attached Contract (Exhibit I) in substantially similar form for the provision of tertiary DACs and authorize the DHS Director, or his designee, to execute such Contract with Linebarger Goggan Blair & Sampson, LLP (Linebarger) at a contingency fee of 33% on Gross Collections, commencing February 1, 2012, for a two (2) year and eleven (11) month term through December 31, 2014.
2. Approve the attached Contract (Exhibit II) in substantially similar form for the provision of tertiary DACs and authorize the TTC to execute such Contract with Linebarger at a contingency fee of 33% on Gross Collections, commencing February 1, 2012, for a two (2) year and eleven (11) month term through December 31, 2014.
3. Delegate authority to the TTC and DHS, respectively, to execute future options to extend the Contract for a maximum of two (2) one-year renewals and six (6) month-to-month extensions at the option of the TTC and DHS in accordance with the Term provision of the Contracts.

4. Delegate authority to the TTC and DHS, respectively, to execute future amendments to modify the terms of the Statement of Work that do not materially alter the Contracts, and/or to add or modify certain terms and conditions in the Contracts as required by the Board of Supervisors or Chief Executive Officer, provided County Counsel approval is obtained prior to execution of such amendments.

5. Delegate authority to the TTC and DHS, respectively, to approve if necessary, any assignment and delegation of services performed by Linebarger in order to ensure continuation of DACS needs to meet TTC's and/or DHS' mandated operations provided that County Counsel approval is obtained prior to such assignment.

6. Delegate authority to the TTC and DHS to make amendments to the Statement of Work for any augmentation to collection efforts and/or any new collection methodologies as may be mandatory or deemed in the best interest of the County and negotiate a supplemental commission rate not greater than the Contract Commission Rate.

7. Delegate authority to the TTC and DHS to execute substantially similar Contracts with the proposer who submitted the next highest ranked tertiary collection services proposal identified in this Request for Proposals (RFP) process if the TTC and DHS are unable to negotiate a contract with Linebarger, provided County Counsel concurrence is obtained prior to execution of a new Contract.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On November 29, 2011, your Board approved two Contracts with True North AR, LLC dba California Service Bureau (CSB) to provide tertiary collection services to the TTC and DHS commencing January 1, 2012. Subsequently, CSB rescinded their intent to enter into both collection services Contracts. Pursuant to the RFP process, the Proposer who submitted the next highest ranked proposal for tertiary collection services is recommended for award of the Contracts. That proposer is Linebarger.

In accordance with County Code provisions, the TTC and DHS each has delegated authority to provide collection services. The TTC provides centralized collection services for delinquent accounts receivable to all County departments with the exception of departments that have distinct ordinance authority to collect on delinquent accounts such as DHS and the Probation Department. DHS provides collection services for delinquent accounts receivable arising from the provision of medical care in County health facilities. The TTC and DHS currently contract for DACS under separate agreements for each department. The recommended firm will provide DACS tertiary collection services to supplement the TTC's and DHS' current in-house collection efforts.

Implementation of Strategic Plan Goals

The recommended actions support Goals 1 and 4, Operational Effectiveness and Health and Mental Health, respectively, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The County benefits from collection revenue received from contracted collection services that might not be fully realized without the tertiary collection services Contracts. Linebarger shall be compensated with a contingency fee of 33% of actual Gross Collections for both the TTC and DHS

tertiary collection services. There will be no cost to the County since DACS are based on a commission of actual collections with net collections being forwarded to the County.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Contracts contain all Board mandated provisions. The Contractor is in compliance with all Board, Chief Executive Office, and County Counsel requirements. Linebarger will not be requested to perform services that exceed the commission rate, scope of work, or term of the Contracts. The Contracts expressly provide that the County has no obligation to pay for services by Linebarger that exceed the commission rates. Additionally, the Contracts contain performance standards, including liquidated damages for substandard and/or non-performance, and provisions, whereby, County may terminate the Contracts for convenience upon prior written notice. The attached Contracts with Linebarger for tertiary collection services have been reviewed and approved as to form by County Counsel.

The TTC and DHS have determined that the provisions of the Living Wage Program (County Code Chapter 2.201) do not apply to these Contracts, since the services are provided on an as-needed basis, and not subject to Proposition A. There are no provisions for Cost of Living adjustments in the Contracts. Account referrals made to the contractor fluctuate, and there are no referral guarantees made by the County.

California Government Code Section 26220 requires a four-fifths vote of your Board in order to assign delinquent County accounts to a collection agency and Section 31000 of the Government Code allows your Board to contract for these services.

CONTRACTING PROCESS

The TTC and DHS previously conducted a competitive RFP solicitation process for DACS and made Contract award recommendations to your Board with the highest ranking proposals for secondary (USCB, Inc.) and tertiary (CSB) DACS that were approved on November 29, 2011. Linebarger submitted the second highest ranking proposal for tertiary collection services after CSB and, in accordance with the RFP, the next highest ranking proposal is eligible for award following CSB's rescission. Linebarger previously provided these services to the TTC under a Contract that expired December 31, 2011, at a contingency fee of 40%.

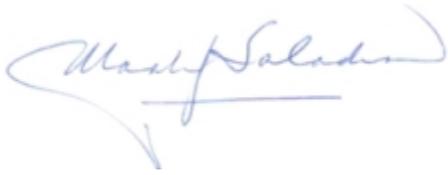
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Due to CSB rescinding their intent to enter into the tertiary collection services Contracts with the TTC and DHS, there will be a thirty (30) day or more lapse in tertiary collection services. It is anticipated that this will only create a minor delay in the transitioning of accounts to the new Contractor.

CONCLUSION

The recommended Contracts with Linebarger will provide for continuation of tertiary DACS.

Respectfully submitted,



MARK J. SALADINO
Treasurer and Tax Collector

MHK:skd
MJS:WMH:EVT:lc

Enclosures

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



Mitchell H. Katz, M.D.
Director



CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

FOR

DELINQUENT ACCOUNT COLLECTION SERVICES

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UNIQUE EXHIBITS

**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)
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CLINICAL HEALTH ACT (HITECH)**

- J CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER THE
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**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
AND
LINEBARGER GOGGAN BLAIR & SAMPSON, LLP
FOR
DELINQUENT ACCOUNT COLLECTION SERVICES**

This Contract and Exhibits made and entered into this ___ day of _____, 2012 by and between the County of Los Angeles, hereinafter referred to as County and Linebarger Goggan Blair & Sampson, LLP, hereinafter referred to as Contractor. Linebarger Goggan Blair & Sampson, LLP is located at 1515 Cleveland Place, Suite 300, Denver, Colorado 80202.

RECITALS

WHEREAS, this Contract is therefore authorized under California Government Code Section 26220 which allows the County , by a four-fifths vote of its Board of Supervisors to enter into a contract with a collection agency for the collection of delinquent accounts; and

WHEREAS, the County Board of Supervisors has delegated the authority and responsibility for these activities to the County's Director of Health Services, or his/her designee (hereafter jointly referred to as "Director"); and

WHEREAS, the Contractor is a private firm specializing in providing Delinquent Account Collection Services; and

WHEREAS, Contractor has submitted a proposal to the Los Angeles County Department of Health Services (DHS) for the provision of Delinquent Account Collection Services and based upon the Request For Proposal process, Contractor has been selected for recommendation for award of such Contract; and

WHEREAS, County is authorized by Government Code 31000 to contract for these services; and

WHEREAS, pursuant to Sections 1441 and 1445 of the California Health and Safety Code, County has established and maintains through its Department of Health Services (hereafter “DHS”) various County hospitals, ambulatory care centers, public health, emergency medical services administration, and other support facilities and programs (hereafter collectively referred to as “Facilities”); and

WHEREAS, the Board of Supervisors has authorized the DHS to administer this Contract.

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, G2, G3, H, I, J, and K 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.

Standard Exhibits:

- 1.1** EXHIBIT A - Statement of Work
- 1.2** EXHIBIT B - Commission Rates
- 1.3** EXHIBIT C - Technical Exhibits
- 1.4** EXHIBIT D - Contractor’s EEO Certification
- 1.5** EXHIBIT E - County’s Administration
- 1.6** EXHIBIT F - Contractor’s Administration
- 1.7** EXHIBIT G 2 - Contractor Employee Acknowledgment and Confidentiality Agreement
- 1.8** EXHIBIT G 3 - Contractor Non-Employee Acknowledgment and Confidentiality Agreement
- 1.8** EXHIBIT H - Jury Service Ordinance
- 1.9** EXHIBIT I - Safely Surrendered Baby Law

Unique Exhibits:

- 1.10 EXHIBIT J - Contractor's Obligations as a "Business Associate" Under the Health Insurance Portability AND Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH)
- 1.11 EXHIBIT K - Defaulted Property Tax Reduction Program

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 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, acting as the Outside Collection Agency (OCA).
- 2.3 **Contractor Contract Administrator:** The individual designated by the Contractor as principal officer to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the Contractor's Contract Manager.
- 2.4 **Contractor Contract Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.5 **County Project Director:** Person designated by DHS with authority for DHS on contractual or administrative matters relating to this Contract that cannot be resolved by the County Project Manager.
- 2.6 **County Project Manager:** Person designated by County Project Director to manage the operations under this Contract.
- 2.7 **County Facility Contract Project Monitor(s):** Person at each Facility with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.

- 2.8 Day(s):** Calendar day(s) unless otherwise specified.
- 2.9 DHS:** Department of Health Services
- 2.10 Director:** Director of Health Services or his/her authorized designee.
- 2.11 Facility(ies):** A Facility is a DHS facility or DHS contracted health care service provider where County has subrogation or reimbursement rights for medical services provided.
- 2.13 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.14 Gross Collections:** Total dollar amount received from debtor.
- 2.15 OCA:** Outside Collection Agency. Performing services as the Contractor under this SOW.

3.0 WORK

- 3.1** 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 body of this Contract and "*Statement of Work*", *Exhibit A*, which is attached hereto and incorporated herein by reference.
- 3.2** 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.
- 3.3** Contractor acknowledges that the quality of services(s) provided under this Contract shall be at least equivalent to that which Contractor provides to all other clients it serves.
- 3.4** At the Director's sole discretion and in accordance with Sub-paragraph 8.1.3, Amendments, a single or multiple Facilities may be added to or deleted from this Contract as necessary to maximize revenues to the County and accordingly, Contractor shall commence or discontinue services immediately upon the Director's written direction.

4.0 TERM OF CONTRACT

- 4.1** The term of this Contract shall be for two (2) years and eleven (11) months commencing upon approval by County's Board of

Supervisors, or **February 1, 2012, whichever is later**, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

- 4.2** The County shall have the sole option to extend this Contract term for up to two (2) additional one-year periods and six (6) month to month extensions, for a maximum total Contract term of five (5) years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the (Board of Supervisors or Director or his/her designee as authorized by the Board of Supervisors) in accordance with sub-paragraph 8.1 - Amendments.
- 4.3** The Contractor shall notify DHS when this Contract is within six (6) months from the expiration of the initial term and each subsequent renewal term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to DHS at the address herein provided in *Exhibit E - County's Administration*.

5.0 COMMISSION RATES

- 5.1** In accordance with the terms of this Contract, DHS will assign Delinquent Accounts, as defined in Exhibit A, Statement of Work to Contractor for which *Contractor shall retain a commission* as set forth below.
- 5.1.1 Contractor shall be compensated on a contingent fee negotiated by the DHS and the Contractor, but shall not exceed sixteen percent 16 % of incremental collections, including self-pay, Medi-Cal, Medicare, Commercial Insurance, Health Care Plan, and other third party payor collections received on all DHS facilities.
- 5.1.2 Contractor shall bill monthly in arrears with a separate invoice to each Facility for its portion of the billing.
- 5.1.3 Payment by County hereunder shall be made within a reasonable time after receipt of a billing statement which is deemed to be complete and correct by the individual DHS Facilities, and/or the County's Auditor-Controller, or his/her duly authorized representative.
- 5.1.4 The term "payment" shall include cash, credits, transfers, and capitation and premium fees received by the County. The term "payment" shall not include any Medicare or Medi-Cal cost report settlements, nor shall it include any block grant monies, including, but not limited to Medi-Cal Hospital Financing Waiver (Medi-Cal Redesign), Safety Net

Carepool, Medical Disproportionate Share Hospital (DSH) funds, and 1115 Waiver funds.

- 5.1.5 All amounts payable to Contractor pursuant to this Sub-paragraph 5.0, Commission Rates, shall be paid by County to Contractor within a reasonable period of time following County's receipt of complete and correct payments for the billings generated by Contractor. Only if approved by the Director, the fees for services may be deducted from the revenues recovered, and/or net payment may be forwarded to the County. At a minimum, Contractor shall submit monthly invoices detailing the payments received from all Third Party payers during the prior month. In no case shall County pay to Contractor any amounts pursuant to this Sub-paragraph 5.0, Commission Rates, for any Third Party payments received by Facilities prior to the services start date. Contractor shall be entitled to payments, pursuant to this Sub-paragraph 5.0, Commission Rates, for completed services provided by Contractor on accounts which were referred to and accepted by Contractor and not recalled by County prior to expiration or other termination of this Contract.

All disputed accounts shall be resolved by County and Contractor as follows:

1. County will use a "Disputed Account Form" mutually agreed upon by County and Contractor.
2. Each disputed account may be returned to Contractor for additional information.
3. Contractor shall have thirty (30) days from receipt of a Disputed Account Form to respond to County's dispute.
4. County shall have thirty (30) days to accept or reject Contractor's response and process Contractor's invoice for the disputed claim. If County rejects Contractor's response and denies payment, Contractor must file an appeal to the Division Head of Revenue Management for final disposition.

- 5.1.6 Contractor hereby agrees that any payments made by County to Contractor for patient stays/visits originally approved by a Third Party payer, but later disallowed in audit or otherwise recouped by the payer or its intermediary, except for Medi-Cal cost report settlements, shall be repaid/offset to County. All repayments/offsets of payments to be made by Contractor shall be due and payable by Contractor upon Contractor's receipt of an itemized invoice indicating the specific nature and amount of the audit

disallowance(s) and/or recoupment(s) and affirming County's intention to immediately repay any disallowances to the effective payer(s). If Contractor fails to immediately reimburse County following its receipt of such invoice, the Director may, at his/her sole discretion, deduct such amount from future payments to Contractor. In this regard, Contractor shall be relieved of its responsibilities under this Sub-paragraph 5.1.6, Commission Rates, if the County has not notified Contractor of any audit disallowances and/or recoupment within one hundred and eighty (180) calendar days of County's receipt of any final disallowance report and/or recoupment notification or within six (6) years of the date of the payment of the Medi-Cal, Medicare, other third-party payor and/or commercial insurance, etc., claim to County.

5.1.7 The fee payable to Contractor in accordance with services provided under this Contract may be re-negotiated as a result of changes to DHS Facilities (e.g., Health Care Reform, hospital closures, etc.).

5.1.8 Contractor also agrees to maintain records sufficient to document all billings submitted as part of this Contract. Those records shall serve as the basis of the computations required pursuant to this Sub-paragraph 5.0, Commission Rates, and shall contain the following information:

1. Accounts billed;
2. Invoice/control numbers of all billings submitted;
3. Dates of billings;
4. Amounts paid to County, by invoice/control number;
5. Dates of payments to County;
6. Amounts due to Contractor;
7. Dates of payments to Contractor by County; and
8. Account Notes.

County shall cooperate in providing Contractor with access to the information necessary for Contractor to maintain such records and Contractor shall make such records available to County for its inspection, in accordance with Paragraph 8.38, Record Retention and Inspection/Audit Settlement.

5.1.9 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.

5.1.10 The Contractor shall submit the monthly invoices to the County by the 15th calendar day of the month following the month of service.

5.1.11 **Contractor's Close-Out Obligations:** Contractor shall continue to process all accepted accounts in Contractor's inventory that have been referred to Contractor prior to the time of expiration of this Contract, unless the Contract is sooner terminated with or without cause by County. Contractor shall complete the processing of such accounts and make every effort to expedite close-out. Contractor shall be reimbursed at the same rates as stated in Sub-paragraph 5.0, Commission Rates. Contractor shall complete the processing of all such accepted accounts in accordance with the terms and conditions of this Contract, as well as all required reports.

5.1.12 **No Payment for Services Provided Following Expiration/Termination of Contract**

Except for Contractor's Close-Out Obligations in Paragraph 5.1.11 for which Contractor will be reimbursed in accordance with Sub-paragraph 5.0, the Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the 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 the Contractor. This provision shall survive the expiration or other termination of this Contract.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

DHS will be administrating and monitoring the referrals in accordance with the: *Exhibit E – County's Administration*.

A listing of all County Administration referenced in the following Subparagraphs are designated in *Exhibit E - County's Administration*. The County shall notify the Contractor in writing of any change in the names or addresses shown.

6.1 COUNTY'S PROJECT DIRECTOR

Responsibilities of the County Project Director include:

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

6.2 COUNTY'S PROJECT MANAGER

The responsibilities of the County's Project Manager include:

- meeting with the Contractor's Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

The County's Project Manager 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 COUNTY'S FACILITY CONTRACT PROJECT MONITORS

The County's Facility Contract Project Monitors are responsible for overseeing the day-to-day administration of this Contract. The County's Facility Contract Project Monitors report to the County's Project Manager.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 CONTRACTOR'S CONTRACT ADMINISTRATOR

7.1.1 Contractor's Contract Administrator shall be a full-time employee of Contractor. The Contractor's Contract Administrator is designated in *Exhibit F - Contractor's Administration*. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Contract Administrator.

7.1.2 Contractor's Contract Administrator shall be the principal officer in the Contractor's office to service the Contract and to act as a liaison for the Contractor in coordinating the performance under the Contract.

7.1.3 Contractor's Contract Administrator shall be responsible for Contractor's performance of all tasks, deliverables, goods, services, or other work provided by or on behalf of Contractor and ensuring Contractor's compliance with this Contract.

7.1.4 Contractor's Contract Administrator shall be available to meet and confer with County's Contract Administrator on an as needed basis, either in person or by telephone as mutually agreed by the parties, to review Contract performance. Such meetings shall be conducted at a time and place as mutually agreed by the parties.

7.2 CONTRACTOR'S CONTRACT MANAGER

7.2.1 The Contractor's Contract Manager/Alternate is designated in *Exhibit F - Contractor's Administration*. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Contract Manager/Alternate within five (5) business days.

7.2.2 The Contractor's Contract Manager/alternate shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Contract Administrator on a regular basis.

7.2.3 The Contractor's Contract Manager/Alternate must have **three (3)** years of documented experience providing services similar to those requested in this Contract; be a full-time employee of the Contractor; and be able to fluently read, speak, and understand English.

7.3 APPROVAL OF CONTRACTOR'S STAFF

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

7.4 CONTRACTOR'S STAFF IDENTIFICATION

If applicable, Contractor shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

7.5 BACKGROUND AND SECURITY INVESTIGATIONS

7.5.1 At any time prior to or during term of this Contract, the County may require that all Contractor's 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. 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.

- 7.5.2 County may request that the Contractor's staff be immediately removed from working on the County Contract at any time during the term of this Contract. County will not provide to the Contractor nor to the Contractor's staff any information obtained through the County conducted background clearance.
- 7.5.3 County may immediately, at the sole discretion of the County, deny or terminate facility access to the Contractor's staff that does not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.
- 7.5.4 Disqualification, if any, of the Contractor's staff, pursuant to this Subparagraph 7.5, shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 CONFIDENTIALITY

- 7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Subparagraph 7.6, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Subparagraph 7.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to

provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

7.6.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

7.6.4 Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit G2.

7.6.5 Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement", Exhibit G3.

7.7 STAFF PERFORMANCE UNDER THE INFLUENCE

Contractor shall not knowingly permit any employee to perform services under this Contract while under the influence of any alcoholic beverage, medication, narcotic, or other substance which might impair their physical or mental performance.

8.0 STANDARD TERMS AND CONDITIONS

8.1 CHANGE NOTICES AND AMENDMENTS

8.1.1 For any change which affects the scope of work, term, compensation, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the Contractor and by the Board of Supervisors.

8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To

implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by the Director.

- 8.1.3 Notwithstanding Sub-paragraph 8.1.1, for any changes in the policies, program information or procedural requirements, addition or removal of a Facility or Facilities from the Contract, rates negotiated in accordance with Sub-paragraph 5.0, Commission Rates, or assignment of Special Accounts, a written Change Notice shall be prepared and signed by the Director of DHS and the Contractor's Contract Project Manager, and approved by County Counsel. Such Change Notice will become part of this Contract.
- 8.1.4 **Special Accounts:** Notwithstanding Sub-paragraph 8.1.1, Amendments, any change to Special Accounts rates shall be set by Director of DHS with the written approval of the Contractor, and shall be equal to or reduced from the contingent fees on regularly referred accounts in accordance with Sub-paragraph 5.0, Commission Rates.

8.2 ASSIGNMENT AND DELEGATION

- 8.2.1 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 Subparagraph, 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 delegate 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.
- 8.2.2 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.

8.2.3 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, 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.

8.3 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.

8.4 BUDGET REDUCTIONS

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 under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

8.5 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.5.1 Within ten (10) business days after Contract effective date, the Contractor shall provide the County's Project Manager - with the Contractor's policy for receiving, investigating and responding to user complaints.

- 8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.5.3 If the County's Project Manager requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.
- 8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County's Project Manager for approval before implementation.
- 8.5.5 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.
- 8.5.6 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.
- 8.5.7 Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

8.6 COMPLIANCE WITH APPLICABLE LAW

- 8.6.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, including, but not limited to standards of The Joint Commission, its National Patient Safety Goals, California Code of Regulations, Title 22, Division 5 regulations and all other applicable industry best practices standards. All provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives,

guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Subparagraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.6.3 Facilities Rules and Regulations

During the time that Contractor's agents, employees, or subcontractors are at a Facility, Contractor and such persons shall be subject to the rules and regulations of that Facility. Facility's Administrator shall furnish a copy of rules and regulations to Contractor pertaining to the Facility prior to the execution of this Contract and, during the term of this Contract, shall furnish Contractor with any changes thereto as from time to time may be adopted. It is the responsibility of Contractor to acquaint all persons who may provide services hereunder with such rules and regulations. Contractor agrees to immediately and permanently withdraw any of its employees or subcontractors from the provision of services hereunder upon receipt of written notice from the Director that: (1) such employee or subcontractor has violated such rules or regulations, or (2) such employee's or subcontractor's actions while on County premises, indicate that such employee or subcontractor's actions while on County premises, indicate that such employee or subcontractor may adversely affect the delivery of health care services to County patients. The Director of DHS must submit with such notice a written statement of the facts supporting any such alleged violation or action.

8.7 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); the Fair Employment & Housing Act, Government Code Section 12920-12922; and Affirmative Action in County Contracts, Chapter 4.32 of the Los Angeles County Code to the end that no person shall, on the grounds of race, creed, color, sex, sexual orientation, religious creed, ancestry, age, physical or mental disability, medical condition, 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*.

8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.8.1 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, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy.

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the 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.
2. For purposes of this Subparagraph, "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 the 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 the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor shall also be subject to the provisions of this Subparagraph. The provisions of this Subparagraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the 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 the Contractor demonstrate, to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Subparagraph 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 the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

8.9.1 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.

8.9.2 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 Subparagraph shall be a material breach of this Contract.

8.10 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.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

8.11.1 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. If Contractor decides to pursue consideration of GAIN/GROW participants for hiring, Contractor shall provide information regarding job openings and job requirements to Department of Public Social Services' GAIN/GROW staff at GAINGROW@dpss.lacounty.gov. County will refer GAIN/GROW participants by job category, to Contractor.

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

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 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 the County's policy to conduct business only with responsible Contractors.

8.12.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the 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 but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

8.12.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to

perform a contract with the County, any other public entity, or a nonprofit corporation created by the 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 the County or any other public entity.

8.12.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The 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.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. 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. The County may, in its discretion, reduce the period of debarment

or terminate the debarment if it finds that the 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 the County.

5. The 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 Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the 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 Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The 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 Contractor Hearing Board.

8.12.5 **Subcontractors of Contractor**

These terms shall also apply to Subcontractors of County Contractors.

8.13 CONTRACTOR’S ACKNOWLEDGEMENT 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. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

8.14 CONTRACTOR’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the 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 the County and its taxpayers.

8.14.2 As required by the County’s Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor’s duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department 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).

8.15 COUNTY’S QUALITY ASSURANCE PLAN

8.15.1 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.

- 8.15.2 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

- 8.16.1 The Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.
- 8.16.2 If the 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 the Contractor by cash payment upon demand.
- 8.16.3 County reserves the unilateral right to make any repairs which County determines, in his/her sole discretion, to be a public safety issue requiring immediate repair. County will bill Contractor for the cost of said repair or deduct said cost from any outstanding amounts owed by County to Contractor.

8.17 EMPLOYMENT ELIGIBILITY VERIFICATION

- 8.17.1 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.

8.17.2 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.

8.18 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/or Amendments prepared pursuant to Subparagraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to 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.

8.19 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.

8.20 FORCE MAJEURE

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods,

epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's Subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this Subparagraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Subparagraph, the term "Subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.21 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.

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 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.

8.22.2 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.

8.22.3 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.

8.22.4 The Contractor shall adhere to the provisions stated in Subparagraph 7.6 - Confidentiality.

8.23 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.

8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided **fifteen (15)** days prior to commencing services under this Contract.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

- (1) Department of Health Services
Contracts and Grants Division
313 North Figueroa Street,
Sixth Floor-East
Los Angeles, California 90012-2659

Attention: Director

- (2) Department of Health Services
Revenue Services
313 North Figueroa Street, Room 527
Los Angeles, California 90012-2659
Attention: Chief
- (3) Centralized Contract Monitoring Division
5555 Ferguson Drive, Suite 210-00
Commerce, California 90022
Attention: Director

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.24.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.3 Cancellation of or Changes in Insurance

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

8.24.4 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

8.24.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.24.6 Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

8.24.7 Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance

for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.8 Sub-Contractor Insurance Coverage Requirements

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

8.24.9 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

8.24.11 Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

8.24.12 **Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.13 **Alternative Risk Financing Programs**

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.24.14 **County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.25 INSURANCE COVERAGE

8.25.1 **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

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** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 **Workers Compensation and Employers' Liability**

insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.25.4 **Professional Liability/Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

8.25.5 **Crime Coverage**

A Fidelity Bond or Crime Insurance policy with limits of not less than \$ 1 million per occurrence. Such coverage shall protect against all loss of money, securities, or other valuable property entrusted by County to Contractor, and apply to all of Contractor's directors, officers, agents and employees who regularly handle or have responsibility for such money, securities or property. The County and its Agents shall be named as an Additional Insured and Loss Payee as its interests may appear. This insurance shall include third party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and shall not contain a requirement for an arrest and/or conviction.

8.25.6 Performance Bond

Contractor shall furnish to County, Per Government Code Section 26221, a Faithful Performance Bond in the sum of not less than ten thousand dollars (\$10,000) payable to the County of Los Angeles and executed by a corporate surety licensed to do business as a surety in the State of California. Such bond shall be conditioned upon faithful performance by Contractor of the terms and conditions of this Contract and shall be renewed by Contractor to provide for continuing liability in the above amount not withstanding any payment or recovery thereon.

8.26 LIQUIDATED DAMAGES

8.26.1 If, in the judgment of the Department Head, or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.26.2 If the Department Head, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Department Head, or his/her designee, deems are correctable by the Contractor over a certain time span, the Department Head, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Department Head, or his/her designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as

defined in Exhibit C, Technical Exhibit 2b, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or (c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.26.3 The action noted in Subparagraph 8.26.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.26.4 This Subparagraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Subparagraph 8.26.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

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 AND AFFIRMATIVE ACTION

8.28.1 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, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

- 8.28.2 The Contractor shall certify to, and comply with, the provisions of *Exhibit D - Contractor's EEO Certification*.
- 8.28.3 The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, 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.
- 8.28.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, marital status, or political affiliation.
- 8.28.5 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, religious creed, ancestry, national origin, sex, sexual orientation, age, physical or mental disability, medical condition, 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.
- 8.28.6 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 Subparagraph 8.28 when so requested by the County.
- 8.28.7 If the County finds that any provisions of this Subparagraph 8.28 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.

8.28.8 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.

8.29 NON EXCLUSIVITY

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

8.30 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) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 NOTICE OF DISPUTES

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

8.32 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.

8.33 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.

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 E - County's Administration and Exhibit F - Contractor's Administration*. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party.

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 the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Subparagraph 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 Request for Proposals (RFP) 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 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. The County shall not unreasonably withhold written consent.

- 8.37.2 The Contractor may not, 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

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 record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and 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 five (5) 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, including audits conducted by the Medicare and Medi-Cal programs, or both, then the Contractor shall file a copy of such audit report, including Statement of Auditing Standards No. 70 Type 2 Reports, 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. Subject to applicable law, 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 Subparagraph 8.38 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 five (5) years after the expiration or termination of this Contract, representatives of the County 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 SUBCONTRACTING

8.40.1 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.

8.40.2 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.

8.40.3 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 the Contractor employees.

8.40.4 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.

8.40.5 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.

8.40.6 After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.

8.40.7 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.

8.40.8 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:

(1) Department of Health Services
Contracts and Grants Division
313 North Figueroa Street,
Sixth Floor-East
Los Angeles, California 90012-2659
Attention: Director

(2) Department of Health Services
Revenue Services
313 North Figueroa Street, Room 527
Los Angeles, California 90012-2659
Attention: Chief

(3) Centralized Contract Monitoring Division
5555 Ferguson Drive, Suite 210-00
Commerce, California 90022
Attention: Director

before any Subcontractor employee may perform any work hereunder.

8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in Subparagraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall

constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Subparagraph 8.43 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

8.42 TERMINATION FOR CONVENIENCE

8.42.1 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 the 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.

8.42.2 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.

8.42.3 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 Subparagraph 8.38, Record Retention and Inspection/Audit Settlement.

8.43 TERMINATION FOR DEFAULT

8.43.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County.

- Contractor has materially breached this Contract; or
- 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.

8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Subparagraph 8.43.1, 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 Subparagraph.

8.43.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Subparagraph 8.43.2 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 Subparagraph, the term "Subcontractor(s)" means Subcontractor(s) at any tier.

8.43.4 If, after the County has given notice of termination under the provisions of this Subparagraph 8.43, it is determined by the

County that the Contractor was not in default under the provisions of this Subparagraph 8.43, or that the default was excusable under the provisions of Subparagraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subparagraph 8.42 - Termination for Convenience.

8.43.5 The rights and remedies of the County provided in this Subparagraph 8.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 TERMINATION FOR IMPROPER CONSIDERATION

8.44.1 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.

8.44.2 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 Fraud Hotline at (800) 544-6861 or <http://www.lacountyfraud.org>.

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

8.45 TERMINATION FOR INSOLVENCY

8.45.1 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.

8.45.2 The rights and remedies of the County provided in this Subparagraph 8.45 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 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.

8.47 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.

8.48 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.49 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 Subparagraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.50 WARRANTY AGAINST CONTINGENT FEES

8.50.1 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.

8.50.2 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.

8.51 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

8.51.1 Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

8.51.2 Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of

this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

8.52 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of Contractor to maintain compliance with the requirements set forth in Subparagraph 8.51 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

8.53 USE OF COUNTY SEAL LOGO

County claims right, title and interest in and to certain intellectual property, including but not limited to the current and former County seals logos (hereafter collectively "County Seals"). The Contractor shall not reproduce, copy, distribute, republish, download, display, post, transmit or make any other use of any kind whatsoever of the County Seals, in any format or by any means whatsoever. At no time shall the Contractor in any manner (i) modify the County Seals, or (ii) create derivative works of the County Seals. The Contractor shall not in any manner sublicense, transfer or assign its rights, or delegate its duties, with respect to use of the County Seals, whether in whole or in part, without the prior written consent of the County, in its discretion, and any attempted sublicense, transfer, assignment or delegation without such consent shall be null and void.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) AND THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH)

The County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH). 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 J in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit J, Contractor's Obligations As a "Business Associate" Under Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH) (Business Associate Agreement).

9.2 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

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

9.2.2 The 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.

9.2.3 The 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.

9.2.4 If the Contractor has obtained 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:

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 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 business 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 state and OAAC of this information prior to responding to a solicitation or accepting a contract award.

9.3 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

- 9.3.1 This Contract is subject to the provisions of the County's ordinance entitles Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.
- 9.3.2 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.
- 9.3.3 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.
- 9.3.4 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 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:
 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.

9.4 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 Contract, Contractor certifies that neither it nor any of its owners, officers, partners, or directors or other principals is currently suspended, debarred, ineligible, or excluded from securing federally funded contracts. Further, by executing this Contract, 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 Contract, 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 Contract upon which the County may immediately terminate or suspend this Contract.

9.5 CONTRACTOR'S EXCLUSION FROM PARTICIPATING IN A FEDERALLY FUNDED PROGRAM

- 9.5.1 Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from providing services under any health care program funded by the Federal government, directly or indirectly, in whole or in part, and

that Contractor will notify Director of DHS within ten (10) calendar days in writing of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a Federally funded health care program; and (2) any exclusionary action taken by any agency of the Federal government against Contractor or one or more staff members barring it or the staff members from participating in a Federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

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

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

9.6 RESTRICTIONS ON LOBBYING

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

9.7 UNLAWFUL SOLICITATION

Contractor shall inform all of its officers and employees performing services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with section 6150) of Business and Professions Code of the State of California (i.e. State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of said provisions by its officers and employees. Contractor agrees that if a patient requests assistance in obtaining the services of any attorney, it will refer the patient to the attorney referral service of all those bar associations within Los Angeles County that have such a service.

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

COUNTY OF LOS ANGELES

By _____
Mitchell H. Katz, M.D.
Director of Health Services

CONTRACTOR

By _____
Signature

Printed Name

Title

APPROVED AS TO FORM
BY THE OFFICE OF THE
COUNTY COUNSEL

**AGREEMENT FOR
TERTIARY DELINQUENT ACCOUNT COLLECTION SERVICES**

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STATEMENT OF WORK

TTC & DHS

DELINQUENT ACCOUNT COLLECTION SERVICES

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EXHIBIT A

STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

The County of Los Angeles (County) provides a variety of services including but not limited to, medical services, billing, and collection services. After the County exhausts its own “primary” collection efforts, the selected delinquent accounts shall be referred to the secondary contractor for “secondary” collection efforts, and if unsuccessful at the secondary level, then the delinquent accounts shall be referred to the “tertiary” contractor for final collection efforts. In many cases, the tertiary efforts will be for accounts where the age of the delinquency will likely be greater than one hundred and eighty (180) days.

Under the Treasurer and Tax Collector (TTC), Delinquent Account Collection Services (DACS) is comprised of collections for the Department of Public Social Services (DPSS) which are related to CalFresh (formerly Food Stamps), CalWORKS, Cash and General Relief Overpayments, as well as delinquent outstanding debt owed to various County departments for personal or mandated services received by individuals or business entities. Some examples of these services include the recovery of overpayments, the collection of fees and penalties, and the recovery of payments owed to the County due to insufficient fund checks. The TTC’s client departments and annual workload are subject to change as described in Exhibit B1, TTC Workload Volumes.

The Department of Health Services (DHS) collections consist of Inpatient, Outpatient and Clinic Medical Charges. Contractor shall provide DACS categorized as “Self-pay” accounts for medical services. The historical workload statistics for DHS are described in Exhibit B2, DHS Workload Volume, which is subject to change from year to year.

Subsequent to award of a Contract(s), County may be required by law, or deem it in the County’s best interest, to commence augmented collection efforts or the usage of new collection methodologies. At such time, an Amendment to the Contract will be negotiated with the Contractor for such services.

This SOW is comprised of work requirements for the TTC and DHS. Where applicable, a general introduction will precede the specific requirements, followed by unique requirements for each respective department. **Furthermore, each department will have an identifier; e.g.; “a” for the TTC and “b” for DHS, to facilitate what each department’s unique work requirements entail.**

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 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.2 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.3 **Treasurer and Tax Collector:** As used herein, the term “Treasurer and Tax Collector” shall mean the Director of the County’s Department of the Treasurer and Tax Collector.
- 2.4 **Department of Health Services:** As used herein, the term “Department of Health Services” shall mean the County’s Department of Health Services.
- 2.5 **Gross Collections:** Total dollar amount received from debtor and remitted by Contractor(s) to County.
- 2.6 **Contingency Fee:** A fee negotiated by the County and the Contractor, which shall not exceed the commission rate(s) as set forth in Exhibit B, Commission Rates.
- 2.7 **OCA or Contractor(s):** Outside Collection Agency. Performing services as the Contractor under this SOW.
- 2.8 **Primary Collections:** Initial in-house delinquent account collection efforts.
- 2.9 **Secondary Collections:** Once the County has exhausted its own primary collection efforts, the accounts will be directly referred for secondary efforts to the secondary collection Contractor.
- 2.10 **Tertiary Collections:** Delinquent accounts referred to a Contractor that have previously been worked on a “secondary” basis by an outside collection agency other than Contractor. In many cases, the tertiary effort will be for accounts where the age of the delinquency will likely be greater than one hundred and eighty (180) days.
- 2.11 **Third Party:** a responsible party other than the primary provider or patient, e.g., Medi-Cal and/or Medicare, California Children Services (CCS) or insurance company.

3.0 DELINQUENT ACCOUNTS ASSIGNED FOR COLLECTION

- 3.1 The delinquent accounts that may be referred to the Contractor are the accounts that flow through the County’s internal collection process, which has been exhausted prior to referral to the Contractor.
- 3.2 The County’s collection process is called the “primary” collection effort. These accounts may include, but are not limited to, the following:

DEPARTMENT	TYPE OF ACCOUNTS
Department of Health Services (DHS)	Inpatient, Outpatient and Clinic Charges
Department of Public Social Services (DPSS)	CalFresh, Cash and General Relief Overpayments
Other Departments	Primarily Recovery of Overpayments, Miscellaneous Department Fees/Penalties and Returned Checks

- 3.3 Accounts will be referred to the Secondary Collections Contractor on a flow basis in a manner determined to be in the best interest of the County.
- 3.4 Once the Secondary Collections Contractor’s efforts have been exhausted, those returned delinquent accounts shall be referred to the Tertiary Collections Contractor. In many cases, the tertiary effort will be for accounts where the age of the delinquency will likely be greater than one hundred and eighty (180) days.
- 3.5 Immediately upon assignment of accounts, the Contractor shall undertake collection efforts in accordance with this Exhibit A, Statement of Work (SOW), and all applicable Federal and State laws. The County reserves the right to direct Contractor to modify or change collection methodology with regards to these accounts through a negotiated amendment.

4.0 WORKFLOW REQUIREMENTS

After the County has exhausted its own Primary Collection efforts, the County shall provide Contractor all available data that it deems pertinent to DACS. Contractor shall accept delinquent account information in the manner described in Paragraphs 4.1a and 4.1b below, which will minimally include: the debtor’s name, last known address if available, account number, balance due on account, and type of service.

The Contractor shall use the County’s client and account numbers for all business conducted regarding referrals.

The Contractor shall segregate all accounts referred by the County (identifying the TTC and/or DHS accounts) from all other Contractor accounts. All information relating to the accounts referred and assigned shall be confidential and shall not be open to examination for any purpose not directly connected with the servicing of the accounts by the Contractor. Employees of the Contractor who provide services pursuant to the Contract must sign and adhere to the "Contractor Employee Acknowledgement and Confidentiality Agreement", Exhibit G2.

The Contractor shall maintain all records relating to their Contract performance for a minimum of five (5) years after Contract termination in accordance with the TTC and DHS Contract(s), respectively, Subparagraph 8.38, Record Retention and Inspection/Audit Settlement. The County will have the right to inspect these records at any time within this five (5) year period; thereafter, at the discretion of the County to either destroy and/or return records.

4.1a TTC's Referral of Delinquent Miscellaneous Accounts to an OCA

With regard to the TTC amounts, the Contractor shall be required to maintain referral account-related notes, including note dates in an automated system and provide those notes to the TTC (Exhibit A, TTC Attachment 3.4) along with the account data upon request, recall, or closure of the account. A recall file includes both uncollectible and paid in full accounts. The Contractor shall be required to track activities related to the referred accounts. In addition, Contractor shall maintain account related notes even after the account has been paid or Contract has expired in accordance with the record retention policies referenced in Paragraph 4.0, above.

At the TTC's discretion, accounts with no payment activity will be referred to the Contractor after 60 days if the balance is fifty dollars (\$50.00) or more except for non-sufficient fund (NSF) checks, where there is no minimum balance amount. However, the fifty dollar (\$50.00) limit will be applied at the TTC's discretion and may be comprised of an aggregate of different debts that occur. Information in the files may include, but not be limited to, the TTC's client and account numbers, the debtor's name, last known address, driver license number, Social Security Number, telephone number, date of birth, balance due on account and type of service.

4.1.1a The TTC shall notify Contractor via email (Exhibit A, Attachment 1.0) that referrals shall be forthcoming; immediately thereafter, the TTC shall send the Contractor referrals by 12:00 noon (Pacific Standard Time) on each Wednesday (Exhibit A, TTC Attachment 1.1).

4.1.2a Immediately upon receipt of referrals, the Contractor will send a confirmation email of file received and processed from the TTC (Exhibit A, TTC Attachment 1.2).

- 4.1.3a Exceptions (e.g., including but not limited to: discrepancies in data transfers or file layout, and/or omission of data) will be delivered to the TTC via email no later than 2:00 p.m. (Pacific Standard Time) on each Wednesday (Exhibit A, TTC Attachment 1.3).
- 4.1.4a These exceptions will be resolved either by the TTC and/or Contractor and reported to both parties via email no later than Thursday of the same week from receipt of the exceptions from the Contractor (Exhibit A, TTC Attachment 1.4).

4.1b DHS' Referral of Inpatient, Outpatient and Clinic Accounts to an OCA

- 4.1.1b All delinquent accounts for Inpatient, Outpatient and Clinics will be referred on a weekly basis electronically by each facility separately – without a minimum balance.
- 4.1.2b Contractor shall have the capability to receive files for account processing as described in this Paragraph 4.1b.
- 4.1.3b The Contractor shall have the capability to receive encrypted patient files in the format and layout as designated by DHS (Exhibit A, DHS Attachment 1-13).
- 4.1.4b The Contractor shall retrieve files from the Contractor's server, utilizing a secure file transfer protocol approved by DHS. The secure file transfer server shall be managed and paid for by Contractor.
- 4.1.5b The Contractor shall be responsible for accumulating balances for each patient by medical record number.
- 4.1.6b Immediately upon receipt of the referral file, Contractor shall upload the file to their system and ensure the number of accounts and the total amount of account referrals reconcile to the number and amount of account referred to the Contractor in the trial header.
- 4.1.7b Each week the Contractor shall submit an Acknowledgement Report documenting the number and amount of accounts to each DHS facility from which referrals were received.
- 4.1.8b Contractor may be provided with financial, medical and other operating data as available and under applicable law, including among other things the following:
- Inpatient and ambulatory billing forms and billing folders for Medi-Cal, Medicare, and commercial insurance;

- County patient medical records, for purposes of determining and verifying dates of patient service and other diagnosis information required for successful billing and collection.

4.1.9b At County's discretion, Contractor shall provide any additional files, documents, system access, or information deemed appropriate to facilitate performance of the services described in this SOW.

4.1.10b Any account that County determines to be publicly sensitive or where the best interests of the County would not be served by the efforts of the Contractor or where County restricts specific accounts or account types from referral to Contractor will not be referred to the OCA.

4.1.11b Contractor shall not collect any payments and/or contingency fees on accounts that have not been referred to Contractor.

4.2b DHS Acceptance/Rejection of Accounts

4.2.1b Patient's Third Party Coverage: Upon receiving account referral, Contractor shall review the patient account data and identify those accounts that are covered by Medi-Cal, Medicare, California Children Services ("CCS"), insurance, or any other third party source for the amount owed. Contractor shall provide a list of all such accounts to the facility for approval. Contractor shall not commence Third Party billing and collection before receiving the approval from the facility. If the Contractor discovers that the debtor retained an attorney or has instituted a claim or lawsuit against a Third Party liable for medical care, including but not limited to, Personal Injury, or the Contractor has discovered the identity and/or whereabouts of said Third Party, the Contractor shall immediately notify DHS and send a recall request of all such accounts to DHS.

4.3b DHS Contractor Referring Patients Back to County

4.3.1b At any time the County determines that the patient does not have Financial Ability To Pay ("FATP"), such determination shall be communicated to the Contractor, the account shall be recalled and the Contractor shall return all account/patient information to County in accordance with the schedule and formats in Exhibit A, DHS Attachment 1 – Schedule of Information, FATP Update Report. The Contractor shall not undertake any collection efforts for these accounts and shall not accept any payment from the patients. In the event the patient attempts to make a voluntary payment, the Contractor shall not accept the payment and will instead refer the patient to County facilities where the payment can be accepted. In the event the patient provides Contractor with proof of Third Party Coverage, Contractor shall proceed in

accordance with the "Third Party Coverage," Paragraphs 4.2.1b and 4.3.2b of this SOW.

4.3.2b If Contractor determines the patient may qualify for Third Party Coverage, then Contractor shall refer the patient back to County to apply for Medicare, Medi-Cal, Healthy Families, CCS, or any other governmental or reduced cost programs.

4.3.3b When a patient demonstrates that medical services provided were or should have been covered by Medicare, Medi-Cal, Healthy Families, CCS, any other governmental or reduced cost programs, Contractor shall cease DACS and make a determination of the validity of such coverage. If the Contractor determines that the patient may qualify for Third Party Coverage, the Contractor shall refer the patient to the County to apply for Third Party Coverage.

4.4a TTC Payments & Adjustments to OCA Records

4.4.1a The TTC shall notify Contractor via email (Exhibit A, TTC Attachment 2.0) that payments and adjustments shall be forthcoming; immediately thereafter, the TTC shall send the Contractor payments and adjustments by 12:00 noon (Pacific Standard Time) on each Wednesday (Exhibit A, TTC Attachment 2.1) resulting from adjustments to the charge or payments received directly, payments made through the Franchise Tax Board and Treasury Offset Program, or by the TTC/Client Department. The Contractor shall accurately post all adjustments to the appropriate accounts within the same day of receipt of the adjustment files and postings shall be consistent with the manner presented by the TTC.

4.4.2a Immediately upon receipt of payments and adjustments, the Contractor will send a confirmation email of the file received and processed to the TTC (Exhibit A, TTC Attachment 2.2).

4.4.3a Exceptions will be delivered to the TTC via email no later than 2:00 p.m. (Pacific Standard Time) on each Wednesday (Exhibit A, the Attachment 2.3).

4.4.4a These exceptions will be resolved either by the TTC and/or Contractor and reported to both parties via email no later than Thursday of the same week from receipt of the exceptions from the Contractor (Exhibit A, TTC Attachment 2.4).

4.4.5a If the Contractor does not agree with the adjustments for any reason, Contractor must notify the TTC via email (Exhibit A, TTC Attachment 2.5) of the specific reasons for the objections and provide the TTC with supporting documentation within five (5)

business days from the date the adjustment notification was received by the Contractor.

4.4.6a The TTC shall evaluate the Contractor's objection, make a determination and notify the Contractor via email (Exhibit A, TTC Attachment 2.6) of its decision within ten (10) business days of receipt of the notice from the Contractor. The TTC's decision on any objection shall be final, with regard to this Subparagraph 4.4a. Failure on the part of the Contractor to act within the prescribed time frames and in accordance with the procedures set forth above will result in a waiver of any claim for commission that might have otherwise been warranted.

4.4b DHS' Payments & Adjustments to OCA Records

4.4.1b In processing patient payments on Accepted Accounts, Contractor may arrange Payment schedules within the patient's current income and financial ability to pay in accordance with the County's policy and procedures (e.g., Extended Payment Plan).

4.4.2b Contractor shall collect legally allowed interest on all court judgments only if the judgment permits the collection of interest. However, Contractor must provide copies of the legal documents allowing such to County prior to any collection of interest.

4.5 Recall of Accounts from OCA

County shall have the right to recall from Contractor, without charge or penalty, Referred Accounts or Accepted Accounts pursuant to the contract.

Immediately upon receipt of County's recall notification, the Contractor shall discontinue collection efforts. Under no circumstances shall Contractor undertake further collection efforts on recalled accounts. Contractor shall still maintain a record of recalled accounts for auditing purposes as described in this SOW.

4.5.1 County may recall Referred Accounts or Accepted Accounts in the following circumstances:

4.5.1.1 Any account within thirty (30) calendar days of the referral or assignment to the Contractor.

4.5.1.2 Any account with "No Activity" which includes, but is not limited to, no calls, no letters, and no payments have been received from debtor within one hundred and eighty (180) days of assignment.

- 4.5.1.3 Any account that County determines to be publicly sensitive or where the best interests of the County would not be served by the efforts of the Contractor.
- 4.5.1.4 Any account owed by a debtor who files any petition in bankruptcy, including a petition for a wage earner's plan.
- 4.5.1.5 Any account eligible for the Franchise Tax Board Intercept Program and Treasury Offset Program.
- 4.5.1.6 Any account where the debtor is deceased.

4.5.2 In the event any account is canceled or recalled by County, County shall not be liable to Contractor for the payment of any fee or contingency fee associated with payments received on said account after the effective date of such recall or cancellation. If any account is re-evaluated by County and is adjusted, but not entirely canceled or recalled, and is subsequently paid by the debtor/patient in the amount so adjusted, County shall pay Contractor a contingency fee on the adjusted amount only.

4.5.3 Where Contractor discovers that the debtor has retained an attorney or has instituted a claim or lawsuit against a Third Party liable for medical care including, but not limited to, Personal Injury or the Contractor has discovered the identity and/or whereabouts of said Third Party, the Contractor shall immediately notify the County and shall send a recall request of such account.

4.5a TTC's Recall of Accounts from OCA

4.5.1a In addition to the above, the TTC shall have the right to recall from Contractor, without charge or penalty, Referred Accounts or Accepted Accounts pursuant to the contract in the following manner:

4.5.2a The Contractor shall send a recall request via email (Exhibit A, TTC Attachment 3.0) for the TTC to recall including, but not limited to, bankruptcy and/or deceased accounts weekly on the Friday prior to the Wednesday in the TTC's recall process. Under no circumstances shall Contractor return accounts to the TTC without prior request.

4.5.3a The TTC shall notify Contractor via email (Exhibit A, TTC Attachment 3.1) that recall requests shall be forthcoming; immediately thereafter, the TTC shall send the Contractor recalls by 12:00 noon (Pacific Standard Time) on each Wednesday (Exhibit A, TTC Attachment 3.2).

4.5.4a Immediately upon receipt of recalls, but in no event later than 12:00 noon (Pacific Standard Time) of the next business day, the Contractor will send a confirmation email of file received and processed from the TTC (Exhibit A, TTC Attachment 3.3).

4.5b DHS' Recall of Accounts from OCA

4.5.1b In addition to the above, DHS shall have the right to recall from Contractor, without charge or penalty, Referred Accounts or Accepted Accounts pursuant to the contract in the following manner:

4.5.2b The Contractor shall retrieve file from Contractor's secure server designated for recalls.

4.5.3b The Contractor shall send an e-mail to DHS facility confirming receipt of the recall notice within three (3) days of receiving the recall notice.

4.5.4b Contractor shall accept the re-referral of accounts recalled.

4.5.5b DHS reserves the right to re-evaluate and adjust, cancel, or recall any account referred for collection, particularly where collection would have resulted in undue hardship to the patient or his/her dependents at the time the service was rendered, or thereafter, or would presumably result in indigence for the family or dependents of such patient. In such case, Contractor shall immediately report to DHS in writing any case in which the collection or enforcement of an account would result in undue hardship to the patient for the purpose of enabling DHS to re-evaluate, adjust, cancel, or recall the claim against such patient. Failure of Contractor to report such incidence of undue hardship to DHS will result in Unsatisfactory Performance as referenced in Subparagraph 9.4b, DHS Performance Requirements Summary.

4.5.6b Each DHS facility shall recall any account on an as-needed basis, electronically via encrypted patient file in format and layout designated by DHS, (Exhibit A, DHS Attachment 1-12).

4.6 OCA Return Referrals

4.6.1 If Contractor(s) make(s) a recommendation for reactivation of an account within sixty (60) calendar days of returning said account, County may, in its sole discretion, once again refer such account to the Contractor. Contractor shall be entitled to its contingency fee for any sums thereafter collected upon such reassigned accounts.

4.6a TTC OCA Return Referrals

4.6.1a Contractor shall notify the TTC via email (Exhibit A, TTC Attachment 4.0) that return referrals shall be forthcoming;

immediately thereafter, Contractor shall send the TTC return referrals by 12:00 noon (Pacific Standard Time) on Friday (Exhibit A, TTC Attachment 4.1) to return requested accounts in accordance with Subparagraph 4.5a, TTC's Recall of Accounts from OCA. **All such accounts are to be returned to the TTC as agreed upon by the TTC and Contractor, within one hundred and eighty (180) days if there has been no activity, but no account shall be held by Contractor more than three hundred and sixty-five (365) days from the date of referral.**

4.6.2a Immediately upon receipt of the return referrals, the TTC will send a confirmation email of file received and processed from Contractor (Exhibit A, TTC Attachment 4.2).

4.6.3a Exceptions will be delivered to Contractor via email no later than 2:00 p.m. (Pacific Standard Time) on Friday (Exhibit A, TTC Attachment 4.3).

4.6.4a These exceptions will be resolved either by the TTC and/or Contractor and reported to both parties via email no later than Thursday of the following week (Exhibit A, TTC Attachment 4.4).

4.6b DHS OCA Return Referrals

4.6.1b Contractor shall report to DHS on all accounts deemed by Contractor to be uncollectible. Such accounts shall be returned to DHS, and Contractor shall have no rights to a contingency fee for any sums thereafter collected upon these accounts. **All such accounts are to be returned to DHS as agreed upon by the DHS Director and Contractor, within one hundred and eighty (180) days if there has been no activity, but no account shall be held by Contractor more than three hundred and sixty-five (365) days from the date of referral,** and shall be in accordance with the format and schedule set forth in Exhibit A, DHS Attachment 1-10.

4.6.2b The Secondary Contractor shall send the electronic file of accounts deemed uncollectable to the referring DHS facility and Health Services Administration - Revenue Management (HSA) in an encrypted file designated via a secure server in the layout and format designated by DHS (Exhibit A, DHS Attachment 1-10).

4.6.3b The Contractor shall provide the above mentioned file in the time frame requested by DHS. The secure file transfer

shall be provided to each DHS facility and HSA at a minimum every two (2) weeks.

4.6.4b Upon receipt of the secure file transfer from the Secondary Contractor, DHS Facility(ies), or HSA shall refer the returned Secondary level accounts deemed uncollectible to the Tertiary Contractor in an encrypted file.

4.6.5b The Tertiary Collection Contractor shall retrieve the encrypted patient file from a designated server, utilizing a secure file transfer protocol approved by DHS.

4.7 OCA Payment Remittance

Each Friday the Contractor shall remit to County an amount equal to the total of all payments received by the Contractor for County assigned accounts less applicable commissions since the last remittance. The Contractor will deposit a check for the remittance amount into County's bank account at a bank to be designated by County. Any refunds of commissions, as set forth in Subparagraph 5.3.1, Refunds, below, shall also be submitted with the remittance amount. In the event checks are received, allow a ten (10) business day hold prior to making remittance to County.

4.7a TTC OCA Payment Remittance

4.7.1a Contractor shall notify the TTC before 12:00 noon (Pacific Standard Time) via email (Exhibit A, TTC Attachment 5.0) that OCA Payment Remittance shall be forthcoming each Friday; immediately thereafter, Contractor shall send the TTC OCA Payment Remittance by 12:00 noon (Pacific Standard Time) on Friday (Exhibit A, TTC Attachment 5.1) for each deposit made to the bank account designated by the TTC. The Contractor is responsible for ensuring the payment file reconciles to each bank deposit.

4.7.2a If the remittance amount is \$500,000 or greater for the prior period's collections, Contractor shall deposit the remittance amount into the TTC's bank account no later than 8:00 a.m. (Pacific Standard Time) each Friday.

4.7.3a In the event Contractor receives debtor checks that are returned by the Contractor's bank for non-sufficient funds (NSF) prior to remitting the related funds to the TTC, the Contractor is to deduct the payment amount and shall not include the NSF payment in the payment file to the TTC. If the bank returns the check after the Contractor remitted the related funds to the TTC, the Contractor shall provide the TTC with a photocopy of the returned check (front and

back) (Exhibit A, TTC Attachment 7.2) and deduct the payment from their next remittance to the TTC.

4.7.4a Immediately upon receipt of the OCA Payment Remittance, the TTC will send a confirmation notice via email of file received from Contractor (Exhibit A, TTC Attachment 5.2). This file will be processed no later than Monday of the following week to allow verification of the monies remitted are deposited in the TTC's bank account.

4.7.5a Exceptions will be delivered to Contractor via email no later than Monday of the following week (Exhibit A, TTC Attachment 5.3).

4.7.6a These exceptions will be resolved either by the TTC and/or Contractor and reported to both parties via email no later than Thursday of the following week (Exhibit A, TTC Attachment 5.4).

4.7b DHS OCA Payment Remittance

The Secondary Contractor shall send the encrypted OCA payment patient file to DHS' facility(ies) on a weekly basis via Contractor's Secure File Transfer, utilizing a secure file transfer protocol approved by DHS. The payment file format shall be determined by DHS.

4.8 OCA Reconciliation

4.8a TTC OCA Reconciliation

4.8.1a Contractor shall notify the TTC via email (Exhibit A, TTC Attachment 6.0) that inventory reconciliation shall be forthcoming; immediately thereafter, contractor shall send the TTC inventory reconciliation weekly by 12:00 noon (Pacific Standard Time) on each Friday (Exhibit A, TTC Attachment 6.1) to report its active account inventory with the TTC's records resulted in new referrals, returns of accounts, adjustment and payment updates.

4.8.2a Immediately upon receipt of inventory reconciliation, the TTC will send a confirmation email of file received from Contractor (Exhibit A, TTC Attachment 6.2).

4.8.3a The TTC will resolve discrepancies with the Contractor via email (Exhibit A, TTC Attachment 6.3) by no later than Thursday of the following week.

- 4.8.4a The Reconciliation of Accounts shall be performed at intervals determined by the TTC if not previously defined and shall include, but not be limited to the following:
 - 4.8.4.1a Review of the TTC accounts on Contractor's Automated System against the County's Collections Accounts Receivable System (CARS) for account accuracy (e.g., outstanding balance, commission paid, status code);
 - 4.8.4.2a Reconciliation of discrepancies (e.g., handling charges, legal charges, commission updates on Contractors Automated System); and
 - 4.8.4.3a Submission of reconciliation reports pertaining to discrepancies shall be within ten (10) business days from date of notification by the TTC unless otherwise instructed by the TTC. The method of submission of said reports shall be determined upon Contract Award.

4.8b DHS OCA Reconciliation

- 4.8.1b Contractor shall maintain a payment tracking system to identify by account, by category, by facility, and in total, amounts collected, amounts pending, and Returned Accounts. Per Paragraph 4.8.1b, each month, Contractor shall provide Account Inventory Files, a listing of newly Accepted Accounts to each facility (Exhibit A, DHS Attachment 1-5).
- 4.8.2b DHS facilities shall send the encrypted Collection Status Inventory file to contractors as determined by facility; Contractor shall reconcile the facility file mentioned above to Contractor's inventory to ensure the information in the active accounts at DHS facilities are the same as the Contractor's inventory. The Contractor shall report any resulting discrepancies to the referring facility, and the Contractor shall work with the said facility to resolve the discrepancies.
- 4.8.3B Submission of the Reconciliation Report shall be within ten (10) business days of receiving the Collection Status Inventory report, unless otherwise instructed by DHS.

5.0 SPECIFIC WORK REQUIREMENTS

Prior to commencing collection efforts, Contractor may be required to participate in training provided by County for a particular referring department (i.e., DHS

offers a range of programs that Collectors collecting delinquent DHS debt must be familiar with as many programs have no expiration date for qualifying).

5.1 Collections Related

5.1.1 Collection Methods

The Contractor shall at minimum, perform the services enumerated below. To maximize the rate of collection, Contractor(s) may be required to perform services in addition to those listed below:

- Monthly statements to all debtors;
- Telephone contact with delinquent debtors to apprise them of their failure to meet payment obligations;
- Issuance of warning letters to advise delinquent debtors of an outstanding obligation;
- Capability to accept multiple forms of payments, including cash (i.e., walk-in payments), checks, money orders, credit cards, debit cards, and online payments.

Note: If applicable, Walk-In payments shall be processed in accordance with Subparagraph 6.4.1a, TTC Walk-In Payments, or 6.4.1b, DHS Walk-In payments.

5.1.2 The Contractor shall not commence collection efforts or accept payments until such time as County refers the account for collection services.

5.1.3 Upon referral of accounts, Contractor shall undertake collection efforts immediately in accordance with the Fair Debt Collection Practices Act, the California Robbins-Rosenthal Fair Debt Collection Practices Act, conform to all County policies on allowable debt collection practices and the DHS Collection Policy, Attachment 2.

5.1.4 The Contractor shall abide by all County directions to modify or change collection techniques with regards to referred accounts.

5.1.5 The Contractor shall keep all account notes by account number. The Contractor shall keep copies of all correspondence to debtor/patient and have the capability to reproduce the correspondence upon request.

5.1.6 The Contractor may be authorized by DHS as a Medi-Cal and/or Medicare, CCS, insurance or any other Third Party resource biller. Such authorization shall be given in writing to Contractor along with the appropriate procedures for billing.

5.1.7 Any amount paid to Contractor or County by the Third Party resource shall be subject to a contingency fee based on the actual reimbursement received from the Third Party resource. However, in no instance will Contractor be entitled to a contingency fee when

the Third Party resource was billed by the County or by any County Contractors prior to the account being referred to the Contractor. The only exception is when, in the judgment of County, Contractor has presented satisfactory evidence that payment was made as a result of Contractor's own billing of the Third Party resource.

5.1.8 Debit/Credit Card Verification

Debit/Credit Card Fees, Collection Costs, etc. Contractor shall not pass Debit/Credit Card fees, or any other additional fees onto the debtor or the County. To ensure the validity of debit/credit cards, Contractor shall obtain verification or authorization for every Debit/Credit card submitted by a debtor.

5.1.9 Compromise Authority

The Contractor may be authorized to initiate and/or process a compromise settlement of referred delinquent accounts in accordance with TTC and/or DHS Compromise Authority Guidelines.

5.1.10 County Credit Reporting

The Contractor shall not cause a County debtor to be listed with any credit reporting service (such as Experian or others). In the event this policy changes, the Contractor will be notified in writing by County.

5.1.11 Paid in Full Letters

The Contractor shall issue a letter or receipt to debtor/patient on paid in full or settled accounts that states: "This particular account number _____, assigned to (Name of Contractor) is either paid in full or settled as indicated."

5.1a TTC Collections Related

5.1.1a TTC Debtor Payments on Assigned Accounts

5.1.1.1a The Contractor may use payment schedules. The Contractor shall collect legally allowed interest on all court judgments only if the judgment permits the collection of interest. However, the Contractor must provide copies of the legal documents (Exhibit A, TTC Attachment 7.2) allowing collection of interest to the TTC prior to any collection of interest. In addition, Contractor may arrange Payment schedules within the patient's current income and financial ability to pay in accordance with the County's policy and procedures (e.g., Extended Payment Plan).

5.1.1.2a All Contractor collections shall be remitted to the TTC in accordance with Subparagraph 4.7a, TTC OCA Payment Remittance, herein.

5.1.1.3a Contractor shall be liable and responsible for all collection shortages related to the accounts, which may occur during Contractor's collection and processing activities.

5.1.2a TTC Contractor Collections

5.1.2.1a The Contractor shall provide a daily cashiering function for debtor mail-in payments and if applicable, walk-in payments shall be processed in accordance with Subparagraph 6.4.1a, TTC Walk-In Payments, of this SOW. The Contractor is only to accept payments on assigned accounts. All payments received shall be processed daily by the Contractor's office staff and deposited on the same day into a bank account in the Contractor's name insured by the Federal Deposit Insurance Corporation and approved by the TTC. The Contractor shall maintain this bank account for the exclusive use of the TTC collections.

5.1.2.2a Contractor shall ensure that they are in compliance with the Internal Control Plan as approved by the TTC. The Contractor shall ensure that procedures are followed in the handling of collections from debtors. For the purposes of the Contract, adequate internal control procedures are, at a minimum, the controls set forth in Subparagraph 6.0, Minimum Internal Control Requirements, of this SOW. If the TTC determines that additional controls are necessary at any time during the term of the Contract, the Contractor shall implement such additional controls, as are required, or such alternative procedures as pre-approved in writing by the TTC. The Contractor shall be liable and responsible for all collection shortages related to the accounts, which may occur during Contractor's collection and processing activities.

5.1.3a TTC County Auditing of Contractor Records

Upon a minimum of 24 hours written notice, the County may audit, at the Contractor's place of business, any of the Contractor's records pertaining to the Contract. The Contractor is required to maintain all such records in California until the expiration of five (5) years from the date of final payment under the Contract. In the event Contractor's place of business **is not** located in Los Angeles County, or is in another State, Contractor shall reimburse expenses

for the County Contract Administrator and audit staff to travel to the place of business in order to audit the Contractor's records.

5.1.4a TTC Disputes

In the event that a debtor disputes any amount of the balance due on an account or liability for payment of all or part of the amount due to an established public debt reduction program, the Contractor shall notify the TTC in writing (Exhibit A, Attachment 7.2) of such dispute within three (3) business days after debtor disputes the amount. The Contractor shall not resume locate or collection efforts on the disputed amount until directed in writing by the TTC (Exhibit A, TTC Attachment 7.2) to do so.

5.1b DHS Collections Related

5.1.1b DHS Debtor Payments on Assigned Accounts

5.1.1.1b County shall notify Contractor of any adjustments required to the Contractor records resulting from adjustments to the charge or payments received directly by the County. Contractor shall accurately post all adjustments to the appropriate accounts within five (5) business days of receipt of the adjustment notification and consistent with the manner presented by County. Contractor shall also provide County with an Acknowledgement of Adjustments Report in accordance with Exhibit A, DHS Attachment I-7. In addition, Contractor may arrange Payment schedules within the patient's current income and financial ability to pay in accordance with the DHS' policy and procedures (e.g., Extended Payment Plan).

5.1.1.2b If Contractor does not agree with the adjustments for any reason, it must notify County in writing of the specific reasons for the objections and provide County with supporting documentation within five (5) business days from the date the adjustment notification was received by Contractor. County shall evaluate Contractor's objection, make a determination and notify Contractor in writing of its decision within ten (10) business days of receipt of such notice from Contractor. With regard to this Subparagraph 5.1.2b, County decision on any objection shall be final.

5.1.1.3b Failure on the part of Contractor to act within the prescribed time frames and in accordance with the procedures set forth above will result in a waiver of any claim for contingency fee that might have otherwise been warranted.

5.1.2b DHS Credit Reporting

- 5.1.2.1b Contractor Initiated Credit Inquiry: DHS may request Contractor to run a credit report inquiry, however, Contractor shall not cause a County patient to be listed with any credit reporting service (e.g., Experian). In the event this policy changes, Contractor will be notified in writing by the DHS.
- 5.1.2.2b County Requested Credit Inquiry Services: If requested by County, Contractor shall provide all equipment necessary to enable County or Contractor staff to perform electronic credit inquiries, in locations and quantities determined by County, on patients applying for the County's no-cost or low-cost programs and/or assist in identifying inaccurate or false billing information.
- 5.1.2.3b Contractor shall provide training and assistance in obtaining and utilizing the information on the credit inquiries.
- 5.1.2.4b Contractor shall perform DACS for accounts referred by County with amounts identified as collectible as determined through the use of credit inquiries.
- 5.1.2.5b All costs associated with services in the above Subparagraphs 5.1.2.1b, 5.1.2.2b, and 5.1.2.3b shall be included in the Contractor's fee and Contractor shall not receive additional reimbursement for these services.
- 5.1.2.6b Contractor shall perform credit inquiries, Social Security Number check or skip tracing services for accounts as requested by County. Contractor shall also provide information for credit inquiries or Social Security Number Reports as set forth in Exhibit A, DHS Attachment 1-9.

5.1.3b DHS Contractor Collections

- 5.1.3.1b Contractor shall provide a daily cashing function for patient mail-in and if applicable, walk-in payments at Contractor's business office where the County's accounts are worked and shall provide for the daily collection and processing of these payments. The Contractor is only to accept payments on Accepted Accounts. In the event the patient attempts to make voluntary payment, Contractor will not accept the payment and will instead refer the patient to DHS. Contractor shall ensure that all payments are processed on a daily basis. Contractor shall also maintain a local office for walk-in payments.

Contractor will report payment information to DHS in the agreed upon reporting format.

5.1.3.2b All payments shall be processed daily by Contractor's office staff and deposited on the same day to Contractor's trust funds. Contractor shall maintain separate trust accounts for County accounts. Contractor shall ensure that adequate internal control procedures are followed in the handling of collections from patients. If County determines that additional controls are necessary at any time during the term of the agreement, Contractor shall implement such additional controls, as required, or alternative procedures as pre-approved in writing by County.

5.1.3.3b Contractor shall be liable and responsible for all collection shortages related to the accounts, which may occur during Contractor's collection and processing activities.

5.1.3.4b If the facility receives payment on a self-pay account within seven (7) calendar days of the account being deemed uncollectible by the Contractor, DHS' staff will post the payment to the account and generate a payment file and send the file to the Contractor. The Contractor shall request for reactivation of the account. The Contractor shall be entitled to its contingency fee for any sums collected upon such reassigned accounts.

5.1.4b DHS County Auditing of Contractor Records

Contractor shall maintain a comprehensive audit trail, including all documentation substantiating billings and collections made as a result of the provision of services herein, and provide audit and appeal support to County, including responding to auditor requests for documentation and information and interfacing with the auditors during document review. Contractor shall make available all audit supporting documentation in format and frequency requested by the Director.

5.1.5b DHS Disputes

In the event that a patient disputes any amount of the balance due on an account or liability for payment of all or part of the amount due, Contractor shall immediately discontinue collection activity on the disputed amount. Contractor shall research the Contractor's file note and search the DHS Affinity system for facility's notes to validate the dispute, in order to resolve the dispute. If the contractor is unable to resolve the dispute within fifteen (15) days, then notify the referring facility. Contractor shall notify DHS in

writing of unresolved disputes and shall not resume collection efforts on the disputed amount until directed in writing by DHS.

5.2 Legal Related

5.2.1 Legal Action

5.2.1.1 Contractor shall identify any referred account that cannot be collected through normal collection techniques but, in the Contractor's determination, may be collected through a lawsuit.

5.2.1.2 County shall provide guidelines for such determination and Contractor shall provide to County documentation that the case meets County guidelines.

5.2.1.3 Contractor shall obtain written authorization from County prior to proceeding with any lawsuit. In no event shall the Contractor institute a lawsuit or legal process without the prior written authorization from the County.

5.2.1.4 Contractor shall bring and maintain any action in its own name and not in the name of the County.

5.2.1.5 With prior written approval of the County and upon securing a judgment on the account, Contractor shall enforce the judgment and collect on the account.

5.2.1.6 Debtor Payments on Assigned Accounts Pursuant to Section 698.220, Code of Civil Procedures, Contractor shall apply payments in the following priority on all judgments: (1) court costs, (2) principle, and (3) interest. All court costs, attorney fees and applicable interest on the attorney fees shall be paid solely to Contractor.

5.2.1.7 Contractor shall notify County in writing of any monies collected through lawsuits or legal proceedings. All costs awarded by court judgment shall be added to the account only after the Contractor has forwarded proof of such costs to County. Contractor shall then be allowed to collect its costs as awarded in the judgment only. If attorney fees are stipulated in the judgment, Contractor can recoup the entire amount. However, attorney fees are considered to be principal and Contractor can only collect interest on such fees provided the judgment specifies interest.

5.2.2 Contractor Attorneys

The Contractor shall employ a licensed attorney or attorneys in the State of California to invoke legal process, pursuant to

Subparagraph 5.2.1, Legal Action, of this SOW, in the collection of these accounts. Compensation shall be paid by the Contractor for the services of any such attorney as part of Contractor's commission. Any attorneys so employed shall be deemed to represent the Contractor and not the County.

5.2.3 Franchise Tax Board Intercept Program and Treasury Offset Program

The Contractor shall not be entitled to any commission on payments received through the State Franchise Tax Board or Treasury Offset Programs (e.g., Social Security, Internal Revenue Service, Franchise Tax Board Payments or Refunds).

5.2.4 Attachment

The Contractor, upon securing a judgment, may utilize the Attachment process, i.e., legal process of seizing property to ensure satisfaction of a judgment, with the prior written approval of the County (Exhibit A, TTC Attachment 7.2).

5.3 Commission and Referral Related

5.3.1 Refunds

The Contractor is responsible for all refunds to the debtors for all payments received which exceed the assigned amount (debt amount). If it is determined by the TTC and/or DHS that a refund to the debtor is warranted for any reason and Contractor has received the funds and not yet remitted to the TTC and/or DHS, a refund will be made by the Contractor regardless of when the determination is made. When TTC and/or DHS generates a refund subsequent to Contractor making a remittance to the TTC and/or DHS, the Contractor will return any commission retained or paid on the refunded amount to the TTC and/or DHS along with the next scheduled payment remittance, as described in Subparagraph 4.7 OCA Payment Remittance.

5.3.2 Direct Payments

On a weekly basis, the County shall notify the Contractor of payments that the TTC, DHS, or TTC's Client Department has received directly from the debtor or third party resource when the payment is for an account previously assigned to the Contractor for collection and determined not to be the result of an action taken by the TTC or DHS prior to the assignment (Exhibit A, TTC Attachments 2.0 and 2.1, and DHS Attachment 1-11). The TTC will remit a Trust Warrant Requisition to the Contractor for the appropriate commission on the direct payments on the TTC's direct pay accounts. County's determination shall be final with regard to direct payments.

5.3.3 Third Party Liability Cases

When Contractor discovers or is notified that the debtor has i) retained an attorney to represent the debtor before a third party, or ii) has instituted a claim or lawsuit against a third party liable for medical care, or iii) the Contractor has discovered the identity and/or whereabouts of said third party, the Contractor shall immediately notify the TTC and/or DHS (Exhibit A, TTC Attachment 7.2, Information Exchanges Including Correspondence and Exhibit A, DHS Attachment 1.14, Closed Report).

On TTC accounts, the Contractor shall return the account to the TTC pursuant to Subparagraph 4.5, Recall of Accounts from OCA; on DHS accounts, the Contractor shall return the account to DHS pursuant to Exhibit A, DHS Attachment 1-14, Closed Report, and shall be entitled only to a commission on such sums as have been collected by the Contractor from the date of assignment and prior to the date the Contractor discovered or was notified of any pending action against a liable third party. In the event the Contractor takes any commissions on payments received by the Contractor, having knowledge that the liability for the account lies with a third party, the Contractor shall reimburse the referring department, TTC, or DHS for the amount of the commission taken.

5.3a **TTC Commission and Referral Related**

5.3.1a TTC Mortgaged/Deed of Trust

Where Contractor discovers or is notified that the debt has been secured by a mortgage or deed of trust, and said mortgage or mortgage lien is the only source of repayment of an account, the Contractor shall notify the TTC (Exhibit A, Attachment 7.2) and shall send a recall request of such account to the TTC, pursuant to Subparagraph 4.5a, TTC's Recall of Accounts from OCA, and shall not be entitled to a fee or commission.

5.3.2a TTC Uncollectible Accounts

5.3.2.1a The Contractor shall report to the TTC on all accounts deemed by the Contractor to be uncollectible. Such accounts shall be requested for recalls to the TTC, with regard to Subparagraph 4.5a, TTC's Recall of Accounts from OCA, and the Contractor shall have no rights to a commission for any sums thereafter collected upon these accounts. **All such accounts are to be returned to the TTC as agreed upon by the TTC and Contractor, within one hundred and eighty (180) days if there has been no activity, but no account shall be held by Contractor more than three hundred and sixty-five (365) days from the date of referral.** If the Contractor makes a recommendation for reactivation of an account, within sixty (60) calendar days of returning said account,

the TTC may, in its sole discretion, once again refer or assign such account to the Contractor, pursuant to Subparagraph 4.1a, TTC's Referral of Delinquent Miscellaneous Accounts to an OCA, herein. The Contractor shall be entitled to its commission for any sums thereafter collected upon such reassigned accounts.

5.3.2.2a The Contractor shall not collect any payments and/or commissions on accounts that have not been assigned to the Contractor or accounts have been returned to the TTC. In the event Contractor received any payments on returned accounts, Contractor shall notify the TTC Contract Manager for further instructions.

5.3b DHS Commission and Referral Related

5.3.1b Uncollectible Accounts

As described in 4.6.b, DACS OCA Return Referrals, the Contractor shall report to DHS on all accounts deemed by Contractor to be uncollectible and closed accounts. Such accounts shall be returned to DHS, and Contractor shall have no rights to a contingency fee for any sums thereafter collected upon these accounts. **All such accounts are to be returned to DHS as agreed upon by DHS and Contractor, within one hundred and eighty (180) days if there has been no activity, but no account shall be held by Contractor more than three hundred and sixty-five (365) days from the date of referral,** and shall be in accordance with the format and schedule set forth in Exhibit A, DHS Attachment 1-10, Schedule of Information, Returns. If Contractor makes a recommendation for reactivation of an account within sixty (60) calendar days of returning said account, DHS may, in its sole discretion, once again refer such account to the Contractor. Contractor shall be entitled to its contingency fee for any sums thereafter collected upon such reassigned accounts. Contractor shall not collect any payments and/or contingency fees on accounts that have not been referred to Contractor.

5.4 Information Technology Related and Reports

5.4a TTC Information Technology Related and Reports

5.4.1a Electronic Exchanges of Information

SSH File Transfer Protocol (SFTP) will be required for all file transfers using Secure Shell (SSH) protocol with PGP encryption. TTC Network Support Unit will setup the connection with the Contractor:

5.4.1.1a The Contractor will be required to encrypt the files using PGP. No open source PGP software is allowed. When email is exchanged, the content shall be kept at the absolute minimum to conduct business. No sensitive information will be sent via email.

5.4.1.2a The County will provide an email address as a destination for material being exchanged through email.

5.4.1.3a If any sensitive information needs to be exchanged, that material should be exchanged through the SFT method (see 5.4.1.1a).

5.4.2a Required Information, Reports and Data Exchanges

The formats and frequency of the required data/information electronic exchanges are set forth in Exhibit A, TTC Attachment 1. Any changes to the formats or frequency of the reports shall be provided to the Contractor in writing by the TTC. From time to time, the TTC Contract Manager may request additional reports or one time only reports created from Contractor's existing data fields. The Contractor shall make such reports available to the TTC within one (1) week from the TTC's request.

5.4.3a TTC Other Information Exchanges including Correspondence

Collection reports are required to be submitted to the TTC via email (Exhibit A, TTC Attachment 7.1) on a monthly basis.

5.4b DHS Reports

5.4.1b The formats and frequency of the required reports are set forth in Exhibit A, DHS Attachment 1 - Schedule of Information. Any changes to the formats or frequency of the reports shall be provided to the Contractor in writing by DHS.

5.4.2b From time to time, DHS may request additional reports or one time only reports created from Contractor's existing data fields. Contractor shall make such reports available to County within one (1) week from DHS' request or as otherwise agreed to by County and Contractor.

5.4.3b Contractor shall provide the following reports to the County, at the time intervals so stated:

- Per Paragraph 4.0, Workflow Requirements the Acknowledgement of Referrals report shall be provided on a weekly basis (Exhibit A, DHS Attachment 1-2).
- Contractor shall provide the County with a Collections/Contingency Fees Report, monthly summary report for each facility and DHS in total, reflecting the

number of Referred Accounts, Accepted Accounts, fees and net payment amounts (Exhibit A, DHS Attachment 1-3).

- Contractor shall maintain a payment tracking system to identify by account, by category, by facility, and in total, amounts collected, amounts pending, and Returned Accounts. Per Paragraph 4.8 each month, Contractor shall provide Account Inventory Files, a listing of newly Accepted Accounts to each facility (Exhibit A, DHS Attachment 1-5).
- Contractor shall also provide the account detail in the Collection/Commission Fees Detail Report, a monthly detailed status report in the format requested by the Director, reflecting Accepted Accounts which are “active” or “returned” during the reporting month which shall include, in alphabetical sequence by patient last name, patient’s full name, medical record number, account number, referral date and account amount (Exhibit A, DHS Attachment 1-4).
- Per Subparagraph 4.6.2b, Contractor shall provide a monthly report for each applicable facility reflecting all uncollectible accounts in the Returns Report, which shall include in alphabetical sequence, patient’s last name, patient’s full name, medical record number, account number, referral date and account amount (Exhibit A, DHS Attachment 1-6).).
- Per Subparagraph 5.1.2.1b, after receiving notification from the County of any adjustments required to the Contractor’s records, Contractor shall provide the County with an Acknowledgement of Adjustments Report on an as-needed basis as requested by the County (Exhibit A, DHS Attachment 1-7).
- Per Subparagraph 4.3.1b, each week Contractor shall submit a FATP Update Report for patients that do not have financial ability to pay and are recalled by the County (Exhibit A, DHS Attachment 1-8).
- Per Subparagraph 5.1.3.6b, upon request, Contractor shall provide a Credit Inquiry/Social Security Number Report with information for credit inquiries or Social Security Reports (Exhibit A, DHS Attachment 1-9).

In addition to the above reports, upon request by the County, the Contractor shall provide a written assessment of each County Facility’s performance. Any concerns and recommendations shall be included in such reports.

5.5 Special Accounts

5.5b DHS Special Accounts

In the event DHS identifies services substantially similar to those provided by Contractor, the Director of DHS may refer “special accounts” to the

Contractor, pursuant to the DHS Contract, Subparagraphs 5.0 Commission Rates and 8.1 Change Notices and Amendments.

5.6 Contract Termination/Transition to New Contract

5.6.1 Contractor shall have sixty (60) days from date of Board approval to meet the information technology requirements pursuant to Exhibit 15A, TTC Technical Requirements and Exhibit 15B, DHS Technical Requirements. In the event Contractor is not able to fulfill these requirements, the County may in its best interest go to the next highest ranked Proposer. Contractor cannot begin delinquent account collection services until they have met the TTC and DHS Technical Requirements and receive written approval from County to commence delinquent account collection services.

5.6a TTC Contract Termination/Transition to New Contract

5.6.1a Upon termination or Contract expiration/termination date, in no case shall the Contractor continue working the accounts and no commissions will be paid on monies received by the Contractor from the debtors upon termination or transition.

5.6.2a At least one hundred and twenty (120) days, or at the time determined by the TTC, prior to expiration/termination of the current Contract, the TTC shall commence the Wind Down process. At the initiation of the Wind Down process, the TTC shall:

- Discontinue sending referrals to the current Contractor;
- Request a recall of all accounts with all accounts returned within sixty (60) days of the request; recalled accounts shall contain the latest address, telephone number, and collector notes.
- Request at a minimum, if not already included in the recalled account files, aging and identifying information such as: bankruptcy, deceased, legal action pending, account is in dispute, and the TTC's accounts receivable system (CARS) account number, and the Contractor's account number.

5.6.3a Funds received by the Contractor during the Wind Down period and/or after Contract expiration/termination shall be forwarded to the TTC in a manner acceptable to the TTC within three (3) business days of receipt. Any legal actions in progress during the Wind Down period and/or at the time of Contract termination shall be turned over to the TTC for completion within fifteen (15) days of notice of commencement of the Wind Down period and/or Contract termination.

5.6.4a In addition, upon notice of the Wind Down period and/or termination of the Contract(s), the Contractor shall send letters notifying all debtors that the Contractor is no longer providing their services to the TTC and informing the debtors to submit payments directly to the TTC. In a case where the Contractor still receives payments after returning accounts to the TTC, the Contractor shall forward all payments received to the TTC in a manner acceptable to the TTC immediately for processing. The Contractor shall not be entitled to any commission for payments received after the termination of the Contract(s).

5.6.5a Within forty-five (45) days following Contract termination, the Contractor shall submit to the TTC, in the form and with the certification and reports as may be prescribed by the TTC, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but no later than sixty (60) days from the effective date of termination and/or expiration. Invoice shall not include charges for work done after Contract termination. Upon failure of Contractor to submit its termination claim and invoice within the time allowed, County may determine, on the basis of information available to the TTC, the amount, if any, due to Contractor in respect to the termination, and such determinations shall be final. After such determination is made, the TTC shall pay Contractor the amount so determined.

5.6.6a Contractor shall maintain all records relating to their contract performance for a minimum of five (5) years after Contract termination. The County will have the right to inspect these records at any time within this five (5) year period.

5.6b DHS Contract Termination/Transition to New Contract

5.6.1b At the end of the contract period, Contractor shall process all accounts in Contractor's inventory that have been referred by DHS to Contractor prior to the time of expiration of this Contract, unless the Agreement is sooner terminated with or without cause by DHS.

5.6.2b Contractor shall complete the processing of such accounts and make every effort to expedite close-out.

5.6.3b Contractor shall be reimbursed at the same rates as stated in the agreement. Contractor shall complete the processing of all approved accounts in accordance with the terms and conditions of this Contract, as well as any reports.

5.6.4b All account payment funds received by the Contractor after contract termination shall be forwarded to DHS.

5.6.5b Any legal actions in progress at the time of contract termination shall be completed.

5.6.6b Contractor shall maintain all records relating to their contract performance for a minimum of five (5) years after contract termination. The County will have the right to inspect these records at any time within this five (5) year period.

6.0 MINIMUM INTERNAL CONTROL REQUIREMENTS

6.1 General Requirements for TTC and DHS

6.1.1 Written internal control procedures shall be provided within ten (10) business days upon Contract Award, subject to County approval, and should be maintained and periodically updated as necessary and/or as requested by County; providing an updated copy for review and approval by County within ten (10) business days of the update/request. Contractor personnel should be periodically instructed in said procedures and office management staff should continuously monitor operations to ensure compliance therewith.

6.2 Mail Remittances

6.2.1 Cash handling and record keeping duties should be adequately separated by having different staff responsible for each duty. Mail should be picked up by employees who do not have cash handling duties or access to accounting records. This requirement can also be satisfied by the use of a private courier service to pick up the mail. Mail should be opened by at least two (2) employees in order to document and verify the amount of mail payments. These employees should not have access to accounting records or be collectors.

6.2.2 Checks and money orders should be restrictively endorsed when the mail is opened. The payments should be logged into a Control Log showing the date of payment, payment instrument (e.g. check, money order, cash), debtor's name, amount received and number of the payment instrument. Any cash received should immediately be receipted and put in a safe or other secured location. The receipt should be utilized for posting to the account. The actual checks and money orders should be locked in a secure location with restrictive access until deposited during or at the end of the day. This location should remain locked during the day. Two (2) independent adding machine tapes should be run on the receipts and actual cash and checks, then compared and initialed by the two (2) mail openers.

6.3 Receipts

The following controls should be in place to maintain accountability over receipts:

- 6.3.1 Receipts are not to be issued by collectors.
- 6.3.2 Receipts must be pre-numbered, multi-part forms with copies for the debtor, accounting office(s) and one retained as a control copy. Each copy must be marked for distribution.
- 6.3.3 Issued receipts should be numerically controlled and kept in a secure place. Office management staff should maintain accountability for all receipt stock, and all used and voided receipts.
- 6.3.4 Receipts should be used in numerical order.
- 6.3.5 Employees who issue receipts should not control used and unused receipt stock.

6.4 Additional Requirements

6.4a Additional TTC Requirements

6.4.1a TTC Walk-In Payments

All walk-in payments should be receipted for in the presence of the debtor (or his/her representative) by an employee who does not have the ability to post collections to debtor accounts. A copy of the receipt must be given to the debtor (or his/her representative). Signs should be posted in English and Spanish instructing the debtor (or his/her representative) to request and get a receipt. Walk-in payments are accepted in the offices of the Treasurer and Tax Collector located in the first floor lobby at:

Kenneth Hahn Hall of Administration,
225 N. Hill Street
Los Angeles, California 90012

6.4.2a TTC All Payments

6.4.2.1a All cash is to be secured; thereafter, the receipts corresponding to cash received shall be utilized for posting purposes. Unidentified, post-dated, and NSF checks should be accounted for and dispositioned on a separate log that provides a complete audit trail from receipt to disposition.

6.4.2.2a All payments, including unidentified payments, should be deposited daily. Duplicate deposit slips should be retained for all deposits. In the event an unidentified payment is a check or money order, a photocopy of same should be retained in order to disposition the payment at a later date.

6.4.2.3a Office management staff should reconcile the amount of mail and, if applicable, walk-in payments to the total amount of the deposit. The office management staff should receive one copy of the mail payment's adding machine tape and the amount of walk-in payments, and compare them to the applicable amount of the daily deposit slips and the post-dated and unidentified check logs.

6.4b Additional DHS Requirements

6.4.1b DHS Walk-in Payments

6.4.1.1b All walk-in payments should be receipted for in the presence of the patient by an employee who does not have the ability to post collections to patient accounts. A copy of the receipt must be given to the patient. Signs should be posted in English and Spanish instructing the patient to request and get a receipt.

6.4.1.2b Office management staff should reconcile the amount of mail and walk-in payments to the total amount of the deposit. The office management staff should receive one copy of the mail payments' adding machine tape and the amount of walk-in payments, and compare them to the amount of the daily deposit slips and the post-dated and unidentified check logs.

6.4.2b DHS All Payments

6.4.2.1b All cash is to be secured and the receipt used for posting purposes. Unidentified and NSF checks should be accounted for and dispositioned on a separate log that provides a complete audit trail from receipt to disposition.

6.4.2.2b All payments, including unidentified payments, should be deposited daily. Duplicate deposit slips should be retained for all deposits. In the event an unidentified payment is a check or money order, a photocopy should be retained in order to disposition the payment at a later date.

6.4.2.3b Contractor shall maintain capability to receive debtor payment by internet payment.

7.0 QUALITY CONTROL

The Contractor shall establish and maintain a written Quality Control Plan to ensure that the requirements of the contract are met. The Quality Control Plan may be in a chart format. An updated copy must be provided to the County's Project Director ten (10) business days prior to the Contract start date and within

ten (10) business days when changes occur during the term of the Contract. The plan shall discuss, but not be limited to, the following:

- 7.1 Method of monitoring to ensure that Contract requirements are being met, covering at a minimum all the items listed on the Performance Requirements Summary (PRS), Technical Exhibit 2a and 2b, respectively. It must specify the activities to be monitored by the Contractor on either a scheduled or unscheduled basis, how often the monitoring will be accomplished, and the title of the individual(s) who will perform the monitoring;
- 7.2 The methods used by the Contractor for identifying and preventing deficiencies in the quality of services performed before the level of performance becomes unacceptable and not in compliance with the Contract;
- 7.3 A record of all inspections 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;
- 7.4 The method for assuring that confidentiality of debtor information is maintained while in the care of the Contractor;
- 7.5 The method for assuring new contractor employees will sign an Acknowledgement of Confidentiality Agreement prior to starting employment, and will understand and abide by the its terms upon starting employment; and
- 7.6 On an ongoing basis the Contractor's performance will be compared to the contract performance standards identified herein. DHS may use a variety of inspection methods to evaluate the Contractor's performance, including but not limited to: random sampling; one hundred percent inspection of its output items on a period basis (daily, weekly, monthly, quarterly, semiannually or annually) as determined necessary to assure a sufficient evaluation of the Contractor's performance; review of reports and files; complaints from DHS; site visits; and patient complaints.

8.0. COMPLAINTS

- 8.1 In the event the Contractor receives any verbal or written complaints regarding an account referred or assigned to the Contractor under the contract, the Contractor shall immediately notify the County Contract Manager by telephone. Such notification shall be followed up in writing within three (3) business days. The Contractor shall provide the County Contract Manager with a copy of any written complaint within three (3) business days of receipt of same. The County Contract Manager shall immediately notify the Contractor, by telephone, of any verbal or written

complaints received about the Contractor, will follow up in writing within three (3) business days, and shall provide the Contractor with copies of any written complaints received by County within three (3) business days of receipt. In addition, Contractor shall provide the County Contract Manger a monthly complaint report as set forth in Exhibit A, TTC Attachment 7.3, Contractor Monthly Complaint Report.

8.2 Contractor shall maintain a master complaint log of all complaints received. The Contractor shall promptly investigate all complaints received and provide a written report to the County Contract Manager regarding the disposition of each verbal and written complaint within five (5) business days of written notification of such complaint. Minimum elements of the written report shall include a statement of the complaint, identification by name of the Contractor employee(s) involved, results of Contractor's investigation of the complaint, and a statement regarding the corrective action taken to avoid a recurrence of such a complaint. The County retains the right to terminate the Contract in accordance with the TTC and DHS Contract(s) respectively, Subparagraph 8.42, Termination for Default, if the Contractor does not take any action with regards to said complaint(s).

8.3 Special Circumstance Complaints

Upon notification by the County of a special circumstance complaint, Contractor will immediately cease all collection activity on named case(s) and respond within 24 hours with a report to the County. The report shall detail all information requested by the County regarding collection efforts.

9.0. QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under the respective TTC and DHS Contract(s), using the quality assurance procedures as defined in the TTC and DHS Contract(s) respectively, Paragraph 8, Standard Terms and Conditions, Subparagraph 8.15, County's Quality Assurance Plan.

9.1 TTC Mandatory Monthly Meetings

Contractor shall meet with the County Contract Manager at a minimum monthly, or as determined by the County Contract Administrator. Failure to attend mandatory monthly meetings will cause an assessment of five hundred dollars (\$500.00) per occurrence.

DHS Meetings

Contractor shall meet with the DHS Contract Manager and Hospital Coordinators separately, at a minimum on a monthly basis, or as determined by the County Contract Manager. If a mandatory meeting is requested by DHS, failure to attend a mandatory meeting will cause an assessment of five hundred dollars (\$500.00) per occurrence.

9.2 Contract Discrepancy Report (Technical Exhibit 1)

Verbal notification of a Contract discrepancy will be made to the Contract Monitor once a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor, however, not more than ten (10) business days.

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

9.3 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.

9.4a TTC Performance Requirements Summary

All listings of services used in the Performance Requirements Summary (PRS), TTC Exhibit 2a, Technical Exhibits, 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 the PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS 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.

9.4.1a When the Contractor's performance does not conform to 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 deductions/fees to be assessed in the PRS;

- Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance; and/or
- Failure of the Contractor to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) business days from such request shall constitute authorization for the County to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the Contractor's failure to perform said service(s), as determined by the County, shall be credited to the County on the Contractor's future invoice.

9.4.2a This section does not preclude the County's right to terminate the Contract upon ten (10) business days written notice with or without cause, as provided for in the TTC Contract, Paragraph 8, Terms and Conditions, Subparagraph 8.42, Termination for Convenience.

9.4b DHS Performance Requirements Summary

The Performance Requirements Summary (PRS) Chart in this DHS Exhibit 2b, Technical Exhibits, outlines major components of the required services to be monitored by DHS during the term of this Contract. It states DHS' expectations for required services in reference to the SOW requirements in terms of the standard of performance, maximum deviation from standard before service will be deemed unsatisfactory, DHS' typical method of monitoring, and the unsatisfactory performance indicator which may be assessed if Contractor services are unsatisfactory.

9.4.1b DHS expects a high standard of the Contractor's performance for the required services. DHS will work with the Contractor to help resolve any areas of difficulty brought to the attention of DHS by the Contractor before allowable deviation from the acceptable standard occurs. However, the Contractor is expected to comply with all of the terms of any resultant contract, not just the specific service requirements set forth in the Performance Requirements Summary Chart.

1. Performance Requirements Summary Chart:

- Lists the required services considered most critical to acceptable contract performance and Statement of Work reference. (See column 1 of chart)
- Defines the standard of performance for each required service. (See column 2 of chart)
- Shows the maximum allowable degree of deviation from perfect performance or Acceptable Quality Level (AQL) for each required service before County may assess unsatisfactory performance indicators. (See column 3 of chart)

- Shows the monitoring methods DHS will typically use to evaluate the Contractor's performance in meeting the contract requirements. (See column 4 of chart)
 - Shows the Unsatisfactory Performance Indicator for exceeding the AQL that each performance deviation may cause to occur. (See column 5 of chart). These indicators may serve as a baseline for liquidating damages pursuant to the DHS Contract, Paragraph 8.26.2.
2. Contract Discrepancy Report ("CDR"):

Performance of a required service is considered acceptable when the number of performance deviations found during the quality assurance process does not exceed the number of deviations allowed by the AQL. When the performance is unacceptable, the Contractor shall be required to respond to a CDR. The DHS will evaluate the Contractor's explanation on the CDR and, if DHS determines that the unsatisfactory performance was caused by circumstances beyond the Contractor's control and without fault or negligence by the Contractor, DHS may decline to count such point(s) as unsatisfactory performances.
 3. Remedy of Defects:

Notwithstanding a finding of unsatisfactory performance and assessment of Unsatisfactory Performance Indicators, the Contractor must, within the time period specified by DHS, remedy any and all defects in the provision of the Contractor's services and, as deemed necessary by the DHS, perform such services again at an acceptable level.
 4. Unsatisfactory Performance Remedies:

When performance does not conform with the requirements of the Contract (which by reference also includes the terms of this Exhibit A, "Statement of Work"), DHS shall have right to apply the following nonperformance remedies:

 - Require the Contractor to implement a formal corrective action plan, subject to approval by DHS. 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 recurrences.
 - Assess unsatisfactory performance deductions in the amount of one hundred dollars (\$100) for each unsatisfactory performance indicator point per month. Such assessment shall be made in accordance with the DHS Contract, Paragraph 8.26.2, "Liquidated Damages."
 - DHS may, in its sole discretion, withhold account referrals until such time as DHS determines Contractor performance has returned to an acceptable level.

- Terminate the agreement for default pursuant to provisions of the DHS Contract, Paragraph 8.43, "Termination For Default".

10.0 ADDITIONAL REQUIREMENTS

County does not anticipate assigning any County employees to assist Contractor on a full-time basis regarding services to be provided by Contractor pursuant to this Agreement. However, County personnel will be made available to Contractor, at the County's discretion, to provide input and assistance in order to answer questions and provide necessary liaison between Contractor and County departments.

- 10.1 The various operational/administrative records and statistics of County's health operations shall be available to Contractor for review and evaluation whenever deemed appropriate and feasible by County, and as may be allowed by applicable law.
- 10.2 Contractor(s) shall furnish all labor, materials, supplies, personnel, equipment, and administrative support necessary to perform the services under the TTC and DHS Contract(s), respectively.
- 10.3 At the County's sole discretion, the County may assign space, chairs, and desks, on a non-exclusive basis, for work area and related use by the Contractor. In the event the County assigns space to the Contractor, Contractor shall use the space only for the purpose of the performance of services hereunder. The Contractor is prohibited from use of such space, desks, and chairs for the purposes other than for the performance of the TTC and DHS Contract(s), respectively.
- 10.4 At the County's sole discretion, the County may provide access to telephones, fax machines, and photocopying equipment, on a non-exclusive basis, for the purpose of Contractor's performance of this Contract. The Contractor is prohibited from use of such equipment for the purposes other than for the performance of the TTC and DHS Contract(s), respectively.
- 10.5 Location of Contractor:
Contractor shall maintain a business office, toll free telephone number, and in the event Contractor has a local office within a 15 mile radius of Downtown Los Angeles Civic Center, a telephone listing in Los Angeles County where clients may visit or call Contractor (or the Contractor's attorney) regarding their accounts. This business office shall also receive payments and have some responsible person(s) to maintain all of the records and reports required per this contract.

Contractor's business office address and a toll-free telephone number shall be clearly visible on Contractor's letterhead used for all client

communications. At a minimum, the business office should maintain continuous regular business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (Pacific Standard Time), with extended morning or evening hours on at least one day.

10.6 Telephone Services requirements

10.6.1 Contractor shall provide a toll free number so that debtors may be able to obtain information through an operator or automated system on the debt, such as status, amount due, payment options, etc.; Remit Payment; and Establish a payment plan.

Contractor shall provide an option that offers a multilingual translation.

Contractor shall also provide a toll free number for hearing impaired with a telecommunication device that offers the services specified above.

10.6.2 **Materials and Equipment:** The purchase of all materials and/or equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

REQUIRED DATA/INFORMATIONAL ELECTRONIC EXCHANGES

#	Name	From/To SOW Section	Media Type	Delivery	Frequency	Deliver To
TTC REFERRAL OF DELINQUENT MISC ACCTS TO OCA		<i>TTC to OCA 4.1a</i>				
1.0	Notification of OCA Referrals		Email	Internet	Weekly/ [REDACTED]	Contractor
1.1	OCA Referral File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
1.2	Confirmation of OCA Referral file received		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
1.3	Exceptions to OCA Referral file		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
1.4	Exception resolution of OCA Referral file		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov and/or Contractor
TTC PAYMENT & ADJUSTMENTS TO OCA RECORDS		<i>TTC to OCA 4.4a</i>				
2.0	Notification of TTC Payments/Adjustments		Email	Internet	Weekly/ [REDACTED]	Contractor
2.1	TTC Payments/Adjustments File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
2.2	Confirmation of TTC Payment/Adjustment file received		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
2.3	Exceptions to TTC Payment/Adjustment file		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
2.4	Exception resolution of TTC Payment/Adjustment file		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov and/or Contractor
2.5	Contractor disputed adjustment(s) – content to be determined		Email	Internet	As Needed	co [REDACTED].gov
2.6	TTC decision to disputed adjustment(s) - content to be determined		Email	Internet	As Needed	Contractor
TTC RECALL OF ACCOUNTS FROM OCA		<i>TTC to OCA 4.5a</i>				
3.0	Contractor Request of Recalls		Email	Internet	Weekly/ [REDACTED] of prior week	co [REDACTED].gov
3.1	Notification of TTC Recalls		Email	Internet	Weekly/ [REDACTED]	Contractor
3.2	TTC Recall File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
3.3	Confirmation of TTC Recall File received		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
3.4	Recalled referral related notes		Varies	SFT	As Needed	SFT Environment
TTC OCA RETURN REFERRALS		<i>OCA to TTC 4.6a</i>				
4.0	Notification of OCA Return Referrals		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
4.1	OCA Return Referral File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
4.2	Confirmation of OCA Return Referral file received		Email	Internet	Weekly/ [REDACTED]	Contractor
4.3	Exceptions to OCA Return Referral file		Email	Internet	Weekly / [REDACTED]	Contractor
4.4	Exception resolution of OCA Return Referral File		Email	Internet	Weekly/ [REDACTED] of the following week	co [REDACTED].gov and/or Contractor
TTC OCA PAYMENT REMITTANCE		<i>OCA to TTC 4.7a</i>				
5.0	Notification of OCA Payment Remittance		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
5.1	OCA Payment Remittance File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
5.2	Confirmation of OCA Payment Remittance file received		Email	Internet	Weekly/ [REDACTED]	Contractor
5.3	Exceptions to OCA Payment Remittance file		Email	Internet	Weekly / [REDACTED] of the following week	Contractor
5.4	Exception resolution of OCA Payment Remittance file		Email	Internet	Weekly/ [REDACTED] of the following week	co [REDACTED].gov and/or Contractor

REQUIRED DATA/INFORMATIONAL ELECTRONIC EXCHANGES

#	Name	From/To SOW Section	Media Type	Delivery	Frequency	Deliver To
TTC OCA RECONCILIATION		<i>OCA to TTC 4.8a</i>				
6.0	Notification of OCA Maintenance Inventory		Email	Internet	Weekly/	co [REDACTED].gov
6.1	OCA Maintenance Inventory File Layout		ASCII File	SFT	Weekly/	SFT Environment
6.2	Confirmation of OCA Maintenance Inventory file received		Email	Internet	Weekly/	Contractor
6.3	Exception resolution of OCA Maintenance Inventory file – content to be determined		Email	Internet	Weekly/ of the following week	co [REDACTED].gov and/or Contractor
OTHER INFORMATION EXCHANGES						
7.1	Collection Reports	OCA to TTC	Excel File	SFT	thly	SFT Environment
7.2	Other (all other information exchanges including correspondence)	Either Party	Varies	SFT	As Needed	SFT Environment
7.3	Contractor thly Complaint Report	OCA to TTC	Word File	SFT	thly	SFT Environment

NOTIFICATION OF OCA REFERRALS

Attachment 1.0

From: co[REDACTED].gov
Sent: Wednesday, May 27, 2009 8:19 AM
To: Contractor

Subject: REFERRALS JOB REQUEST

Good morning,

This is to inform that the referral file "[REDACTED]" for 05-27-09 is ready to process.

	COUNT	AMOUNT
Total Referrals	[REDACTED]	\$ [REDACTED]

Thank you

***OCA REFERRAL FILE LAYOUT**

Attachment 1.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII
Fixed length
End of record CR/LF
No field delimiters

CONFIRMATION OF OCA REFERRALS FILE RECEIVED

Attachment 1.2

From: Contractor
Sent: Wednesday, May 27, 2009 9:00 AM
To: co [REDACTED].gov
Subject: Load LA TTC placement file "[REDACTED]"

TTC File has been received and loaded.

Load Option LOAD

Client [REDACTED]	Count	Amount
	-----	-----
New Accounts (D15)	[REDACTED]	[REDACTED]
Reactivated (D25)		
Cancelled (D25)		
Updated Accounts		
Errors		
Warnings (not loaded)		
	-----	-----
Total	[REDACTED]	[REDACTED]

EXCEPTIONS TO OCA REFERRAL FILE

Attachment 1.3

From: Contractor
Sent: Wednesday, May 27, 2009 10:08 AM
To: co[REDACTED].gov

Subject: EXCEPTIONS TO OCA REFERRAL FILE

We have seven errors for department codes not on file. Can you let us know if they should be in our system and whether or not they are DHS or TTC?

DEPT CODE NOT FOUND (Account Number)
DEPT CODE NOT FOUND (Account Number)

Thanks

EXCEPTION RESOLUTION OF OCA REFERRAL FILE

Attachment 1.4

From: Contractor

Sent: Wednesday, May 27, 2009 1:38 PM

To: co[REDACTED].gov

Subject: Load TTC placement file "File Name"

The exceptions are corrected and loaded.

NOTIFICATION OF TTC PAYMENTS/ADJUSTMENTS

Attachment 2.0

From: co[REDACTED].gov
Sent: Wednesday, May 27, 2009 9:15 AM
To: Contractor

Subject: TTC PAYMENT/ADJUSTMENT FILE

The file "Name" for 05-27-09 is ready to process.

TTC	2, [REDACTED]
DHS	[REDACTED]
Total	2, [REDACTED]

Net Amount \$ [REDACTED]

Thanks

*TTC PAYMENTS/ADJUSTMENTS FILE LAYOUT

Attachment 2.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII

Fixed length

End of record CR/LF

No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF TTC PAYMENT/ADJUSTMENT FILE RECEIVED

Attachment 2.2

From: Contractor
Sent: Wednesday, May 27, 2009 10:31 AM
To: co[REDACTED].gov

Subject: TTC PAYMENT/ADJUSTMENT FILE LOADED

List "File Name" is received and loaded.

Load Option LOAD
Client LA.TTC

	Count	Amount		
	-----	-----		
New Accounts (D15)				
Reactivated (D25)				
Cancelled (D25)				
Updated Accounts	[REDACTED]			
Errors				
Warnings (not loaded)				
	-----	-----		
Total	[REDACTED]			
Warnings (loaded)				
Transactions: TC	+ Cnt	+ Amount	- Cnt	- Amount
	-----	-----		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Error report in HOLD file: FC [REDACTED].wri Batch report in HOLD file:
FC [REDACTED].wri

EXCEPTIONS TO TTC PAYMENT/ADJUSTMENT FILE

Attachment 2.3

From: Contractor

Sent: Wednesday, May 27, 2009 1:40 PM

To: co[REDACTED].gov

Subject: Exceptions to TTC Payment/Adjustment File

File has been loaded. One error attached.

Thanks

EXCEPTION RESOLUTION OF TTC PAYMENT/ADJUSTMENT FILE

Attachment 2.4

From: Contractor

Sent: Wednesday, May 27, 2009 3:40 PM

To: co [REDACTED].gov

Subject: Exception Resolution of TTC Payment/Adjustment File

Provide explanation(s)

CONTRACTOR DISPUTED ADJUSTMENT(S)

Attachment 2.5

Content to be determined once contract is awarded

TTC DECISION TO DISPUTED ADJUSTMENT(S)

Attachment 2.6

Content to be determined once contract is awarded

CONTRACTOR REQUEST OF RECALLS

Attachment 3.0

From: Contractor
Sent: Friday, November 17, 2009 1:47 PM
To: co [REDACTED].gov

Subject: Return Accounts - 11-25-2009

Contractor's Recalls for Next Week:

TTC:

<u>Acct No</u>	<u>Recall Reason</u>
[REDACTED] 09	BAN
[REDACTED] 07	BAN
[REDACTED] 27	BAN
[REDACTED] 45	BAN
[REDACTED] 25	BAN
[REDACTED] 45	BAN

NOTIFICATION OF TTC RECALLS

Attachment 3.1

From: co [REDACTED].gov
Sent: Wednesday, November 25, 2009 9:23 AM
To: Contractor

Subject: WEEKLY RECALLS

The file "Name" for 11-25-09 is ready to process:

TTC	[REDACTED]
DHS	<u>[REDACTED]7</u>
Total	[REDACTED]5
Net Amount	\$ [REDACTED].84

Thanks

*TTC RECALL FILE LAYOUT

Attachment 3.2

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII

Fixed length

End of record CR/LF

No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF TTC RECALL FILE RECEIVED

Attachment 3.3

From: Contractor
Sent: Wednesday, November 25, 2009 10:30 AM
To: co [REDACTED].gov

Subject: Recalls 11-25-2009

LA Recall file is received and loaded. No Errors.

List "File Name"

	Count	Amount
	-----	-----
Processed	[REDACTED]	
Recalled (RCL)	8	\$ [REDACTED]

List of RCLs: LA [REDACTED] LLS

Thanks

RECALLED REFERRAL RELATED NOTES

Attachment 3.4

Content to be determined once contract is awarded

NOTIFICATION OF OCA RETURN REFERRALS

Attachment 4.0

From: Contractor
Sent: Friday, March 19, 2010 9:37 AM
To: co[REDACTED].gov

Subject: Notification of OCA Return Referrals

New files are on your server for TTC.

Cancellations, file at:

/ [REDACTED] / FF [REDACTED] URN

Number of Cancellations: [REDACTED] 9
Total \$ Returned: [REDACTED] .76

BAN and DEC, file at:

/ [REDACTED] URN

Number of BAN / DEC : [REDACTED]
Total \$ BAN / DEC : [REDACTED]

*OCA RETURN REFERRAL FILE LAYOUT

Attachment 4.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII

Fixed length

End of record CR/LF

No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF OCA RETURN REFERRAL FILE RECEIVED

Attachment 4.2

From: co [REDACTED].gov
Sent: Friday, March 19, 2010 10:54 AM
To: Contractor

Subject: OCA RETURN REFERRAL FILE RECEIVED

File is processed.

Thanks

EXCEPTIONS TO OCA RETURN REFERRAL FILE

Attachment 4.3

From: co [REDACTED].gov
Sent: Friday, March 19, 2010 11:54 AM
To: Contractor

Subject: Errors in Return File

Batch Post Exceptions for File:

ACCT NOT FOUND
ACCT NOT FOUND
ACCT NOT FOUND

EXCEPTION RESOLUTION OF OCA RETURN REFERRAL FILE

Attachment 4.4

From: Contractor

Sent: Friday, March 19, 2010 11:54 AM

To: co [REDACTED].gov

Subject: Exception Resolution of OCA Return Referral File

Provide explanation(s)

NOTIFICATION OF OCA PAYMENT REMITTANCE

Attachment 5.0

From: Contractor
Sent: Friday, March 19, 2010 9:37 AM
To: co [REDACTED].gov

Subject: OCA PAYMENT REMITTANCE FILE

New file is on your server for TTC.

Transactions, file at:

/ [REDACTED] /load/FF [REDACTED] MNT

Number of Transactions: [REDACTED] 0
Total \$ Trans code [REDACTED] .56
Total \$ Trans code [REDACTED] .89

Credit Card Breakdown:

Number of Credit Card Transactions: [REDACTED]
% of Total Transactions [REDACTED] 6%
Amount of Credit Card Transactions: [REDACTED] 5.40
% of Total Amount: [REDACTED] 4%

***OCA PAYMENT REMITTANCE FILE LAYOUT**

Attachment 5.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII
Fixed length
End of record CR/LF
No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF OCA PAYMENT REMITTANCE FILE RECEIVED

Attachment 5.2

From: co [REDACTED].gov
Sent: Friday, March 19, 2010 10:54 AM
To: Contractor

Subject: OCA PAYMENT REMITTANCE FILE RECEIVED

File is received

Thanks

EXCEPTIONS TO OCA PAYMENT REMITTANCE FILE

Attachment 5.3

From: co [REDACTED].gov
Sent: Monday, March 22, 2010 10:54 AM
To: Contractor

Subject: EXCEPTIONS TO OCA PAYMENT REMITTANCE FILE

File name:

TTC Accounts Count:

Tertiary Accounts Count:

Total: Amount:

Comments:

EXCEPTION RESOLUTION OF OCA PAYMENT REMITTANCE FILE

Attachment 5.4

From: Contractor

Sent: Thursday, March 25, 2010 10:54 AM

To: co [REDACTED].gov

Subject: EXCEPTION RESOLUTION OF OCA PAYMENT REMITTANCE FILE

Provide explanation(s)

NOTIFICATION OF OCA MAINTENANCE INVENTORY

Attachment 6.0

From: Contractor
Sent: Friday, March 19, 2010 9:37 AM
To: co[REDACTED].gov

Subject: OCA MAINTENANCE INVENTORY

New file is on your server for TTC.

Maintenance, file at:

/[REDACTED]/load/FF[REDACTED].INVENT

Active Accounts:	[REDACTED]	50
Original principal:	\$	[REDACTED]04
Adjustments to Principal:	-\$	[REDACTED]83
Total payments:	\$	[REDACTED].28
Balance:	\$	[REDACTED].93

*OCA MAINTENANCE INVENTORY FILE LAYOUT

Attachment 6.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII
Fixed length
End of record CR/LF
No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF OCA MAINTENANCE INVENTORY FILE

Attachment 6.2

From: co[REDACTED].gov
Sent: Friday, March 19, 2010 10:15 AM
To: Contractor

Subject: MAINTENANCE INVENTORY FILE RECEIVED

File is received and processed.

Thanks

EXCEPTION RESOLUTION OF OCA MAINTENANCE INVENTORY FILE

Attachment 6.3

Content to be determined once contract is awarded

OTHER (all other information exchanges including correspondence)

Attachment 7.2

Content to be determined once contract is awarded

CONTRACTOR MONTHLY COMPLAINT REPORT

Attachment 7.3

CONTRACTOR MONTHLY COMPLAINT REPORT

Contractor Name: _____

Reporting Period: _____

<u>Collector Name</u>	<u>Type of Allegation</u>	<u>No.</u>
-----------------------	---------------------------	------------

Contractor Summary This Month

_____	_____	_____
Prepared By	Signature	Date

SCHEDULE OF INFORMATION

Reference No.	Name	Generated By	Frequency	Statement of Work Reference
1-2	Acknowledgment Listing	Contractor	Weekly	Paragraph 4.0
1-3	Collection/Contingency Fees Report	Contractor	Monthly	Paragraph 5.4b
1-4	Collection/Contingency Fees Detail Report	Contractor	Monthly	Paragraph 5.4b
1-5	Inventory Report	Contractor	Monthly	Subparagraph 4.8.1b
1-6	Return Report	Contractor	Twice per Month	Subparagraph 4.6b
1-7	Acknowledgment of Adjustments	Contractor	As needed	Subparagraph 5.1.2b
1-8	FATP Update Report	Contractor	Weekly	Paragraph 4.3b
1-9	Credit Inquiry/Social Security Number Report	Contractor	As needed	Subparagraph 5.1.3.6b
1-10	External Batch Layout	Contractor		Subparagraphs 4.6.2b and 4.7b
1-11	Functional Description of the Contractor C-Status Query	Contractor		Subparagraph 5.3.2
1-12	Functional Description of the Contractor Recall Query	Contractor		Subparagraph 4.5.3b
1-13	Functional Description of the PA Tape Create Bad Debt Query	Contractor		Subparagraphs 4.1.3b, 4.6.1b, and 4.18b
1-14	Agency Name Closed Report	Contractor	Weekly	Subparagraphs 5.3.3

* DHS reserves the right to change the media indicated, as improvements to technology become available

ACKNOWLEDGEMENT LISTING

Agency Name:

Patient Name	Facility' s Acct.#	Amount	Date of Service	Date Referred
---------------------	---------------------------	---------------	------------------------	----------------------

COLLECTION/CONTINGENCY FEES REPORT

STATEMENT FOR:

CLIENT NO:	CLIENT NAME:	REMIT. LIAB	INTEREST IS SHARED
DEBTOR NAME	CLIENT ADDRESS:	COMMISSION	DUE ON COLLECTION
DEBTOR NO.	ATTN:	Rate Amount	To Contractor To Client PRIN Balance
		COLL. PD. TO CLIENT	
		Principal Interest	
		COLL. PD. TO CONTRACTOR	
		Principal Interest	

COLLECTION/CONTINGENCY FEES DETAIL REPORT

STATEMENT FOR:

CLIENT NO: CLIENT NAME: REMIT. LIAB INTEREST IS SHARED
CLIENT ADDRESS: ATTN:
PATIENT NAME ACCOUNT NO. COLL. PD. TO CONTRACTOR COLL. PD. TO CLIENT COMMISSION CHARGES DUE

**AGENCY NAME:
INVENTORY REPORT AS OF:**

Patient Name	Medical Record#	Account#	Date Assignd.	Amt Assignd.	Adj. To Acct.	Date of Service	Total Coll.	Current Acct. Bal
-------------------------	------------------------	-----------------	--------------------------	-------------------------	--------------------------	----------------------------	------------------------	------------------------------

AGENCY NAME
RETURN REPORT

FOR MONTH ENDING:

FACILITY NAME:

PATIENT NAME	MI	MEDICAL RECORD#	ACCOUNT#	DATE	DATE OF SERVICE	CURRENT ACCT. BAL.	REASON CODE
--------------	----	-----------------	----------	------	-----------------	--------------------	-------------

TOTAL ACCOUNTS RET.

TOTAL CURR. ACT. BAL

**COUNTY OF LOS ANGELES
ACKNOWLEDGMENT OF ADJUSTMENTS**

<u>CLIENT/DEB NAME</u>	<u>DATE</u>	<u>ADJUSTMENT</u>	<u>BALANCE</u>
XXXX XXX	XXXXXX	XXX	XXXX

TOTALS

TOTALS

TOTAL INCREASED PRINCIPAL XXXXX

TOTAL DECREASED PRINCIPAL XXXXX

COUNTY OF LOS ANGELES
Financial Ability To Pay Update Report
Accounts Identified As Self Pay
Locates To Collect

Name	Medical Record #	Account	Debtor Gross	Spouse Gross	Total Gross	Dependent	Comments
------	------------------	---------	--------------	--------------	-------------	-----------	----------

XXXXX	XXX	XXXX	\$	\$	\$		
-------	-----	------	----	----	----	--	--

TOTAL

_____APPROVED

_____EXCEPTIONS

BY: _____

DATE: _____

EXTERNAL BATCH LAYOUT

All fields defined in the record layout are to be provided in the upload file by LACO clients.

File record format as follows:

Header record (1 record only)

Data records multiple records of CHG/CRD or PAY/ADJ)

EOF record(1 record only)

Header Record Layout-First Record - Variable length

Separate data using a comma ",".

Data must NOT have trailing or leading characters.

Do NOT enclose data in Quotes.

All Pieces required.

Data must not contain any commas.

Linefeed signals end of a record (ASCII Decimal 10).

Piece	Data
-------	------

<u>Position</u>	<u>Description</u>
-----------------	--------------------

Piece 1,	"HEADER RECORD" Fixed, must be hard coded.
----------	--

Piece 2,	"CHG/CRD" or "PAY/ADJ" to define batch type. The entire batch must be consistent with charge/credits or payments/adjustment type data records.
----------	--

Piece 3,	Batch Name is 25-character maximum alpha numeric. User defined and must be unique to each file.
----------	---

Piece 4,	Batch ID is 30-character maximum alpha numeric. User defined, but should be unique to each file.
----------	--

Piece 5,	Positive Integer, total number of records. Not including header and trailer record. The limit is 999999.
----------	--

Piece 6,	Entering Area Code. Required field. Maximum length 7. Comes from database CD PAT ENTERING AREAS/CD CHARGE ENTERING AREA.
----------	--

ASCII Line Feed character.

CHG/CDT Layout - Repeating Record - Variable length

This record is only for CHARGES and CREDITS.

Separate data using a comma ",".

Data must NOT have trailing or leading characters.

Do NOT enclose data in Quotes.

Data must not contain any commas.

Amount of charge or credit will be limited to value defined in Affinity® Charge Master Dictionary.

Linefeed signals end of a record (ASCII Decimal 10).

Piece Data

Position Description

Piece 1, Account Number. Required field.

Piece 2, Charge Service Date. Required field. In the Format "MM/DD/YYYY".

Piece 3, Charge Code. Required field. As defined in the Affinity® Charge Master dictionary. Charge code must be active.

Piece 4, Source of Request. Required field. From the OC CLIIC CODE dictionary. It must be active and an exact match of the code as defined in the Affinity® dictionary. An inactive code entered will cause charge record to reject.

Piece 5, Quantity. Not required however, if no quantity is entered, a quantity of 1 is ASSUMED for charges or credits. Maximum quantity 999.

Piece 6, Credit Flag. If this piece is a "Y", this is a Credit. If it is anything else, the record is a Charge.

ASCII Line Feed character.

PAY/ADJ Layout - Repeating Record - Variable length

This record is only for PAYMENTS and ADJUSTMENTS.

Separate data using a comma ",".

Data must NOT have trailing or leading characters.

Do NOT enclose data in Quotes.

Data must not contain or use any commas.

Amount of charge or credit will be limited to value defined in Affinity® Charge Master Dictionary.

Linefeed signals end of a record (ASCII Decimal 10).

NO NEGATIVE Amounts.

<u>Piece</u>	<u>Data</u>
<u>Position</u>	<u>Description</u>

Piece 1, Account Number. Required field.

Piece 2, Payment/Adjustment for Date. Required field. In the Format "MM/DD/YYYY".

Piece 3, Insurance code. Required field. From the CD INSURANCE file. Must be active and an exact match of the insurance code as defined in the Affinity® database. An inactive code entered will cause payment/adjustment record to reject. The insurance code MUST match one of the insurance's defined on the account.

Piece 4, PAT Code. Required field. From the PA CD PAT CODE DICTIONARY. Must be active and an exact match of the code as defined in the Affinity® dictionary. An inactive code entered will cause payment/adjustment record to reject.

Piece 5, Payment Method. Required field. From the PAYMENT TYPE simple dictionary. Must be active and an exact match of the code as defined in the Affinity® dictionary. An inactive code entered will cause payment/adjustment record to reject.

Piece 6, Amount. Required field. Must always be a positive number. *NO commas*. Maximum length 13(9999999999.99), minimum 0.

Piece 7, Comment. Maximum length of 30 characters. *NO commas!*

ASCII Line Feed character.

END OF FILE Record Layout - Last Record

Data must NOT have trailing or leading characters.
Linefeed signals end of a record (ASCII Decimal 10).

<u>Piece</u>	<u>Data</u>
<u>Position</u>	<u>Description</u>

EOF	End of File marker. Required.
-----	-------------------------------

	ASCII Line Feed character.
--	----------------------------

Functional Description of the Contractor C-Status Query

Query Name: Y GNM PA Contractor - C STATUS

Primary Database File: PA PAYMENT TRANSACTIONS

Data Selection: Show records between a selected PAT posting date range.
 Exclude Multi-Post transactions.
 Show only payments.
 Show only Bad Debt accounts (C status).
 Show only records indicating an insurance of "Contractor".

Data Layout – Fixed (76 columns)

Field	Start	Length
Patient Name (%PN)	1	20
Medical Record Number (%MRUN)	21	9
Account Number (%PA)	30	7
Admit Arrive Date (%ADT)	37	10
Discharge Disposition Date (%DDT)	47	10
Amount Signed (%AMT)	57	9
PAT Posting Date (%PAYDT)	66	10

Variables (summary):

%FAC, Facility Pointer (set to 1 since there is only one facility)
 %FDT, From PAT Posting Date (user input)
 %TDT, Through PAT Posting Date (user input)
 %PS, Patient Service Code

%CAT, Patient Category Code

%PT, PAS Patient Type Code

%PN, Patient Name

%ADT, Admit Arrive Date

%DDT, Discharge Date

%MRUN, Patient Medical Record Number

%PA, Patient Account Number

%ADJ, PAT Code from PA CD PAT CODE DICTIONARY

%ADES, PAT Code description

%AMT, Amount Signed

%PAYDT, PAT Posting Date

Functional Description of the Contractor Recall Query

Query Name: Y GNM PA CONTRACTOR RECALL

Primary Database File: MASTER VISIT FILE

Data Selection: Show accounts in a "Billed" status

Show only accounts where any PA NOTE between the selected "From" and "Through" dates contains the text "CONTRACTOR RECALL"

Data Layout – Fixed (106 columns)

Field	Start	Length
Patient Name (%NAME)	1	20
Medical Record Number (%MRUN)	21	9
Account Number (%ACCT)	30	7
Admit Arrive Date (%ADT)	37	10
Discharge Disposition Date (%DDT)	47	10
Balance (" \$" %BAL)	57	9
Note Date (%NDT)	66	10
First 30 characters of the first line of the PA Note	76	30

Variables (summary):

%PAN (), Array that holds the PA NOTE for text search

%FLAG, indicates that the PA NOTE meets criteria

%CHG, Total Charges

%PMT, Total Payments

%ADJ, Total Adjustments

%TWO, Total Write-Offs

%BAL, Total Charges + Total Payments + Total Adjustments + Total Write-Offs

%MRUN, Patient Medical Record Number

%NAME, Patient Name

%ACCT, Patient Account Number

%ADT, Admit Arrive Date

%DDT, Discharge Disposition Date

%NDT, Note Date

Functional Description of the PA Tape Create Bad Debt Query

Query Name: PA TAPE BAD DEBT CREATE FILE (F/E)

Primary Database File: PA TAPE CONTROL FILE

Query Name: PA TAPE BAD DEBT FILE (SUBQUERY)

Primary Database File: MASTER VISIT FILE

Data Selection:

The Affinity procedure calling this query passes the record IDs for the PA Tape Control File primary record and the PA Tape Population Record.

Data Layout

The file created by this query consists of several record (line) types noted by the Record numbers below. Some of the records occur once for each visit and others occur multiple times or not at all for each visit.

Each of the records 1 through 24 occur only once per patient account. Record 31 occurs up to three times for the first three insurance carriers for the account. Records 41, 42, and 43 may occur multiple times to show all charges, diagnoses, and CPT codes. All account notes for each visit (record 51) show, one record for each line of notes. All 'Payments', 'Adjustments' and 'Patient Transfers' show for each visit, one record for each transaction.

Fields in order:

col	RECORD #1 - Header	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "01")	
E	Agency Name (%AGENCYNAME, passed to query from procedure)	
F	Tape Creation Date (Today, YYMMDD)	
G	Tape Creation Time (Now, Military)	

col	RECORD #21 - Patient Data	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP, derived from Mumps \$P(ZS(25),"~",2))	
C	Account Number	
D	Record Constant (String Literal "21")	
E	Medical Record Number (%MRUN) strip dashes and left file with 0's to 10 characters	
F	Patient's Last Name	
G	Patient First Name	
H	Patient Middle Initial	
I	Patient Address	
J	Patient Address 2	
K	Patient City	
L	Patient State	
M	Patient Zip Code (%ZIP - without dashes)	
N	Patient Phone Number (%PHONE) strip dashes and left file with 0's to 10 characters	
O	Patient Social Security Number (%SSN) strip dashes and left file with 0's to 9 characters	
P	Patient Date of Birth (MMDDYY)	

Functional Description of the PA Tape Create Bad Debt Query

Q	Patient Sex	
R	Patient Language Code ** (Uses registration field, NOT the custom question)	
S	Patient AKA (%AKA)	
T	Admit Date (MMDDYY)	
U	Discharge Date (MMDDYY)	
V	Original Final Bill Date (MMDDYY)	

col	RECORD #22 – Visit Data	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "22")	
E	PA Payment Plan Amount (%QTY)	
F	PA Payment Plan Due Amount (%QTY)	
G	Contract Period Type (string literal "M")	
H	PA Payment Plan Due (%QTY)	
I	PA Payment Plan Thru Date (MMDDYY)	
J	Attending Physician Name (%APHY)	
K	Attending Physician License Number (%ALIC)	
L	Admitting Physician Name (%PHYS)	
M	Admitting Physician License Number (%PLIC)	
N	Total Charges (%QTY)	
O	Total Payments (%QTY)	
P	Total Adjustments (%QTY)	
Q	Write Off Amount (Total Charges + Total Payments + Total Adjustments)(%QTY)	
R	Final Bill Date (MMDDYY)	
S	Financial Class Code	
T	Patient Service Code	
U	Patient Type (PAS Patient Type)	

col	RECORD #23 – Employer Data	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "23")	
E	Employer Name (priority 1) (%EMPNAME)	
F	Employer Address (priority 1) (%EMPADDR1)	
G	Employer City (priority 1) (%EMPCITY)	
H	Employer State (priority 1) (%EMPSTATE)	
I	Employer Zip (priority 1) (%EMPZIP)	
J	Employer Phone (priority 1) (%EMPHONE -> %PHONE, no dashes)	
K	Employer Name (priority 2) (%EMPNAME)	
L	Employer Address (priority 2) (%EMPADDR1)	
M	Employer City (priority 2) (%EMPCITY)	

Functional Description of the PA Tape Create Bad Debt Query

N	Empolyer State (priority 2) (%EMPSTATE)	
O	Employer Zip (priority 2) (%EMPZIP)	
P	Employer Phone (priority 2) (%EMPHONE -> %PHONE, no dashes)	

col	RECORD #24 – Guarantor Data	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "24")	
E	Guarantor Name (priority 1) (%GUARNAME)	
F	Guarantor Address (priority 1) (%GUARADDR)	
G	Guarantor Address 2 (priority 1) (%GUARADD2)	
H	Guarantor City (priority 1) (%GUARCITY)	
I	Guarantor State (priority 1) (%GUARST)	
J	Guarantor Zip Code (priority 1) (%GUARZIP)	
K	Guarantor Phone (priority 1) (%GUARPHONE->%PHONE, no dashes)	
L	Guarantor SSN (priority 1) %GUARSSN->%SSN, no dashes)	
M	Next of Kin Name (priority 1) (%CONTACTNAME)	
N	Next of Kin Phone (priority 1) (%CONTACTPHN->%PHONE, no dashes)	
O	Next of Kin Name (priority 2) (%NOK2TNAME)	
P	Next of Kin Phone (priority 2) (%NOK2PHN->%PHONE, no dashes)	

col	RECORD #31 Insurance Carriers (three times, once for each of priorities 1, 2, and 3)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP, derived from Mumps \$P(ZS(25),"~",2))	
C	Account Number	
D	Record Constant (String Literal "31")	
E	Insurance Priority "n" (1, 2, or 3)	
F	Insurance Code (priority n) (%INS)	
G	Insurance Company Name (priority n) (%INSNAME)	
H	Insurance Address (priority n) (%INSADDR1)	
I	Insurance Address 2 (priority n) (%INSADDR2)	
J	Insurance City (priority n) (%INSCITY, first part of %INSADDR3))	
K	Insurance State (priority n) (last part of %INSADDR3)	
L	Insurance Zip Code (priority n) (%INSZIP -> %ZIP, no dashes)	
M	Insurance Phone (priority n) (%INSPHONE->%PHONE, no dashes)	
N	Total Charges (%QTY)	
O	Total Payments (%QTY)	
P	Total Charges + Total Payments + Total Adjustments (%QTY)	
Q	Final Bill Date (MMDDYY)	

col	RECORD #32 Continued for insurance in Record #31	
A	Agency (%AGENCY, passed to query from procedure)	

Functional Description of the PA Tape Create Bad Debt Query

B	Hospital Code (%HOSP, derived from Mumps \$P(ZS(25),"~",2))	
C	Account Number	
D	Record Constant (String Literal "32")	
E	Insurance Code (priority n) (%INS)	
F	Insurance Subscriber Name	
G	Ins Employer Group Name	
H	Insurance Policy Number	
I	Insurance Group Number	
J	Ins Authorization Precertification ID	
K	Insurance Subscriber Last Name	
L	Insurance Subscriber First Name	
M	Patient Relationship to Insured	

col	RECORD #41: All clinic (4 digit) or IP (7 digit) charges at up to ten per record. Does not show any Ancillary Charges (10 digit)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP, derived from Mumps \$P(ZS(25),"~",2))	
C	Account Number	
D	Record Constant (String Literal "41")	
E	Charge Code #1 (%CC, piece 1)	
F	Charge Billing Description (%CHGDES, piece 1)	
G	Revenue Code (UB82 Summary Code, %REV, piece 1)	
H	Charge Code #2 (%CC, piece 2)	
I	Charge Billing Description (%CHGDES, piece 2)	
J	Revenue Code (UB82 Summary Code, %REV, piece 2)	
K	Charge Code #3 (%CC, piece 3)	
L	Charge Billing Description (%CHGDES, piece 3)	
M	Revenue Code (UB82 Summary Code, %REV, piece 3)	
N	Charge Code #4 (%CC, piece 4)	
O	Charge Billing Description (%CHGDES, piece 4)	
P	Revenue Code (UB82 Summary Code, %REV, piece 4)	
Q	Charge Code #5 (%CC, piece 5)	
R	Charge Billing Description (%CHGDES, piece 5)	
S	Revenue Code (UB82 Summary Code, %REV, piece 5)	
T	Charge Code #6 (%CC, piece 6)	
U	Charge Billing Description (%CHGDES, piece 6)	
V	Revenue Code (UB82 Summary Code, %REV, piece 6)	
W	Charge Code #7 (%CC, piece 7)	
X	Charge Billing Description (%CHGDES, piece 7)	
Y	Revenue Code (UB82 Summary Code, %REV, piece 7)	

col	RECORD #42 Diagnoses (multiple records per visit as needed for all Dxs to be shown)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	

Functional Description of the PA Tape Create Bad Debt Query

C	Account Number	
D	Record Constant (String Literal "42")	
E	Diagnosis Code (priority 1)	
F	Diagnosis Description (priority 1)	
G	Diagnosis Code (priority 2)	
H	Diagnosis Description (priority 2)	
I	Diagnosis Code (priority 3)	
J	Diagnosis Description (priority 3)	
K	Diagnosis Code (priority 4)	
L	Diagnosis Description (priority 4)	
M	Diagnosis Code (priority 5)	
N	Diagnosis Description (priority 5)	
O	Diagnosis Code (priority 6)	
P	Diagnosis Description (priority 6)	
Q	Diagnosis Code (priority 7)	
R	Diagnosis Description (priority 7)	
S	Diagnosis Code (priority 8)	
T	Diagnosis Description (priority 8)	
U	Diagnosis Code (priority 9)	
V	Diagnosis Description (priority 9)	
W	Diagnosis Code (priority 10)	
X	Diagnosis Description (priority 10)	

col	RECORD #43 CPT Codes (multiple records per visit as needed for all codes to be shown)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "43")	
E	CPT Code 1	
F	CPT Code 2	
G	CPT Code 3	
H	CPT Code 4	
I	CPT Code 5	
J	CPT Code 6	
K	CPT Code 7	
L	CPT Code 8	
M	CPT Code 9	
N	CPT Code 10	

col	RECORD #51 Account Notes (all lines for all notes for visit)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "51")	

Functional Description of the PA Tape Create Bad Debt Query

E	Sequence Number (note line number)	
F	Note Date (YYMMDD)	
G	Activity Code (string literal "000")	
H	Constant P (string literal "P")	
I	System Note Fixed Value	
J	Single Note line	

col	RECORD #60 Payments (all Payments, Adjustments, Patient Transfers for visit)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "60")	
E	Sequence Number (note line number) (only up to 9999 lines)	
F	PAT Posting Date (YYMMDD)	
G	Payment Code (%PAYCODE)	
H	PAT Transaction Code Description	
Y	Amount Signed	

col	RECORD #90 Summary (one record)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "90")	
E	Total Records 21 – 24 (%REC2124)	
F	Total Records 31 – 32 (%REC3132)	
G	Total Records 40 (%REC40)	
H	Total Records 42 (%REC41)	
I	Total Records 42 (%REC42)	
J	Total Records 43 (%REC43)	
K	Total Records 51 (%REC51)	
L	Total Records 60 (%REC60)	
M	Total Records (%TOTREC)	
N	Account Balance (charges + payments + adjustments)	
O	Total Charges	
P	Final Bill Date (MMYYDD)	

Functional Description of the PA Tape Create Bad Debt Query**Constants:**

% AGENCY (passed to query from procedure)
 % AGENCYNAME (passed to query from procedure)
 % DAYS (passed to query from procedure)
 % POPID (passed to query from procedure)
 % PRIMID (passed to query from procedure)
 % HOSP, derived from Mumps \$P(ZS(25),"~",2)

Variables:

% REC2124, count of records (21, 22, 23, 24)
 % REC3132, count of records (31, 32)
 % REC41, count of records (41)
 % REC42, count of records (42)
 % REC43, count of records (43)
 % REC51, count of records (51)
 % REC60, count of records (60)
 % MRUN, Medical Record Number with dashes removed
 % LAST, Patient's Last Name (before comma in formatted name)
 % FIRST, Patient's First Name (immediately after the comma in formatted name)
 % MIDDLE, Patient's Middle Initial (first character after the space after the comma in formatted name)
 % ZIP, Zip code with dashes removed
 % PHONE, Phone number with dashes removed, leading digit (presumably "1") removed and padded with leading zeros.
 % SSN, Social Security Number, dashes removed and padded with leading zeros
 % AKA, first AKA only, if more than one.
 % QTY, Monetary values with decimal point removed and padded with leading zeros
 % NOTAFF, ? general variable
 % APHY, Primary Attending Physician Name (OVMC)
 % ALIC, Primary Attending Physician Licence Number (OVMC)
 % PHYS, Attending Physician Name, or if null, Physician Attending Non Staff (Product)
 % PHYS, Admitting Physician Name (OVMC)
 % PLIC, Admitting Physician License (OVMC)
 % EMP, Employer priority
 % EMPNAME, Employer Name
 % EMPADDR1, Employer Address
 % EMPCITY, Employer City
 % EMPSTATE, Employer State
 % EMPZIP, Employer Zip Code
 % GUARNAME, Guarantor Name
 % GUARADDR, Guarantor Address
 % GUARADD2, Guarantor Address 2
 % GUARCITY, Guarantor City
 % GUARST, Guarantor State
 % GUARZIP, Guarantor Zip Code
 % GUARPHONE, Guarantor Phone
 % CONTACTNAME, Next of Kin Name (first priority)

Functional Description of the PA Tape Create Bad Debt Query

%CONTACTPHN, Next of Kin Phone (first priority)
%NOK2TNAME, Next of Kin Name (second priority)
%NOK2TNAME, Next of Kin Phone (second priority)
%INS, insurance priority
%INSNAME, Insurance Company Name
%INSADDR1, Insurance Address (first line)
%INSADDR2, Insurance Address (second line)
%INSCITY, Insurance City
%INSADDR3, combined Insurance City and State
%INSZIP, Insurance Zip
%INSPHONE, Insurance Phone
%CC, Charge Code List (first clinic charge (4 digit code), OR up to seven inpatient charges (7 digit codes)
%CHGDES, Charge Billing Description List (to match Charge Code List)
%REV, UB82 Summary Code (to match Charge Code List)
%DIA, Diagnosis list (first five ICD9 codes in priority order)
%DESC, Diagnoses Descriptions (first five in priority order)
%CPT1, CPT Code list (first 5 in entry order)
%ARRAY(%CNT), One multiline note
%PATCODE, PAT Transaction Type (P=payment, A=adjustment, T=patient transfer)

**AGENCY NAME
RETURN REPORT**

FOR MONTH ENDING:

FACILITY NAME:

PATIENT NAME	MI	MEDICAL RECORD#	ACCOUNT#	DATE	DATE OF	CURRENT	REASON
LAST,	FIRST			ASSIGNED	SERVICE	ACCT. BAL.	CODE

TOTAL ACCOUNTS RET.

TOTAL CURR. ACT. BAL

DELINQUENT ACCOUNT COLLECTION SERVICES TREASURER AND TAX COLLECTOR

WORKLOAD VOLUMES

These are historical workload statistics and the actual workload may fluctuate from month to month. The average length of time from the date the debt was incurred to referral to the Contractor is three (3) to six (6) months. The TTC does not guarantee any particular level of account referrals or the age of the accounts at referral during the course of the contract.

(Based on TTC's historical statistics for the most recent fiscal years –
no guarantee these numbers are indicative for future workload.)

SECONDARY COLLECTION SERVICES				
FY 2007-2008				
Referrals				
	Total Number	Relative Percentage	Total	
Category	of Accounts	by Account	Dollar Value	Collection*
DHS	143	0.13%	\$ 501,838	\$ 8,990
DPSS	101,149	93.61%	\$ 35,352,013	\$ 1,536,716
OTHER	6,763	6.26%	\$ 2,944,428	\$ 147,686
TOTAL	108,055	100.00%	\$ 38,798,279	\$ 1,693,392
Average Balance Per Account			\$ 359	
FY 2008-2009				
Referrals				
	Total Number	Relative Percentage	Total	
Category	of Accounts	by Account	Dollar Value	Collection*
DHS	0	0.00%	\$ -	\$ -
DPSS	47,601	91.20%	\$ 18,688,674	\$ 988,794
OTHER	4,592	8.80%	\$ 3,205,760	\$ 183,092
TOTAL	52,193	100.00%	\$ 21,894,434	\$ 1,171,886
Average Balance Per Account			\$ 419	
FY 2009-2010				
Referrals				
	Total Number	Relative Percentage	Total	
Category	of Accounts	by Account	Dollar Value	Collection*
DHS	162	0.18%	\$ 359,740	\$ 1,262
DPSS	38,313	43.53%	\$ 16,883,336	\$ 483,337
OTHER	49,541	56.29%	\$ 11,016,015	\$ 707,800
TOTAL	88,016	100.00%	\$ 28,259,091	\$ 1,192,399
Average Balance Per Account			\$ 321	

*Please note that the funds collected could be related to accounts referred during any time period and not solely during the year reported above.

**DELINQUENT ACCOUNT COLLECTION SERVICES
TREASURER AND TAX COLLECTOR**

WORKLOAD VOLUMES

These are historical workload statistics and the actual workload may fluctuate from month to month. The average length of time from the date the debt was incurred to referral to the Contractor is three (3) to six (6) months. The TTC does not guarantee any particular level of account referrals or the age of the accounts at referral during the course of the contract.

(Based on TTC's historical statistics for the most recent fiscal years – no guarantee these numbers are indicative for future workload.)

TERTIARY COLLECTION SERVICES				
From Inception March 13, 2009 to June 30, 2010				
	Referrals			
Category	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Collection*
DHS	234,640	100.00%	\$ 660,218,303	\$ 744,217
TOTAL	234,640	100.00%	\$ 660,218,303	\$ 744,217
Average Balance Per Account			\$ 2,814	

*Please note that the funds collected could be related to accounts referred during any time period and not solely during the year reported above.

**DELINQUENT ACCOUNT COLLECTION SERVICES
DEPARTMENT OF HEALTH SERVICES**

WORKLOAD VOLUMES

These are historical workload statistics and the actual workload may fluctuate from month to month. DHS does not guarantee any particular level of account referrals or the age of the accounts at referral during the course of the contract.

(Based on DHS' historical statistics for the most recent fiscal years – no guarantee these numbers are indicative for future workload.)

SECONDARY COLLECTION SERVICES					
FY 2007-2008					
Referrals					
Category	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Average Balance Per Account	Collection*
Inpatients	16,543	7.81%	\$ 372,189,459	\$ 22,498	\$ 8,456,674
Outpatient	143,341	67.70%	\$ 113,053,929	\$ 789	\$ 1,860,373
CHC/HC	51,845	24.49%	\$ 15,908,424	\$ 307	\$ 147,700
Total	211,729	100.00%	\$ 501,151,812	\$ 2,367	\$ 10,464,747
FY 2008-2009					
Referrals					
Category	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Average Balance Per Account	Collection*
Inpatients	16,008	8.10%	\$ 340,507,078	\$ 21,271	\$ 8,744,230
Outpatient	123,860	62.70%	\$ 105,218,977	\$ 849	\$ 2,790,779
CHC/HC	57,684	29.20%	\$ 18,280,874	\$ 317	\$ 270,221
Total	197,552	100.00%	\$ 464,006,929	\$ 2,349	\$ 11,805,230
FY 2009-2010					
Referrals					
Category	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Average Balance Per Account	Collection*
Inpatients	16,688	7.37%	\$ 373,161,237	\$ 22,361	\$ 8,653,212
Outpatient	166,719	73.63%	\$ 169,396,287	\$ 1,016	\$ 2,980,014
CHC/HC	43,029	19.00%	\$ 13,477,611	\$ 313	\$ 274,686
Total	226,436	100.00%	\$ 556,035,135	\$ 2,456	\$ 11,907,912

*Please note that the funds collected could be related to accounts referred during any time period and not solely during the year reported above.

REQUIRED FORMS - EXHIBIT 15A

**Treasurer and Tax Collector
Information Technology
Technical Requirements**

Proposer must have automated system capabilities to accept and process account referrals and assignments via a secure file transfer environment defined by the County of Los Angeles, Treasurer and Tax Collector standards. Following is the description of the standards:

1. Transmission method and payload encryption are required;
2. SSH File Transfer Protocol (SFTP) will be required for all file transfers using Secure Shell (SSH) protocol.
3. Payloads must be encrypted using PGP. No open source PGP software is allowed.

Note: In order to provide the required work, as described in Appendix B, SOW, of this RFP, these standards must be in place.

Proposer must have the ability to provide the Collection Accounts Receivable Systems (CARS)/File Transfers in accordance with Appendix B, SOW, Attachment 1a, Required Data/Informational Electronic Exchanges, Attachments 1.1, OCA Referral File Layout, 2.1, TTC Payments/Adjustments File Layout, 3.2, TTC Recall File Layout, 4.1, OCA Return Referral File Layout, 5.1, OCA Payment Remittance File Layout, and 6.1, OCA Maintenance Inventory File Layout specifications.

Proposer attests that they are able to have in place necessary equipment and protocols to perform the required functions as stated above. In the event Proposer is not able to perform the required functions their Proposal may be eliminated from further evaluation.

Signature

Date

Michael Scoliere, Capital Partner

Name and Title of Signer (please print)

Note: Contractor shall have sixty (60) days from date of Board approval to meet the information technology requirements pursuant to this Exhibit 15A, TTC Technical Requirements. In the event Contractor is not able to fulfill these requirements, the County may in its best interest go to the next highest ranked Proposer. Contractor cannot begin delinquent account collection services until they have met the TTC requirements and have received written approval from County to commence delinquent account collection services.

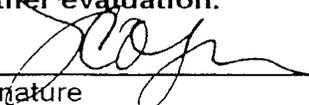
DHS IT Technical Requirements (Exhibit 15B)

REQUIRED FORMS - EXHIBIT 15B

Department of Health Services
Information Technology
Technical Requirements

Proposer affirms that all conditions, requirements and equipment protocols as stated and required in Appendix B, DHS Attachment 1-10, Attachment 1-11, Attachment 1-12, and Attachment 1-13 shall be in place prior to start of the Contract. Proposer shall have procedures in place to meet all requirements of the Delinquent Account Collections Services Agreement, Statement of Work (SOW) and specifically as the SOW is related and referenced to Attachment 1-10, Attachment 1-11, Attachment 1-12, and Attachment 1-13.

Proposer attests that they are able to have in place necessary equipment and protocols to perform the required functions as stated above. In the event Proposer is not able to perform the required functions their Proposal may be eliminated from further evaluation.



Signature

July 15, 2011

Date

Scott D. Wylie, Partner

Name and Title of Signer (please print)

Note: Contractor shall have sixty (60) days from date of Board approval to meet the information technology requirements pursuant to this Exhibit 15B, DHS Technical Requirements. In the event Contractor is not able to fulfill these requirements, the County may in its best interest go to the next highest ranked Proposer. Contractor cannot begin delinquent account collection services until they have met the DHS requirements and have received written approval from County to commence delinquent account collection services.

COMMISSION RATES

Linebarger Goggan Blair & Sampson, LLP

DACS TERTIARY ACCOUNT TYPE	COMMISSION RATE
Rate for TTC and DHS Tertiary Accounts combined:	33%

EXHIBIT C

TECHNICAL EXHIBITS

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Exhibits

- 1 CONTRACT DISCREPANCY REPORT
- 2 DHS PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
- 2a INTENTIONALLY OMITTED
- 2b DHS PRS CHART

DELINQUENT ACCOUNT COLLECTION SERVICES PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

The provision of Delinquent Account Collection Services (DACS) is comprised of secondary and tertiary collection services for the County of Los Angeles. Following is the DACS Performance Requirements Summary (PRS) for the Department of Health Services (DHS).

**DHS PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
DELINQUENT ACCOUNT COLLECTION SERVICES**

EXHIBIT 2b

Required Service/Statement of Work Reference	Standard of Performance	Maximum Allowed Deviation (Acceptable Quality Level {AQL}) %	Typical Monitoring Method	Unsatisfactory Performance Indicator for Exceeding AQL
Paragraph 4.0 (Sub-paragraph 3) - Confidentiality	Employee Acknowledgement and Confidentiality Agreement signed and provided to DHS within 3 working days.	None	Review of reports, complaints	-\$100 per day per employee when form not signed -\$1,000 per unauthorized release of information
Paragraph 7.0 - Maintain written Quality Control Plan	Quality Control Plan maintained and provided as required.	1 business day late	Receipt and review of plan	-\$50 per each day late. -\$100 if plan is incomplete
Subparagraph 4.4b - Accept Payments on assigned accounts	Accept payments as specified and process payments on assigned accounts timely and as required.	None	Analyze reports, on site audits, patient complaints	-\$100 per individual payment accepted on an account not approved
Subparagraph 4.3b - Return accounts with no FATP or where patient can't be located or a financial statement can't be completed	Returns accounts timely and as required. Stop Contractor activities.	1 business day late	Analyze reports and logs, on site audits, complaints	-\$100 per each day account is not returned -\$200 per account if Contractor continues locate or collection activity.
Subparagraph 4.6b Report uncollectable accounts and cases in which collection efforts would result in undue hardship on the patient.	Report accounts to DHS as required and in a timely manner.	None	Patient complaints, received accounts during on-site audits	-\$100 per day per account not reported
Subparagraph 5.1.2b - Post account adjustments	Adjustments are posted accurately and per schedule.	1 business day late	Patient complaints, management reports, review accounts during on-site audits	-\$100 per each incomplete/inaccurate account adjustment posting -\$100 per each day posting is late
Paragraph 4.5, Paragraph 5.3.3 and Paragraph 5.4.2 - Return recalled accounts and accounts where patient is deceased, where there is a third party liability or in cases of Attachment	Return accounts to DHS timely and as required. Stop patient locate or collection activities.	1 business day late	Analyze reports and logs, on-site audits	-\$150 per each day account is not returned \$200 per account if Contractor continues collection activities
Subparagraph 5.1.7b - Notify DHS of patient disputes	Stop locate or collection activities immediately. Notify appropriate party within 3 working days after patient disputes the amount.	None	Patient complaints, on-site audits	-\$100 per day when timeframe is not adhered to
Subparagraph 4.2.1b - Process Third Party billing and collection	Provide appropriate Third Party coverage documentation to DHS as required.	None	Patient complaints, analyze reports, review accounts during on-site audits	-\$50 per incident

**DHS PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART
DELINQUENT ACCOUNT COLLECTION SERVICES**

EXHIBIT 2b

Required Service/Statement of Work Reference	Standard of Performance	Maximum Allowed Deviation (Acceptable Quality Level {AQL}) %	Typical Monitoring Method	Unsatisfactory Performance Indicator for Exceeding AQL
Subparagraph 5.1.5a - Issue Paid in Full letters	Issue appropriate letters upon patient request.	None	Patient complaints	-\$150 per incident
Subparagraph 5.3.1 Process refunds	Process refunds timely and as required.	None	Patient complaints, review reports	-\$150 per day late -\$250 per incident
Paragraph 4.7 - Remit Payments	DHS appropriately and timely notified of remittances; payments remitted to DHS timely and accurately.	None	Review of reports	-\$75 per day required telephone notification is late, \$1000 per incident of late remittance plus \$75 per day remittance is late -\$150 per incomplete/inaccurate remittance
Subparagraph 5.1.3 - No Credit Reporting	Patients not reported to credit reporting services.	None	Patient complaints	-\$150 per incident of patient reported to credit reporting services
Subparagraph 5.4b - Provide required reports, tapes and diskettes	Provide DHS with required reports, tapes and diskettes according to schedule.	1 business day late from due date	Review of Reports	-\$100 per incomplete/inaccurate reports. \$100 per report per each day late
Paragraph 6.0 - Maintain minimum internal controls	Maintain minimum internal controls as required.	None	Inspection during on-site audits	-\$250 points per individual noncompliance incident

CONTRACTOR'S EEO CERTIFICATIONLinebarger Goggan Blair & Sampson, LLP

Contractor Name

1515 Cleveland Place, Suite 300, Denver, Colorado 80202

Address

74-2864602

Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor 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.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | | |
|----|---|---|-----------------------------|
| 1. | The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 2. | The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 3. | The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 4. | Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

Michael Scoliere, Capital Partner

Authorized Official's Printed Name and TitleAuthorized Official's SignatureDate

12-27-2011

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

FACILITY'S PROJECT DIRECTOR:

Name: Mary Johnson

Title: Chief Revenue Manager

Address: 313 N. Figueroa, Rm No 527, LA CA 90012

Telephone: 213-240-7985 Facsimile: 213-482-9179

E-Mail Address: Mjohnson@dhs.lacounty.gov

FACILITY'S PROJECT MANAGER:

Name: Lisa Martinez

Title: Fiscal Officer II

Address: 313 N. Figueroa, Rm No 534, LA CA 90012

Telephone: 213-240-8221 Facsimile: 213-482-8217

E-Mail Address: LuMartinez@dhs.lacounty.gov

FACILITY'S PROJECT MONITORS (VARIOUS):

Olive View

Name: Samuel Hudson

Telephone: 818-364-3459

Harbor-UCLA

Name: Malvin Mallari

Telephone: 310-222-3382

Consolidated Business Office (LAC+USC, MLK and High Desert)

Name: Jane Chow

Telephone: 323-890-7615

Rancho Los Amigos National Rehabilitation Center

Name: Nancy Barnett

Telephone: 562-401-7322

CONTRACTOR'S NAME: Linebarger Goggan Blair & Sampson, LLP

CONTRACT NO: _____

CONTRACTOR'S PROJECT MANAGER:

Name: Michael Scoliere

Title: Capital Partner

Address: 5080 Tuttle Crossing Blvd., Suite 340, Dublin, OH 43016

Telephone: 614-210-8102

Facsimile: 614-889-5015

E-Mail Address: Michael.Scoliere@LGBS.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: Brian Harms

Title: Director of Operations

Address: 1515 Cleveland Place, Suite 300, Denver, CO 80202

Telephone: 720-979-0223

Facsimile: 720-979-0244

E-Mail Address: Brian.Harms@LGBS.com

Name: Michael Scoliere

Title: Capital Partner

Address: 5080 Tuttle Crossing Blvd., Suite 340, Dublin, OH 43016

Telephone: 614-210-8102

Facsimile: 614-889-5015

E-Mail Address: Michael.Scoliere@LGBS.com

Notices to Contractor shall be sent to the following:

Name: Brian Harms

Title: Director of Operations

Address: 1515 Cleveland Place, Suite 300, Denver, CO 80202

Telephone: 720-979-0223

Facsimile: 720-979-0244

E-Mail Address: Brian.Harms@LGBS.com

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

- G1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G3 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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 Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

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.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

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 Acknowledgement and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

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.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

**CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT, CONFIDENTIALITY,
AND COPYRIGHT ASSIGNMENT AGREEMENT**

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

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 ACKNOWLEDGEMENT:

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.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

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. (Ord. 2002-0015 § 1 (part), 2002)

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 purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 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

Title 2 ADMINISTRATION
Chapter 2.203.010 through 2.203.090
CONTRACTOR EMPLOYEE JURY SERVICE

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:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

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.

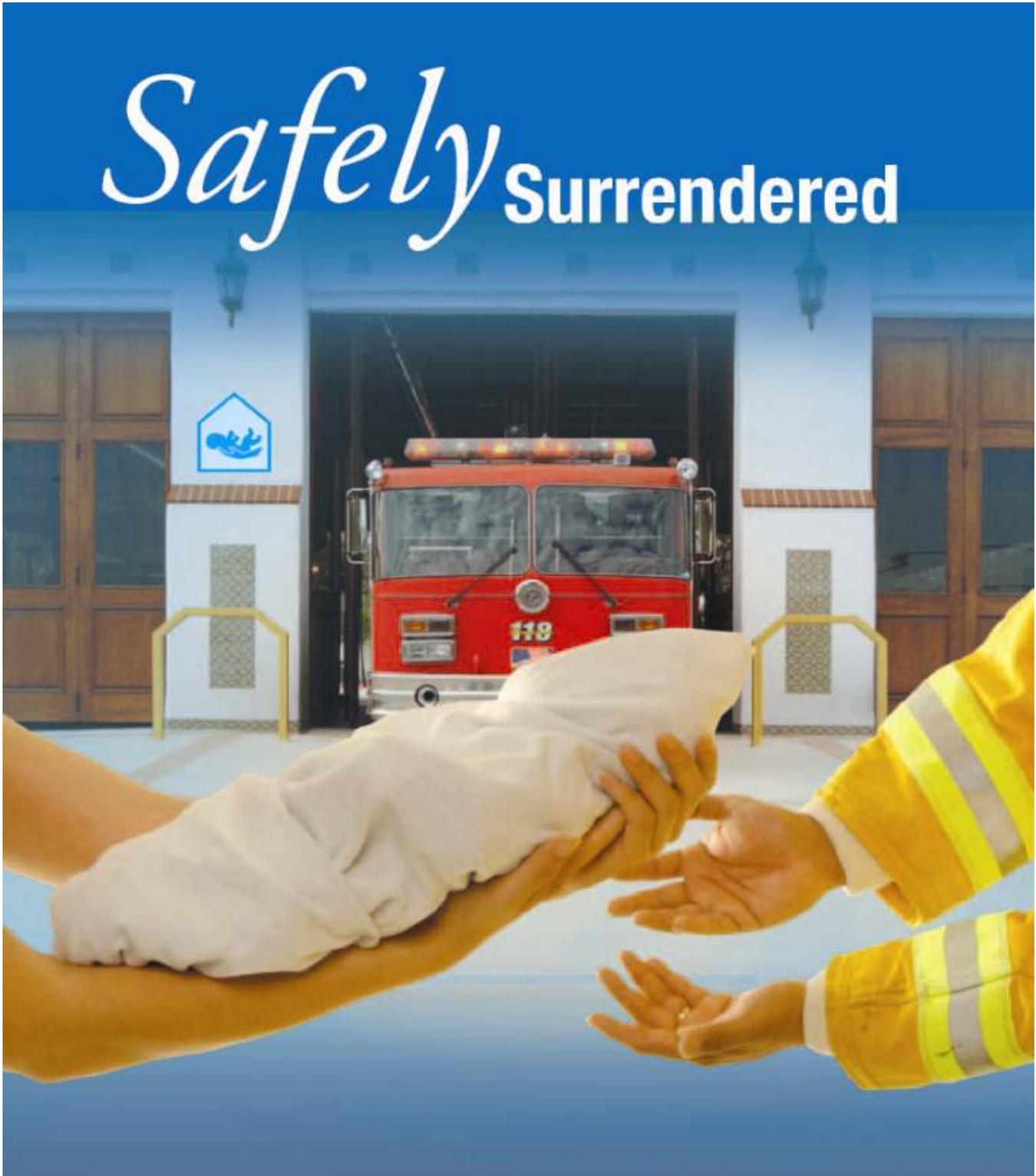
“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

SAFELY SURRENDERED BABY LAW

Safely Surrendered



No shame. No blame. No names.

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

www.babysafela.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.

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?

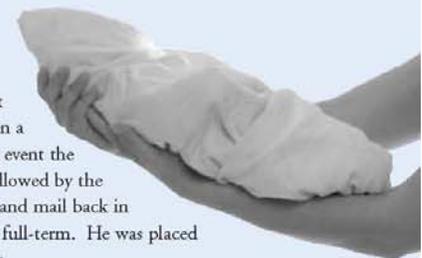
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

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.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



AGREEMENT
CONTRACTOR’S OBLIGATIONS AS A “BUSINESS ASSOCIATE”
UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY
ACT OF 1996 AND THE HEALTH CARE INFORMATION TECHNOLOGY
FOR ECONOMIC AND CLINICAL HEALTH ACT
(BUSINESS ASSOCIATE AGREEMENT)

Under this Agreement, Contractor (“Business Associate”) provides services (“Services”) to County (“Covered Entity”) and Business Associate receives, has access to or creates Protected Health Information in order to provide those Services.

Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information (“Privacy Regulations”) and the Health Insurance Reform: Security Standards (“the Security Regulations”) at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (together, the “Privacy and Security Regulations”). The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate (“Business Associate Agreement”) 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.

Further, pursuant to the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (“HITECH Act”), effective February 17, 2010, certain provisions of the HIPAA Privacy and Security Regulations apply to Business Associates in the same manner as they apply to Covered Entity and such provisions must be incorporated into the Business Associate Agreement.

This Business Associate Agreement and the following provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Business Associate in compliance with HIPAA's Privacy and Security Regulations and the HITECH Act, as they now exist or may hereafter be amended.

Therefore, the parties agree as follows:

DEFINITIONS

- 1.1 “Breach” has the same meaning as the term “breach” in 45 C.F.R. § 164.402.

- 1.2 “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.
- 1.3 “Electronic Health Record” has the same meaning as the term “electronic health record” in the HITECH Act, 42 U.S.C. section 17921. Electronic Health Record means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff.
- 1.4 “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.
- 1.5 “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.
- 1.6 “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).
- 1.7 "Minimum Necessary" refers to the minimum necessary standard in 45 C.F.R. § 162.502 (b) as in effect or as amended.
- 1.8 "Privacy Rule" means the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164, also referred to as the Privacy Regulations.

- 1.9 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, 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. "Protected Health Information" includes Electronic Health Information.
- 1.10 "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.
- 1.11 "Security Incident" means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.
- 1.12 "Security Rule" means the Security Standards for the Protection of Electronic Health Information also referred to as the Security Regulations at 45 Code of Federal Regulations (C.F.R.) Part 160 and 164.
- 1.13 "Services" has the same meaning as in the body of this Agreement.
- 1.14 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" in 45 C.F.R. § 164.402.

- 1.15 “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.
- 1.16 Terms used, but not otherwise defined in this Business Associate Agreement shall have the same meaning as those terms in the HIPAA Regulations and HITECH Act.

OBLIGATIONS OF BUSINESS ASSOCIATE

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

(a) shall Use and Disclose Protected Health Information only as necessary to perform the Services, and as provided in Sections 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 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 or in any manner that would constitute a violation of the Privacy Regulations or the HITECH Act if so Used or Disclosed by Covered Entity.

2.2 Prohibited Uses and Disclosures of Protected Health Information. Business Associate:

(a) shall not Use or Disclose Protected Health Information for fundraising or marketing purposes.

(b) shall not disclose Protected Health Information to a health plan for payment or health care operations purposes if the Individual has requested this special restriction and has paid out of pocket in full for the health care item or service to which the Protected Health Information solely relates.

(c) shall not directly or indirectly receive payment in exchange for Protected Health Information, except with the prior written consent of Covered Entity and as permitted by the HITECH Act. This prohibition shall not effect payment by Covered Entity to Business Associate. Covered Entity shall not provide such written consent except upon express approval of the departmental privacy officer and only to the extent permitted by law, including HIPAA and the HITECH Act.

2.3 Adequate Safeguards for Protected Health Information. Business Associate:

(a) 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 Business Associate 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 as in effect or as amended.

(b) as to Electronic Protected Health Information, shall implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information; effective February 17, 2010, said safeguards shall be in accordance with 45 C.F.R. Sections 164.308, 164.310, and 164.312, and shall comply with the Security Rule's policies and procedure and documentation requirements.

2.4 Reporting Non-Permitted Use or Disclosure and Security Incidents and Breaches of Unsecured Protected Health Information. Business Associate

(a) shall report to Covered Entity each Use or Disclosure of Protected Health Information that is made by Business Associate, its employees, representatives, Agents, subcontractors, or other parties under Business Associate's control with access to Protected Health Information but which is not specifically permitted by this Business Associate Agreement or otherwise required by law.

(b) shall report to Covered Entity each Security Incident of which Business Associate becomes aware.

(c) shall notify Covered Entity of each Breach by Business Associate, its employees, representatives, agents or subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if

the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of the Business Associate as determined in accordance with the federal common law of agency.

2.4.1 Immediate Telephonic Report. Except as provided in Section 2.4.3, notification shall be made immediately upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information by telephone call to [To Be Determined], telephone number 1(800) 711-5366.

2.4.2 Written Report. Except as provided in Section 2.4.3, the initial telephonic notification shall be followed by written notification made without unreasonable delay and in no event later than three (3) business days from the date of discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach by the Business Associate to the Chief Privacy Officer at:

Chief Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple Street
Suite 525
Los Angeles, California 90012
HIPAA@auditor.lacounty.gov
(213) 974-2166

- (a) The notification required by section 2.4 shall include, to the extent possible, the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used, or Disclosed; and
- (b) The notification required by section 2.4 shall include, to the extent possible, all information required to provide notification to the Individual under 45 C.F.R. 164.404(c), including:
 - (i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

(ii) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

(iii) Any other details necessary to conduct an assessment of whether there is a risk of harm to the Individual;

(iv) Any steps Business Associate believes that the Individual could take to protect him or herself from potential harm resulting from the breach;

(v) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to the Individual, and to protect against any further Breaches; and

(vi) The name and contact information for the person most knowledgeable regarding the facts and circumstances of the Breach.

If Business Associate is not able to provide the information specified in section 2.3.2 (a) or (b) at the time of the notification required by section 2.4.2, Business Associate shall provide such information promptly thereafter as such information becomes available.

2.4.3 Request for Delay by Law Enforcement. Business Associate may delay the notification required by section 2.4 if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security. If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay notification, notice, or posting for the time period specified by the official; if the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay notification, notice, or posting temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in paragraph (a) of this section is submitted during that time.

2.5 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 Business Associate Agreement.

- 2.6 Breach Notification. Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information, provide Breach notification for each and every Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or subcontractors, in a manner that permits Covered Entity to comply with its obligations under Subpart D, Notification in the Case of Breach of Unsecured PHI, of the Privacy and Security Regulations, including:
- (a) Notifying each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of such Breach;
 - (b) The notification required by paragraph (a) of this Section 2.6 shall include, to the extent possible:
 - (i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
 - (ii) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
 - (iii) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
 - (iv) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to individuals, and to protect against any further Breaches; and
 - (v) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.
 - (vi) The notification required by paragraph (a) of this section shall be written in plain language.

Covered Entity, in its sole discretion, may elect to provide the notification required by this Section 2.6, and Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, including costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information.

- 2.7 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.
- 2.8 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. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act.
- 2.9 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.
- 2.10 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, in order 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 and/or the HITECH Act which requires an Accounting of Disclosures of Protected Health Information maintained in an Electronic Health Record for treatment, payment, and health care operations.

[Optional, to be used when all Uses and Disclosures permitted in order to perform the Services will be for the Covered Entity's payment or health care operations activities: However, Business Associate is not required to provide an Accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.]

Any accounting provided by Business Associate under this Section 2.10 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 2.10, 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 2.10 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. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act.

- 2.11 Indemnification. Business Associate shall indemnify, defend, and hold harmless Covered Entity, including its elected and appointed officers, employees, and agents, from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, penalties and fines (including regulatory penalties and/or fines), and expenses (including attorney and expert witness fees), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement; Business Associate's obligations under this provision extend to compliance and/or enforcement actions and/or activities, whether formal or informal, of Secretary of the federal Department of Health and Human Services and/or Office for Civil Rights.

3.0 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.

4.0 TERM AND TERMINATION

4.1 Term. The term of this Business Associate Agreement shall be the same as the term of this Agreement. Business Associate's obligations under Sections 2.1 (as modified by Section 4.2), 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 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 this Agreement, upon either party's knowledge of a material breach by the other party, the party with knowledge of the other party's breach shall:

- (a) Provide an opportunity for the breaching party to cure the breach or end the violation and terminate this Agreement if the breaching party does not cure the breach or end the violation within the time specified by the non-breaching party;
- (b) Immediately terminate this Agreement if a party has breached a material term of this Agreement and cure is not possible; or
- (c) If neither termination nor cure is feasible, 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, 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 condition.

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Chapter 2.206
DEFAULTED PROPERTY TAX REDUCTION PROGRAM

- 2.206.010 Findings and declarations.
- 2.206.020 Definitions.
- 2.206.030 Applicability.
- 2.206.040 Required solicitation and contract language.
- 2.206.050 Administration and compliance certification.
- 2.206.060 Exclusions/Exemptions.
- 2.206.070 Enforcement and remedies.
- 2.206.080 Severability.

2.206.010 Findings and declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.040 Required solicitation and contract language.

Title 2 ADMINISTRATION
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All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.

B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

A. This chapter shall not apply to the following contracts:

1. Chief Executive Office delegated authority agreements under \$50,000;
2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
3. A purchase made through a state or federal contract;
4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
7. Program agreements that utilize Board of Supervisors' discretionary funds;
8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures Manual, section P-3700 or a successor provision;

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DEFAULTED PROPERTY TAX REDUCTION PROGRAM

10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;
 11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;
 12. A non-agreement purchase worth 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
 13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;
 14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.
- B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

- A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.
- B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.
- C. For 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; and/or,
 3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 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. (Ord. No. 2009-0026 § 1 (part), 2009.)

TREASURER AND TAX COLLECTOR



CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

LINEBARGER GOGGAN BLAIR & SAMPSON, LLP

FOR

DELINQUENT ACCOUNT COLLECTION SERVICES

**CONTRACT PROVISIONS
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**CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
LINEBARGER GOGGAN BLAIR & SAMPSON, LLP
FOR
DELINQUENT ACCOUNT COLLECTION SERVICES**

This Contract and Exhibits made and entered into this ___ day of _____, 2012 by and between the County of Los Angeles, hereinafter referred to as County and Linebarger Goggan Blair & Sampson, LLP, hereinafter referred to as Contractor. Linebarger Goggan Blair & Sampson, LLP is located at 1515 Cleveland Place, Suite 300, Denver, Colorado 80202.

RECITALS

WHEREAS, this Contract is therefore authorized under California Government Code Section 26220 which allows the County, by a four-fifths vote of its Board of Supervisors to enter into a contract with a collection agency for the collection of delinquent accounts; and

WHEREAS, the contractor is a private firm specializing in providing Delinquent Account Collection Services; and

WHEREAS, in accordance with County Code provisions, the TTC and DHS have delegated authority to contract for collection services; and

WHEREAS, Contractor has submitted a proposal to the County of Los Angeles Treasurer and Tax Collector ("TTC") for the provision of Delinquent Account Collection Services and based upon the Request For Proposal process, Contractor has been selected for recommendation for award of such Contract; and

WHEREAS, the Board of Supervisors has authorized the TTC to administer this Contract;

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, O and P 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.

Standard Exhibits:

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Commission Rates
- 1.3 EXHIBIT C - Technical Exhibits
- 1.4 EXHIBIT D - Contractor's EEO Certification
- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F- Contractor's Administration
- 1.7 EXHIBIT G - Forms Required at the Time of Contract Execution
- 1.8 EXHIBIT H - Jury Service Ordinance
- 1.9 EXHIBIT I - Safely Surrendered Baby Law

Unique Exhibits:

- 1.10 EXHIBIT J - Intentionally Omitted
- 1.11 EXHIBIT K - Intentionally Omitted
- 1.12 EXHIBIT L - Intentionally Omitted
- 1.13 EXHIBIT M - Intentionally Omitted
- 1.14 EXHIBIT N - Contractor's Obligations as a "Business Associate" Under the Health Insurance Portability AND Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH)
- 1.15 EXHIBIT O - Intentionally Omitted

1.16 EXHIBIT P - Defaulted Property Tax Reduction Program

This Contract and the Exhibits hereto 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 Subparagraph 8.1 – Change Notices and Amendments of this Contract 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 executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A of this Contract.
- 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, acting as the Outside Collection Agency ("OCA").
- 2.3 **Contractor Contract Administrator:** The individual designated by the Contractor as principal officer to oversee contractual or administrative matters relating to this Contract that cannot be resolved by the Contractor's Contract Manager.
- 2.4 **Contractor Contract Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.5 **County Contract Administrator:** Person designated by County with authority for contractual or administrative matters relating to this Contract that cannot be resolved by the County's Contract Manager.
- 2.6 **County Contract Manager:** Person designated by County's Contract Administrator to manage the operations under this Contract.
- 2.7 **County Contract Monitor:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.

- 2.8 Day(s):** Calendar day(s) unless otherwise specified.
- 2.9 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.10 Treasurer and Tax Collector:** As used herein, the term “Treasurer and Tax Collector” shall mean the Director of the County’s Department of the Treasurer and Tax Collector.
- 2.11 Department of Health Services:** As used herein, the term “Department of Health Services” shall mean the Director of the County’s Department of the Health Services.
- 2.12 Gross Collections:** Total dollar amount received from debtor and remitted by Contractor to County.
- 2.13 OCA:** Outside Collection Agency. Performing services as the Contractor under this Contract.
- 2.14 Secondary Collection:** Once the County has exhausted its own primary collection efforts, the accounts will be directly referred for secondary efforts to the secondary collection contractor,
- 2.15 Tertiary Collection:** Delinquent accounts referred to a Contractor that have previously been worked on a “secondary” basis by an outside collection agency other than Contractor. In many cases, the tertiary effort will be for accounts where the age of the delinquency will likely be greater than one hundred and eighty (180) days.

3.0 WORK

- 3.1** 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 herein.
- 3.2** Contractor agrees that the performance of work and services pursuant to the requirements of this Contract shall conform to high professional standards as exist in Contractor’s profession or field of practice.
- 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 CONTRACT

- 4.1 The term of this Contract shall be effective on February 1, 2012 for two (2) years and eleven (11) months following execution by the Treasurer and Tax Collector or his designee as authorized by the County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

Contractor shall have sixty (60) days from date of Board approval to meet the information technology requirements pursuant to Exhibit 15A, TTC Technical Requirements. In the event Contractor is not able to fulfill these requirements, the County may in its best interest go to the next highest ranked Proposer. Contractor cannot begin delinquent account collection services until they have met the TTC requirements and receive written approval from County to commence delinquent account collection services.

- 4.2 The County shall have the sole option to extend this Contract term for up to two (2) additional one-year periods and six (6) month to month extensions, for a maximum total Contract term of five (5) years and six (6) months. Each such option and extension shall be exercised at the sole discretion of the TTC throughout the term of the Contract to meet the needs of the County. In the event the TTC desires to renew the Contract by exercising an option term, TTC shall provide Contractor with a written notice of intent to renew the Contract thirty (30) calendar days prior to the expiration of the current term of the Contract. The exercise of the renewal option shall be set forth in writing, as provided in Subparagraph 8.1, Change Notices and Amendments of this Contract.
- 4.3 The Contractor shall notify the TTC when this Contract is within six (6) months from the expiration of the initial term and each subsequent renewal term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to the TTC at the address herein provided in Exhibit E - County's Administration, of this Contract.

5.0 COMMISSION RATES

- 5.1 In accordance with the terms of this Contract, TTC will assign miscellaneous accounts, as defined in Exhibit A, Subparagraph 4.1a of the Statement of Work, to Contractor for which Contractor shall retain a commission as set forth in Exhibit B, Commission Rates, on Gross Collections, of this Contract.

5.2 Commission Payments

The Contractor shall collect Commission Rate(s) on Gross Collections, and shall make remittance payments to TTC each Friday in the format designated in Exhibit A, Paragraph 5.0 – Specific Work Requirements of the Statement of Work and Exhibit A - Subparagraph 4.7, OCA Payment Remittance, of the Statement of Work.

5.3 Commission Rate(s)

The Contractor's Commission Rates shall remain firm and fixed for the term of the Contract in accordance with Exhibit B, Commission Rates of this Contract.

5.4 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.

5.5 No Commission Payment for Services Provided Following Expiration/ Termination of Contract

The Contractor shall have no claim against County for commission payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such commission payment it shall immediately notify County and shall immediately repay all such funds to County. Commission payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such commission payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

COUNTY ADMINISTRATION

A listing of all County Administration referenced in the following Subparagraphs are designated in Exhibit E - County's Administration, of this Contract. The County shall notify the Contractor in writing of any change in the names or addresses shown.

County Personnel

The TTC shall assign a Contract Administrator and a Contract Manager to provide overall management and coordination of the contract and act as

liaisons for the TTC. The TTC Contract Administrator shall provide information to the Contractor in areas relating to policy and procedural requirements and the TTC Contract Manager will monitor the Contractor's performance during the term of the Contract. TTC shall inform Contractor in writing of the name, address, and telephone number of the individuals designated to act as Contract Administrator and Contract Manager, or any alternate identified in Exhibit E of this Contract, at the time the Contract is executed and notify Contractor as changes occur.

6.1 The TTC Contract Administrator

6.1.1 The TTC Contract Administrator is designated in Exhibit E – County's Administration, of this Contract. The TTC shall contact the Contractor in writing of any change in the name or address of the Contract Administrator.

6.1.2 The TTC Contract Administrator shall be responsible for ensuring that the objectives of this Contract are met and determining Contractor's compliance with the Contract and inspecting all tasks, deliverables, goods, services, or other work provided by or on behalf of Contractor.

6.1.3 The TTC Contract Administrator is responsible for providing overall direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.1.4 The TTC Contract Administrator is not authorized to make any changes in any of the terms and conditions of this Contract except as permitted in accordance with Subparagraph 8.1, Change Notices and Amendments, of this Contract, and is not authorized to further obligate County in any respect whatsoever.

6.2 The TTC Contract Manager

6.2.1 The responsibilities of the TTC's Contract Manager include:

- Request meetings as needed with the Contractor's Contract Manager and/or Alternate Contract Manager; and
- Inspect any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor.

6.2.2 The TTC Contract Manager and/or Alternate Contract Manager 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.

- 6.2.3 TTC reserves the right to have Contract Administrator and/or Contract Manager, or the designated alternate, interview any or all prospective employees of Contractor.

6.3 The TTC Contract Monitor

- 6.3.1 The TTC's County Monitor is responsible for overseeing the day-to-day administration of this Contract. The Contract Monitor reports to the County's Contract Manager and/or Alternate contract Manager.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

Contractor Personnel

Contractor shall assign a sufficient number of employees to perform the required work. At least one employee on site shall be authorized to act for Contractor in every detail and must speak and understand English.

Contractor shall be required to background check their employees as set forth in Subparagraph 7.5 – Background & Security Investigations of this Contract.

7.1 Contractor's Contract Administrator

- 7.1.1 Contractor's Contract Administrator shall be a full-time employee of Contractor. Contractor's Contract Administrator shall be the principal officer in the Contractor's office to service the Contract and to act as a liaison for the Contractor in coordinating the performance under the Contract. TTC must be provided in writing with the name, address, and telephone number of the individual designated to act as Contract Administrator, or any alternate identified in Exhibit F of this Contract, and provide a current copy of the person's resume at the time the Contract is executed and notify TTC as changes occur.

- 7.1.2 Contractor's Contract Administrator shall be responsible for Contractor's performance of all tasks, deliverables, goods, services, or other work provided by or on behalf of Contractor and ensuring Contractor's compliance with this Contract.

- 7.1.3 Contractor's Contract Administrator shall be available to meet and confer with County's Contract Administrator on an

as needed basis, either in person or by telephone as mutually agreed by the parties, to review Contract performance and discuss project coordination. Such meetings shall be conducted at a time and place as mutually agreed by the parties.

7.2 Contractor's Contract Manager

7.2.1 Contractor's Contract Manager/alternate shall be a full-time employee of Contractor. The Contractor shall inform the TTC in writing of the name, address, and telephone number of the individual designated to act as Contract Manager/alternate, identified in Exhibit F of this Contract, and provide a current copy of the person's resume at the time the Contract is executed and notify the TTC as changes occur.

7.2.2 The Contractor's Contract Manager/alternate must have a minimum of three (3) years documented experience providing services similar to those requested in this Contract; be a full-time employee of the Contractor; and be able to fluently read, write, speak, and understand English.

7.2.3 The Contractor's Contract Manager/alternate shall have full authority to act for the Contractor on all matters relating to the daily operation of the Contract. The Contract Manager/alternate shall be available during normal work hours, 8:00 a.m. to 5:00 p.m. (Pacific Standard Time), Monday through Friday, for telephone contact and to meet with the TTC personnel designated to discuss the operation of the Contract. The TTC shall have the right to approve the assignment or replacement of any Contract Manager/alternate recommended by the Contractor.

7.3 APPROVAL OF CONTRACTOR'S STAFF

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

7.4 CONTRACTOR'S STAFF IDENTIFICATION

If applicable, Contractor shall provide, at Contractor's expense, all staff providing services under this Contract with a photo identification badge.

7.5 BACKGROUND AND SECURITY INVESTIGATIONS

- 7.5.1 At any time prior to or during term of this Contract, the County shall require that all Contractor's 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, which may include, but is not limited to, Live Scan fingerprinting. Examples of disqualifying factors include, but are not limited to, bribery, robbery, theft, fraud, embezzlement, forgery, extortion and perjury, or possession, sale or attempt to sell a controlled substance, and possession, sale or attempt to sell stolen property, or any felony conviction or conviction of a misdemeanor involving moral turpitude, and job-related misdemeanor convictions. 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.
- 7.5.2 County may request that the Contractor's staff be immediately removed from working on the County Contract at any time during the term of this Contract. County will not provide to the Contractor nor to the Contractor's staff any information obtained through the County conducted background clearance.
- 7.5.3 County may immediately, at the sole discretion of the County, deny or terminate facility access to the Contractor's staff that does not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.
- 7.5.4 Disqualification, if any, of the Contractor's staff, pursuant to Subparagraph 7.5 of this Contract, shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

7.6 CONFIDENTIALITY

- 7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies

concerning information technology security and the protection of confidential records and information.

- 7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with Subparagraph 7.6 of this Contract, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under Subparagraph 7.6 of this Contract shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.6.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.6.4 Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit G1.
- 7.6.5 Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit G2 -Contractor Employee Acknowledgment and Confidentiality Agreement, of this Contract.
- 7.6.6 Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of Exhibit G3 - Contractor Non-Employee Acknowledgment and Confidentiality Agreement" of this Contract.

7.6.7 During the term of the Contract, the Contractor shall maintain an updated file of the signed forms and shall forward copies of all signed forms to the TTC Contract Administrator whenever changes in personnel occur.

8.0 STANDARD TERMS AND CONDITIONS

8.1 CHANGE NOTICES AND AMENDMENTS

8.1.1 The County reserves the right to initiate Change Notices that **do not affect** the Term or Commission Rates and does not materially alter the Contract. All such changes shall be accomplished with an executed Change Notice to this Contract signed by the Contractor and by the County's Contract Administrator.

8.1.2 For any change, which affects the Commission Rates and/or Statement of Work that does not materially alter the Contract, an Amendment to this Contract shall be prepared and executed by the Contractor and the Treasurer and Tax Collector, provided County Counsel approval is obtained prior to execution of such Amendment(s).

8.1.3 For any change which affects the Term or Commission Rates and/or Statement of Work under this Contract that materially alters the Contract, an Amendment to this Contract shall be prepared therefore, executed by Contractor and by the Treasurer Tax Collector or his/her designee, and thereafter by the County's Board of Supervisors. Any such change shall be in writing and signed by the Contractor and the TTC.

8.1.4 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by the Treasurer and Tax Collector or his/her designee.

8.1.5 The Treasurer and Tax Collector, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract of this Contract. For the exercise of TTC's renewal option a written notice of intent to renew the Contract shall be prepared and signed by the Contractor and TTC. The Contractor agrees that such

extensions of time shall not change any other term or condition of this Contract during the period of such extensions.

8.2 ASSIGNMENT AND DELEGATION

- 8.2.1 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 Subparagraph, 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 delegate 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.
- 8.2.2 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.
- 8.2.3 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, 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.

8.3 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.

8.4 BUDGET REDUCTIONS

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 under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

8.5 COMPLAINTS

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.5.1 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.

8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

8.5.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.

8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

8.5.5 The Contractor shall preliminarily investigate all complaints and notify the County's Contract Manager of the status of the investigation within five (5) business days of receiving the complaint.

- 8.5.6 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.
- 8.5.7 Copies of all written responses shall be sent to the County's Contract Manager within three (3) business days of mailing to the complainant.

8.6 COMPLIANCE WITH APPLICABLE LAW

- 8.6.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.
- 8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under Subparagraph 8.6 of this Contract shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.7 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 of this Contract.

8.8 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

8.8.1 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, a copy of which is attached as Exhibit H and incorporated by reference into and made a part of this Contract.

8.8.2 Written Employee Jury Service Policy.

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the 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.
2. For purposes of this Subparagraph, "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 the 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 the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor shall also be subject to the provisions of this Subparagraph. The provisions of this Subparagraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the 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 the Contractor demonstrate, to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this Subparagraph 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 the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.9 CONFLICT OF INTEREST

8.9.1 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.

8.9.2 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 Subparagraph shall be a material breach of this Contract.

8.10 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.

8.11 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS

8.11.1 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.

If Contractor decides to pursue consideration of GAIN/GROW participants for hiring, Contractor shall provide information regarding job openings and job requirements to Department of Public Social Services' GAIN/GROW staff at GAINGROW@dpss.lacounty.gov. County will refer GAIN/GROW participants by job category, to Contractor.

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

8.12 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.12.1 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 the County's policy to conduct business only with responsible Contractors.

8.12.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the 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 but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

8.12.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively

reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the 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 the County or any other public entity.

8.12.4 Contractor Hearing Board

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The 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.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
4. 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. The County

may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the 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 the County.

5. The 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 Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the 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 Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The 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 Contractor Hearing Board.

8.12.5 Subcontractors of Contractor

These terms shall also apply to Subcontractors of County Contractors.

8.13 CONTRACTOR’S ACKNOWLEDGEMENT 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. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

8.14 CONTRACTOR’S WARRANTY OF ADHERENCE TO COUNTY’S CHILD SUPPORT COMPLIANCE PROGRAM

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the 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 the County and its taxpayers.

8.14.2 As required by the County’s Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor’s duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department 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).

8.15 COUNTY’S QUALITY ASSURANCE PLAN

8.15.1 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.

- 8.15.2 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

8.16 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

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

8.17 EMPLOYMENT ELIGIBILITY VERIFICATION

- 8.17.1 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.

8.17.2 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.

8.18 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/or Amendments prepared pursuant to Subparagraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to 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.

8.19 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.

8.20 FORCE MAJEURE

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's Subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or

negligence of such party (such events are referred to in this Subparagraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Subparagraph, the term "Subcontractor" and "subcontractors" mean subcontractors at any tier.

8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.21 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.

8.22 INDEPENDENT CONTRACTOR STATUS

8.22.1 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.

8.22.2 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.

8.22.3 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.

8.22.4 The Contractor shall adhere to the provisions stated in Subparagraph 7.6 – Confidentiality, of this Contract.

8.23 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.

8.24 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Subparagraphs 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

8.24.1 Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents

(defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided **fifteen (15)** days prior to commencing services under this Contract.

- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Treasurer and Tax Collector, Contracts Section
500 West Temple Street, Room 464
Los Angeles, California 90012

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities

entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.24.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.24.3 Cancellation of or Changes in Insurance

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

8.24.4 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which

County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

8.24.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.24.6 Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

8.24.7 Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.8 Sub-Contractor Insurance Coverage Requirements

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

8.24.9 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.24.10 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

8.24.11 Application of Excess Liability Coverage

Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

8.24.12 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.24.13 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.24.14 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.25 INSURANCE COVERAGE

8.25.1 **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

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** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.25.4 Professional Liability/Errors and Omissions

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

8.25.5 Crime Coverage

A Fidelity Bond or Crime Insurance policy with limits of not less than \$ 1 million per occurrence. Such coverage shall protect against all loss of money, securities, or other valuable property entrusted by County to Contractor, and apply to all of Contractor's directors, officers, agents and employees who regularly handle or have responsibility for such money, securities or property. The County and its Agents shall be named as an Additional Insured and Loss Payee as its interests may appear. This insurance shall include third party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and shall not contain a requirement for an arrest and/or conviction.

8.25.6 Performance Bond

Contractor shall furnish to County, per Government Code Section 26221, a Faithful Performance Bond in the sum of not less than ten thousand dollars (\$10,000) payable to the County of Los Angeles and executed by a corporate surety licensed to do business as a surety in the State of California. Such bond shall be conditioned upon faithful performance by Contractor of the terms and conditions of this Contract and shall be renewed by Contractor to provide for continuing liability in the above amount not withstanding any payment or recovery thereon.

8.26 LIQUIDATED DAMAGES

8.26.1 If, in the judgment of the Department Head, or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro

rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.26.2 If the Department Head, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Department Head, or his/her designee, deems are correctable by the Contractor over a certain time span, the Department Head, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Department Head, or his/her designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is One Hundred Dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Appendix C, Technical Exhibit 2, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or (c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.26.3 The action noted in Subparagraph 8.26.2 of this Contract shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.26.4 This Subparagraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or Subparagraph 8.26.2 of this Contract, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

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 AND AFFIRMATIVE ACTION

8.28.1 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.

8.28.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D - Contractor's EEO Certification of this Contract.

8.28.3 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.

8.28.4 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, physical or mental disability, marital status, or political affiliation.

- 8.28.5 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.
- 8.28.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of Subparagraph 8.28 of this Contract when so requested by the County.
- 8.28.7 If the County finds that any provisions of Subparagraph 8.28 of this Contract 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.
- 8.28.8 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.

8.29 NON EXCLUSIVITY

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

8.30 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) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.31 NOTICE OF DISPUTES

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

8.32 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.

8.33 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.

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 Exhibit E - County's Administration and Exhibit F - Contractor's Administration, of this Contract. Addresses may be changed by either party giving

ten (10) days' prior written notice thereof to the other party. The Treasurer and Tax Collector, or his/her designee 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 the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Subparagraph 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 Request for Proposals (RFP) 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. Under the California Government Code sections 6250 et seq., documents which are marked "trade secret," "confidential," or "proprietary." are exempt from disclosure under the Public Records Act. 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 Contract Administrator. 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 Subparagraph 8.37 of this Contract 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 record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and 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 five (5) 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. Subject to applicable law, 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 Subparagraph 8.38 of this Contract 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 five (5) years after the expiration or termination of this Contract, representatives of the County 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.

8.38.4 **Financial Statements:** Beginning one (1) year after the Effective Date and every year thereafter, until the expiration of this Contract, Contractor shall submit to County a complete set of financial statements, audited if available, for the twelve (12) month period. Such statements shall, at a minimum, include a Balance Sheet

(Statement of Financial Position), and Income Statement (Statement of Operations). In addition, Contractor shall submit a statement regarding any pending litigation since Contractor last reported same to County. County reserves the right to request these audited financial statements on a more frequent basis and will so notify Contractor in writing.

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 SUBCONTRACTING

8.40.1 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.

8.40.2 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.

8.40.3 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 the Contractor employees.

8.40.4 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.

8.40.5 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.

- 8.40.6 The County's Contract Administrator is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.
- 8.40.7 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.
- 8.40.8 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
Treasurer and Tax Collector - Contracts Section
500 West Temple Street – Room 464
Los Angeles, California 90012
Attention: Contracts Section

before any Subcontractor employee may perform any work hereunder.

8.41 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

Failure of the Contractor to maintain compliance with the requirements set forth in Subparagraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to Subparagraph 8.43 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

8.42 TERMINATION FOR CONVENIENCE

- 8.42.1 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 the 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.
- 8.42.2 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.
- 8.42.3 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 Subparagraph 8.38, Record Retention AND Inspection/Audit Settlement.

8.43 TERMINATION FOR DEFAULT

- 8.43.1 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 Contract Administrator:
- Contractor has materially breached this Contract; or
 - 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.

- 8.43.2 In the event that the County terminates this Contract in whole or in part as provided in Subparagraph 8.43.1 of this Contract, 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 Subparagraph.
- 8.43.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Subparagraph 8.43.2 of this Contract 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 Subparagraph, the term "Subcontractor(s)" means Subcontractor(s) at any tier.
- 8.43.4 If, after the County has given notice of termination under the provisions of Subparagraph 8.43 of this Contract, it is determined by the County that the Contractor was not in default under the provisions of Subparagraph 8.43 of this Contract, or that the default was excusable under the provisions of Subparagraph 8.43.3 of this Contract, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Subparagraph 8.42 - Termination for Convenience of this Contract.

8.43.5 The rights and remedies of the County provided in t Subparagraph 8.43 of this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.44 TERMINATION FOR IMPROPER CONSIDERATION

8.44.1 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.

8.44.2 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 Fraud Hotline at (800) 544-6861 or <http://www.lacountyfraud.org>.

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

8.45 TERMINATION FOR INSOLVENCY

8.45.1 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.

8.45.2 The rights and remedies of the County provided in Subparagraph 8.45 of this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.46 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.

8.47 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.

8.48 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

8.49 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 Subparagraph 8.49 of this Contract shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.50 WARRANTY AGAINST CONTINGENT FEES

8.50.1 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.

8.50.2 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.

8.51 WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

8.52 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM

Failure of Contractor to maintain compliance with the requirements set forth in Subparagraph 8.51 Warranty of Compliance with County's Defaulted Property Tax Reduction Program, of this Contract shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.206.

8.53 USE OF COUNTY SEAL AND/OR TTC'S LOGO

County claims right, title and interest in and to certain intellectual property, including but not limited to the current and former County seals and TTC logos (hereafter collectively "County Seals"). Except as expressly authorized herein, the Contractor shall not reproduce, copy, distribute, republish, download, display, post, transmit or make any other use of any kind whatsoever of the County Seals, in any format or by any means whatsoever. At no time shall the Contractor in any manner (i) modify the County Seals, or (ii) create derivative works of the County Seals. The Contractor shall not in any manner sublicense, transfer or assign its rights, or delegate its duties, with respect to use of the County Seals, whether in whole or in part, without the prior written consent of the County, in its discretion, and any attempted sublicense, transfer, assignment or delegation without such consent shall be null and void.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA) AND THE HEALTH INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH)

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 N in order to provide those services. The County and the

Contractor therefore agree to the terms of Exhibit N - Contractor's Obligations As a "Business Associate" Under Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH) (Business Associate Agreement).

9.2 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM

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

9.2.2 The 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.

9.2.3 The 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.

9.2.4 If the Contractor has obtained 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:

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 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 business 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 state and OAAC of this information prior to responding to a solicitation or accepting a contract award.

9.3 TRANSITIONAL JOB OPPORTUNITIES PREFERENCE PROGRAM

- 9.3.1 This Contract is subject to the provisions of the County's ordinance entitles Transitional Job Opportunities Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.
- 9.3.2 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.
- 9.3.3 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.
- 9.3.4 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 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:
 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.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be executed by the Treasurer and Tax Collector, or designee and approved by County Counsel, and Contractor has caused this Contract to be executed in its behalf by its duly authorized officer, this _____ day of _____, 2012.

COUNTY OF LOS ANGELES

By _____
Treasurer and Tax Collector

By _____
CONTRACTOR

Signed: _____

Printed: _____

Title: _____

APPROVED AS TO FORM:

Andrea Sheridan Ordin
County Counsel

By _____
Sayuj Panicker
Senior Associate County Counsel

STANDARD EXHIBITS

- A TTC AND DHS STATEMENT OF WORK
- B COMMISSION RATES
- C TECHNICAL EXHIBITS
- D CONTRACTOR'S EEO CERTIFICATION
- E COUNTY'S ADMINISTRATION
- F CONTRACTOR'S ADMINISTRATION
- G FORM(S) REQUIRED AT THE TIME OF CONTRACT EXECUTION
- H JURY SERVICE ORDINANCE
- I SAFELY SURRENDERED BABY LAW

UNIQUE EXHIBITS

- J INTENTIONALLY OMITTED
- K INTENTIONALLY OMITTED
- L INTENTIONALLY OMITTED
- M1 INTENTIONALLY OMITTED
- M2 INTENTIONALLY OMITTED
- M3 INTENTIONALLY OMITTED
- N CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996 AND THE HEALTH CARE INFORMATION TECHNOLOGY FOR ECONOMIC AND CLINICAL HEALTH ACT (HITECH)
- O INTENTIONALLY OMITTED

OTHER EXHIBITS

- P DEFAULTED PROPERTY TAX REDUCTION PROGRAM

EXHIBIT A

STATEMENT OF WORK

TTC & DHS

DELINQUENT ACCOUNT COLLECTION SERVICES

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EXHIBIT A

STATEMENT OF WORK (SOW)

1.0 SCOPE OF WORK

The County of Los Angeles (County) provides a variety of services including but not limited to, medical services, billing, and collection services. After the County exhausts its own “primary” collection efforts, the selected delinquent accounts shall be referred to the secondary contractor for “secondary” collection efforts, and if unsuccessful at the secondary level, then the delinquent accounts shall be referred to the “tertiary” contractor for final collection efforts. In many cases, the tertiary efforts will be for accounts where the age of the delinquency will likely be greater than one hundred and eighty (180) days.

Under the Treasurer and Tax Collector (TTC), Delinquent Account Collection Services (DACS) is comprised of collections for the Department of Public Social Services (DPSS) which are related to CalFresh (formerly Food Stamps), CalWORKS, Cash and General Relief Overpayments, as well as delinquent outstanding debt owed to various County departments for personal or mandated services received by individuals or business entities. Some examples of these services include the recovery of overpayments, the collection of fees and penalties, and the recovery of payments owed to the County due to insufficient fund checks. The TTC’s client departments and annual workload are subject to change as described in Exhibit B1, TTC Workload Volumes.

The Department of Health Services (DHS) collections consist of Inpatient, Outpatient and Clinic Medical Charges. Contractor shall provide DACS categorized as “Self-pay” accounts for medical services. The historical workload statistics for DHS are described in Exhibit B2, DHS Workload Volume, which is subject to change from year to year.

Subsequent to award of a Contract(s), County may be required by law, or deem it in the County’s best interest, to commence augmented collection efforts or the usage of new collection methodologies. At such time, an Amendment to the Contract will be negotiated with the Contractor for such services.

This SOW is comprised of work requirements for the TTC and DHS. Where applicable, a general introduction will precede the specific requirements, followed by unique requirements for each respective department. **Furthermore, each department will have an identifier; e.g.; “a” for the TTC and “b” for DHS, to facilitate what each department’s unique work requirements entail.**

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 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.2 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.3 **Treasurer and Tax Collector:** As used herein, the term “Treasurer and Tax Collector” shall mean the Director of the County’s Department of the Treasurer and Tax Collector.
- 2.4 **Department of Health Services:** As used herein, the term “Department of Health Services” shall mean the County’s Department of Health Services.
- 2.5 **Gross Collections:** Total dollar amount received from debtor and remitted by Contractor(s) to County.
- 2.6 **Contingency Fee:** A fee negotiated by the County and the Contractor, which shall not exceed the commission rate(s) as set forth in Exhibit B, Commission Rates.
- 2.7 **OCA or Contractor(s):** Outside Collection Agency. Performing services as the Contractor under this SOW.
- 2.8 **Primary Collections:** Initial in-house delinquent account collection efforts.
- 2.9 **Secondary Collections:** Once the County has exhausted its own primary collection efforts, the accounts will be directly referred for secondary efforts to the secondary collection Contractor.
- 2.10 **Tertiary Collections:** Delinquent accounts referred to a Contractor that have previously been worked on a “secondary” basis by an outside collection agency other than Contractor. In many cases, the tertiary effort will be for accounts where the age of the delinquency will likely be greater than one hundred and eighty (180) days.
- 2.11 **Third Party:** a responsible party other than the primary provider or patient, e.g., Medi-Cal and/or Medicare, California Children Services (CCS) or insurance company.

3.0 DELINQUENT ACCOUNTS ASSIGNED FOR COLLECTION

- 3.1 The delinquent accounts that may be referred to the Contractor are the accounts that flow through the County’s internal collection process, which has been exhausted prior to referral to the Contractor.
- 3.2 The County’s collection process is called the “primary” collection effort. These accounts may include, but are not limited to, the following:

DEPARTMENT	TYPE OF ACCOUNTS
Department of Health Services (DHS)	Inpatient, Outpatient and Clinic Charges
Department of Public Social Services (DPSS)	CalFresh, Cash and General Relief Overpayments
Other Departments	Primarily Recovery of Overpayments, Miscellaneous Department Fees/Penalties and Returned Checks

- 3.3 Accounts will be referred to the Secondary Collections Contractor on a flow basis in a manner determined to be in the best interest of the County.
- 3.4 Once the Secondary Collections Contractor’s efforts have been exhausted, those returned delinquent accounts shall be referred to the Tertiary Collections Contractor. In many cases, the tertiary effort will be for accounts where the age of the delinquency will likely be greater than one hundred and eighty (180) days.
- 3.5 Immediately upon assignment of accounts, the Contractor shall undertake collection efforts in accordance with this Exhibit A, Statement of Work (SOW), and all applicable Federal and State laws. The County reserves the right to direct Contractor to modify or change collection methodology with regards to these accounts through a negotiated amendment.

4.0 WORKFLOW REQUIREMENTS

After the County has exhausted its own Primary Collection efforts, the County shall provide Contractor all available data that it deems pertinent to DACS. Contractor shall accept delinquent account information in the manner described in Paragraphs 4.1a and 4.1b below, which will minimally include: the debtor’s name, last known address if available, account number, balance due on account, and type of service.

The Contractor shall use the County’s client and account numbers for all business conducted regarding referrals.

The Contractor shall segregate all accounts referred by the County (identifying the TTC and/or DHS accounts) from all other Contractor accounts. All information relating to the accounts referred and assigned shall be confidential and shall not be open to examination for any purpose not directly connected with the servicing of the accounts by the Contractor. Employees of the Contractor who provide services pursuant to the Contract must sign and adhere to the "Contractor Employee Acknowledgement and Confidentiality Agreement", Exhibit G2.

The Contractor shall maintain all records relating to their Contract performance for a minimum of five (5) years after Contract termination in accordance with the TTC and DHS Contract(s), respectively, Subparagraph 8.38, Record Retention and Inspection/Audit Settlement. The County will have the right to inspect these records at any time within this five (5) year period; thereafter, at the discretion of the County to either destroy and/or return records.

4.1a TTC's Referral of Delinquent Miscellaneous Accounts to an OCA

With regard to the TTC amounts, the Contractor shall be required to maintain referral account-related notes, including note dates in an automated system and provide those notes to the TTC (Exhibit A, TTC Attachment 3.4) along with the account data upon request, recall, or closure of the account. A recall file includes both uncollectible and paid in full accounts. The Contractor shall be required to track activities related to the referred accounts. In addition, Contractor shall maintain account related notes even after the account has been paid or Contract has expired in accordance with the record retention policies referenced in Paragraph 4.0, above.

At the TTC's discretion, accounts with no payment activity will be referred to the Contractor after 60 days if the balance is fifty dollars (\$50.00) or more except for non-sufficient fund (NSF) checks, where there is no minimum balance amount. However, the fifty dollar (\$50.00) limit will be applied at the TTC's discretion and may be comprised of an aggregate of different debts that occur. Information in the files may include, but not be limited to, the TTC's client and account numbers, the debtor's name, last known address, driver license number, Social Security Number, telephone number, date of birth, balance due on account and type of service.

4.1.1a The TTC shall notify Contractor via email (Exhibit A, Attachment 1.0) that referrals shall be forthcoming; immediately thereafter, the TTC shall send the Contractor referrals by 12:00 noon (Pacific Standard Time) on each Wednesday (Exhibit A, TTC Attachment 1.1).

4.1.2a Immediately upon receipt of referrals, the Contractor will send a confirmation email of file received and processed from the TTC (Exhibit A, TTC Attachment 1.2).

- 4.1.3a Exceptions (e.g., including but not limited to: discrepancies in data transfers or file layout, and/or omission of data) will be delivered to the TTC via email no later than 2:00 p.m. (Pacific Standard Time) on each Wednesday (Exhibit A, TTC Attachment 1.3).
- 4.1.4a These exceptions will be resolved either by the TTC and/or Contractor and reported to both parties via email no later than Thursday of the same week from receipt of the exceptions from the Contractor (Exhibit A, TTC Attachment 1.4).

4.1b DHS' Referral of Inpatient, Outpatient and Clinic Accounts to an OCA

- 4.1.1b All delinquent accounts for Inpatient, Outpatient and Clinics will be referred on a weekly basis electronically by each facility separately – without a minimum balance.
- 4.1.2b Contractor shall have the capability to receive files for account processing as described in this Paragraph 4.1b.
- 4.1.3b The Contractor shall have the capability to receive encrypted patient files in the format and layout as designated by DHS (Exhibit A, DHS Attachment 1-13).
- 4.1.4b The Contractor shall retrieve files from the Contractor's server, utilizing a secure file transfer protocol approved by DHS. The secure file transfer server shall be managed and paid for by Contractor.
- 4.1.5b The Contractor shall be responsible for accumulating balances for each patient by medical record number.
- 4.1.6b Immediately upon receipt of the referral file, Contractor shall upload the file to their system and ensure the number of accounts and the total amount of account referrals reconcile to the number and amount of account referred to the Contractor in the trial header.
- 4.1.7b Each week the Contractor shall submit an Acknowledgement Report documenting the number and amount of accounts to each DHS facility from which referrals were received.
- 4.1.8b Contractor may be provided with financial, medical and other operating data as available and under applicable law, including among other things the following:
- Inpatient and ambulatory billing forms and billing folders for Medi-Cal, Medicare, and commercial insurance;

- County patient medical records, for purposes of determining and verifying dates of patient service and other diagnosis information required for successful billing and collection.

4.1.9b At County's discretion, Contractor shall provide any additional files, documents, system access, or information deemed appropriate to facilitate performance of the services described in this SOW.

4.1.10b Any account that County determines to be publicly sensitive or where the best interests of the County would not be served by the efforts of the Contractor or where County restricts specific accounts or account types from referral to Contractor will not be referred to the OCA.

4.1.11b Contractor shall not collect any payments and/or contingency fees on accounts that have not been referred to Contractor.

4.2b DHS Acceptance/Rejection of Accounts

4.2.1b Patient's Third Party Coverage: Upon receiving account referral, Contractor shall review the patient account data and identify those accounts that are covered by Medi-Cal, Medicare, California Children Services ("CCS"), insurance, or any other third party source for the amount owed. Contractor shall provide a list of all such accounts to the facility for approval. Contractor shall not commence Third Party billing and collection before receiving the approval from the facility. If the Contractor discovers that the debtor retained an attorney or has instituted a claim or lawsuit against a Third Party liable for medical care, including but not limited to, Personal Injury, or the Contractor has discovered the identity and/or whereabouts of said Third Party, the Contractor shall immediately notify DHS and send a recall request of all such accounts to DHS.

4.3b DHS Contractor Referring Patients Back to County

4.3.1b At any time the County determines that the patient does not have Financial Ability To Pay ("FATP"), such determination shall be communicated to the Contractor, the account shall be recalled and the Contractor shall return all account/patient information to County in accordance with the schedule and formats in Exhibit A, DHS Attachment 1 – Schedule of Information, FATP Update Report. The Contractor shall not undertake any collection efforts for these accounts and shall not accept any payment from the patients. In the event the patient attempts to make a voluntary payment, the Contractor shall not accept the payment and will instead refer the patient to County facilities where the payment can be accepted. In the event the patient provides Contractor with proof of Third Party Coverage, Contractor shall proceed in

accordance with the "Third Party Coverage," Paragraphs 4.2.1b and 4.3.2b of this SOW.

4.3.2b If Contractor determines the patient may qualify for Third Party Coverage, then Contractor shall refer the patient back to County to apply for Medicare, Medi-Cal, Healthy Families, CCS, or any other governmental or reduced cost programs.

4.3.3b When a patient demonstrates that medical services provided were or should have been covered by Medicare, Medi-Cal, Healthy Families, CCS, any other governmental or reduced cost programs, Contractor shall cease DACS and make a determination of the validity of such coverage. If the Contractor determines that the patient may qualify for Third Party Coverage, the Contractor shall refer the patient to the County to apply for Third Party Coverage.

4.4a TTC Payments & Adjustments to OCA Records

4.4.1a The TTC shall notify Contractor via email (Exhibit A, TTC Attachment 2.0) that payments and adjustments shall be forthcoming; immediately thereafter, the TTC shall send the Contractor payments and adjustments by 12:00 noon (Pacific Standard Time) on each Wednesday (Exhibit A, TTC Attachment 2.1) resulting from adjustments to the charge or payments received directly, payments made through the Franchise Tax Board and Treasury Offset Program, or by the TTC/Client Department. The Contractor shall accurately post all adjustments to the appropriate accounts within the same day of receipt of the adjustment files and postings shall be consistent with the manner presented by the TTC.

4.4.2a Immediately upon receipt of payments and adjustments, the Contractor will send a confirmation email of the file received and processed to the TTC (Exhibit A, TTC Attachment 2.2).

4.4.3a Exceptions will be delivered to the TTC via email no later than 2:00 p.m. (Pacific Standard Time) on each Wednesday (Exhibit A, the Attachment 2.3).

4.4.4a These exceptions will be resolved either by the TTC and/or Contractor and reported to both parties via email no later than Thursday of the same week from receipt of the exceptions from the Contractor (Exhibit A, TTC Attachment 2.4).

4.4.5a If the Contractor does not agree with the adjustments for any reason, Contractor must notify the TTC via email (Exhibit A, TTC Attachment 2.5) of the specific reasons for the objections and provide the TTC with supporting documentation within five (5)

business days from the date the adjustment notification was received by the Contractor.

4.4.6a The TTC shall evaluate the Contractor's objection, make a determination and notify the Contractor via email (Exhibit A, TTC Attachment 2.6) of its decision within ten (10) business days of receipt of the notice from the Contractor. The TTC's decision on any objection shall be final, with regard to this Subparagraph 4.4a. Failure on the part of the Contractor to act within the prescribed time frames and in accordance with the procedures set forth above will result in a waiver of any claim for commission that might have otherwise been warranted.

4.4b DHS' Payments & Adjustments to OCA Records

4.4.1b In processing patient payments on Accepted Accounts, Contractor may arrange Payment schedules within the patient's current income and financial ability to pay in accordance with the County's policy and procedures (e.g., Extended Payment Plan).

4.4.2b Contractor shall collect legally allowed interest on all court judgments only if the judgment permits the collection of interest. However, Contractor must provide copies of the legal documents allowing such to County prior to any collection of interest.

4.5 Recall of Accounts from OCA

County shall have the right to recall from Contractor, without charge or penalty, Referred Accounts or Accepted Accounts pursuant to the contract.

Immediately upon receipt of County's recall notification, the Contractor shall discontinue collection efforts. Under no circumstances shall Contractor undertake further collection efforts on recalled accounts. Contractor shall still maintain a record of recalled accounts for auditing purposes as described in this SOW.

4.5.1 County may recall Referred Accounts or Accepted Accounts in the following circumstances:

4.5.1.1 Any account within thirty (30) calendar days of the referral or assignment to the Contractor.

4.5.1.2 Any account with "No Activity" which includes, but is not limited to, no calls, no letters, and no payments have been received from debtor within one hundred and eighty (180) days of assignment.

- 4.5.1.3 Any account that County determines to be publicly sensitive or where the best interests of the County would not be served by the efforts of the Contractor.
- 4.5.1.4 Any account owed by a debtor who files any petition in bankruptcy, including a petition for a wage earner's plan.
- 4.5.1.5 Any account eligible for the Franchise Tax Board Intercept Program and Treasury Offset Program.
- 4.5.1.6 Any account where the debtor is deceased.

4.5.2 In the event any account is canceled or recalled by County, County shall not be liable to Contractor for the payment of any fee or contingency fee associated with payments received on said account after the effective date of such recall or cancellation. If any account is re-evaluated by County and is adjusted, but not entirely canceled or recalled, and is subsequently paid by the debtor/patient in the amount so adjusted, County shall pay Contractor a contingency fee on the adjusted amount only.

4.5.3 Where Contractor discovers that the debtor has retained an attorney or has instituted a claim or lawsuit against a Third Party liable for medical care including, but not limited to, Personal Injury or the Contractor has discovered the identity and/or whereabouts of said Third Party, the Contractor shall immediately notify the County and shall send a recall request of such account.

4.5a TTC's Recall of Accounts from OCA

4.5.1a In addition to the above, the TTC shall have the right to recall from Contractor, without charge or penalty, Referred Accounts or Accepted Accounts pursuant to the contract in the following manner:

4.5.2a The Contractor shall send a recall request via email (Exhibit A, TTC Attachment 3.0) for the TTC to recall including, but not limited to, bankruptcy and/or deceased accounts weekly on the Friday prior to the Wednesday in the TTC's recall process. Under no circumstances shall Contractor return accounts to the TTC without prior request.

4.5.3a The TTC shall notify Contractor via email (Exhibit A, TTC Attachment 3.1) that recall requests shall be forthcoming; immediately thereafter, the TTC shall send the Contractor recalls by 12:00 noon (Pacific Standard Time) on each Wednesday (Exhibit A, TTC Attachment 3.2).

4.5.4a Immediately upon receipt of recalls, but in no event later than 12:00 noon (Pacific Standard Time) of the next business day, the Contractor will send a confirmation email of file received and processed from the TTC (Exhibit A, TTC Attachment 3.3).

4.5b DHS' Recall of Accounts from OCA

4.5.1b In addition to the above, DHS shall have the right to recall from Contractor, without charge or penalty, Referred Accounts or Accepted Accounts pursuant to the contract in the following manner:

4.5.2b The Contractor shall retrieve file from Contractor's secure server designated for recalls.

4.5.3b The Contractor shall send an e-mail to DHS facility confirming receipt of the recall notice within three (3) days of receiving the recall notice.

4.5.4b Contractor shall accept the re-referral of accounts recalled.

4.5.5b DHS reserves the right to re-evaluate and adjust, cancel, or recall any account referred for collection, particularly where collection would have resulted in undue hardship to the patient or his/her dependents at the time the service was rendered, or thereafter, or would presumably result in indigence for the family or dependents of such patient. In such case, Contractor shall immediately report to DHS in writing any case in which the collection or enforcement of an account would result in undue hardship to the patient for the purpose of enabling DHS to re-evaluate, adjust, cancel, or recall the claim against such patient. Failure of Contractor to report such incidence of undue hardship to DHS will result in Unsatisfactory Performance as referenced in Subparagraph 9.4b, DHS Performance Requirements Summary.

4.5.6b Each DHS facility shall recall any account on an as-needed basis, electronically via encrypted patient file in format and layout designated by DHS, (Exhibit A, DHS Attachment 1-12).

4.6 OCA Return Referrals

4.6.1 If Contractor(s) make(s) a recommendation for reactivation of an account within sixty (60) calendar days of returning said account, County may, in its sole discretion, once again refer such account to the Contractor. Contractor shall be entitled to its contingency fee for any sums thereafter collected upon such reassigned accounts.

4.6a TTC OCA Return Referrals

4.6.1a Contractor shall notify the TTC via email (Exhibit A, TTC Attachment 4.0) that return referrals shall be forthcoming;

immediately thereafter, Contractor shall send the TTC return referrals by 12:00 noon (Pacific Standard Time) on Friday (Exhibit A, TTC Attachment 4.1) to return requested accounts in accordance with Subparagraph 4.5a, TTC's Recall of Accounts from OCA. **All such accounts are to be returned to the TTC as agreed upon by the TTC and Contractor, within one hundred and eighty (180) days if there has been no activity, but no account shall be held by Contractor more than three hundred and sixty-five (365) days from the date of referral.**

4.6.2a Immediately upon receipt of the return referrals, the TTC will send a confirmation email of file received and processed from Contractor (Exhibit A, TTC Attachment 4.2).

4.6.3a Exceptions will be delivered to Contractor via email no later than 2:00 p.m. (Pacific Standard Time) on Friday (Exhibit A, TTC Attachment 4.3).

4.6.4a These exceptions will be resolved either by the TTC and/or Contractor and reported to both parties via email no later than Thursday of the following week (Exhibit A, TTC Attachment 4.4).

4.6b DHS OCA Return Referrals

4.6.1b Contractor shall report to DHS on all accounts deemed by Contractor to be uncollectible. Such accounts shall be returned to DHS, and Contractor shall have no rights to a contingency fee for any sums thereafter collected upon these accounts. **All such accounts are to be returned to DHS as agreed upon by the DHS Director and Contractor, within one hundred and eighty (180) days if there has been no activity, but no account shall be held by Contractor more than three hundred and sixty-five (365) days from the date of referral, and shall be in accordance with the format and schedule set forth in Exhibit A, DHS Attachment 1-10.**

4.6.2b The Secondary Contractor shall send the electronic file of accounts deemed uncollectable to the referring DHS facility and Health Services Administration - Revenue Management (HSA) in an encrypted file designated via a secure server in the layout and format designated by DHS (Exhibit A, DHS Attachment 1-10).

4.6.3b The Contractor shall provide the above mentioned file in the time frame requested by DHS. The secure file transfer

shall be provided to each DHS facility and HSA at a minimum every two (2) weeks.

4.6.4b Upon receipt of the secure file transfer from the Secondary Contractor, DHS Facility(ies), or HSA shall refer the returned Secondary level accounts deemed uncollectible to the Tertiary Contractor in an encrypted file.

4.6.5b The Tertiary Collection Contractor shall retrieve the encrypted patient file from a designated server, utilizing a secure file transfer protocol approved by DHS.

4.7 OCA Payment Remittance

Each Friday the Contractor shall remit to County an amount equal to the total of all payments received by the Contractor for County assigned accounts less applicable commissions since the last remittance. The Contractor will deposit a check for the remittance amount into County's bank account at a bank to be designated by County. Any refunds of commissions, as set forth in Subparagraph 5.3.1, Refunds, below, shall also be submitted with the remittance amount. In the event checks are received, allow a ten (10) business day hold prior to making remittance to County.

4.7a TTC OCA Payment Remittance

4.7.1a Contractor shall notify the TTC before 12:00 noon (Pacific Standard Time) via email (Exhibit A, TTC Attachment 5.0) that OCA Payment Remittance shall be forthcoming each Friday; immediately thereafter, Contractor shall send the TTC OCA Payment Remittance by 12:00 noon (Pacific Standard Time) on Friday (Exhibit A, TTC Attachment 5.1) for each deposit made to the bank account designated by the TTC. The Contractor is responsible for ensuring the payment file reconciles to each bank deposit.

4.7.2a If the remittance amount is \$500,000 or greater for the prior period's collections, Contractor shall deposit the remittance amount into the TTC's bank account no later than 8:00 a.m. (Pacific Standard Time) each Friday.

4.7.3a In the event Contractor receives debtor checks that are returned by the Contractor's bank for non-sufficient funds (NSF) prior to remitting the related funds to the TTC, the Contractor is to deduct the payment amount and shall not include the NSF payment in the payment file to the TTC. If the bank returns the check after the Contractor remitted the related funds to the TTC, the Contractor shall provide the TTC with a photocopy of the returned check (front and

back) (Exhibit A, TTC Attachment 7.2) and deduct the payment from their next remittance to the TTC.

4.7.4a Immediately upon receipt of the OCA Payment Remittance, the TTC will send a confirmation notice via email of file received from Contractor (Exhibit A, TTC Attachment 5.2). This file will be processed no later than Monday of the following week to allow verification of the monies remitted are deposited in the TTC's bank account.

4.7.5a Exceptions will be delivered to Contractor via email no later than Monday of the following week (Exhibit A, TTC Attachment 5.3).

4.7.6a These exceptions will be resolved either by the TTC and/or Contractor and reported to both parties via email no later than Thursday of the following week (Exhibit A, TTC Attachment 5.4).

4.7b DHS OCA Payment Remittance

The Secondary Contractor shall send the encrypted OCA payment patient file to DHS' facility(ies) on a weekly basis via Contractor's Secure File Transfer, utilizing a secure file transfer protocol approved by DHS. The payment file format shall be determined by DHS.

4.8 OCA Reconciliation

4.8a TTC OCA Reconciliation

4.8.1a Contractor shall notify the TTC via email (Exhibit A, TTC Attachment 6.0) that inventory reconciliation shall be forthcoming; immediately thereafter, contractor shall send the TTC inventory reconciliation weekly by 12:00 noon (Pacific Standard Time) on each Friday (Exhibit A, TTC Attachment 6.1) to report its active account inventory with the TTC's records resulted in new referrals, returns of accounts, adjustment and payment updates.

4.8.2a Immediately upon receipt of inventory reconciliation, the TTC will send a confirmation email of file received from Contractor (Exhibit A, TTC Attachment 6.2).

4.8.3a The TTC will resolve discrepancies with the Contractor via email (Exhibit A, TTC Attachment 6.3) by no later than Thursday of the following week.

- 4.8.4a The Reconciliation of Accounts shall be performed at intervals determined by the TTC if not previously defined and shall include, but not be limited to the following:
 - 4.8.4.1a Review of the TTC accounts on Contractor's Automated System against the County's Collections Accounts Receivable System (CARS) for account accuracy (e.g., outstanding balance, commission paid, status code);
 - 4.8.4.2a Reconciliation of discrepancies (e.g., handling charges, legal charges, commission updates on Contractors Automated System); and
 - 4.8.4.3a Submission of reconciliation reports pertaining to discrepancies shall be within ten (10) business days from date of notification by the TTC unless otherwise instructed by the TTC. The method of submission of said reports shall be determined upon Contract Award.

4.8b DHS OCA Reconciliation

- 4.8.1b Contractor shall maintain a payment tracking system to identify by account, by category, by facility, and in total, amounts collected, amounts pending, and Returned Accounts. Per Paragraph 4.8.1b, each month, Contractor shall provide Account Inventory Files, a listing of newly Accepted Accounts to each facility (Exhibit A, DHS Attachment 1-5).
- 4.8.2b DHS facilities shall send the encrypted Collection Status Inventory file to contractors as determined by facility; Contractor shall reconcile the facility file mentioned above to Contractor's inventory to ensure the information in the active accounts at DHS facilities are the same as the Contractor's inventory. The Contractor shall report any resulting discrepancies to the referring facility, and the Contractor shall work with the said facility to resolve the discrepancies.
- 4.8.3B Submission of the Reconciliation Report shall be within ten (10) business days of receiving the Collection Status Inventory report, unless otherwise instructed by DHS.

5.0 SPECIFIC WORK REQUIREMENTS

Prior to commencing collection efforts, Contractor may be required to participate in training provided by County for a particular referring department (i.e., DHS

offers a range of programs that Collectors collecting delinquent DHS debt must be familiar with as many programs have no expiration date for qualifying).

5.1 Collections Related

5.1.1 Collection Methods

The Contractor shall at minimum, perform the services enumerated below. To maximize the rate of collection, Contractor(s) may be required to perform services in addition to those listed below:

- Monthly statements to all debtors;
- Telephone contact with delinquent debtors to apprise them of their failure to meet payment obligations;
- Issuance of warning letters to advise delinquent debtors of an outstanding obligation;
- Capability to accept multiple forms of payments, including cash (i.e., walk-in payments), checks, money orders, credit cards, debit cards, and online payments.

Note: If applicable, Walk-In payments shall be processed in accordance with Subparagraph 6.4.1a, TTC Walk-In Payments, or 6.4.1b, DHS Walk-In payments.

5.1.2 The Contractor shall not commence collection efforts or accept payments until such time as County refers the account for collection services.

5.1.3 Upon referral of accounts, Contractor shall undertake collection efforts immediately in accordance with the Fair Debt Collection Practices Act, the California Robbins-Rosenthal Fair Debt Collection Practices Act, conform to all County policies on allowable debt collection practices and the DHS Collection Policy, Attachment 2.

5.1.4 The Contractor shall abide by all County directions to modify or change collection techniques with regards to referred accounts.

5.1.5 The Contractor shall keep all account notes by account number. The Contractor shall keep copies of all correspondence to debtor/patient and have the capability to reproduce the correspondence upon request.

5.1.6 The Contractor may be authorized by DHS as a Medi-Cal and/or Medicare, CCS, insurance or any other Third Party resource biller. Such authorization shall be given in writing to Contractor along with the appropriate procedures for billing.

5.1.7 Any amount paid to Contractor or County by the Third Party resource shall be subject to a contingency fee based on the actual reimbursement received from the Third Party resource. However, in no instance will Contractor be entitled to a contingency fee when

the Third Party resource was billed by the County or by any County Contractors prior to the account being referred to the Contractor. The only exception is when, in the judgment of County, Contractor has presented satisfactory evidence that payment was made as a result of Contractor's own billing of the Third Party resource.

5.1.8 Debit/Credit Card Verification

Debit/Credit Card Fees, Collection Costs, etc. Contractor shall not pass Debit/Credit Card fees, or any other additional fees onto the debtor or the County. To ensure the validity of debit/credit cards, Contractor shall obtain verification or authorization for every Debit/Credit card submitted by a debtor.

5.1.9 Compromise Authority

The Contractor may be authorized to initiate and/or process a compromise settlement of referred delinquent accounts in accordance with TTC and/or DHS Compromise Authority Guidelines.

5.1.10 County Credit Reporting

The Contractor shall not cause a County debtor to be listed with any credit reporting service (such as Experian or others). In the event this policy changes, the Contractor will be notified in writing by County.

5.1.11 Paid in Full Letters

The Contractor shall issue a letter or receipt to debtor/patient on paid in full or settled accounts that states: "This particular account number _____, assigned to (Name of Contractor) is either paid in full or settled as indicated."

5.1a TTC Collections Related

5.1.1a TTC Debtor Payments on Assigned Accounts

5.1.1.1a The Contractor may use payment schedules. The Contractor shall collect legally allowed interest on all court judgments only if the judgment permits the collection of interest. However, the Contractor must provide copies of the legal documents (Exhibit A, TTC Attachment 7.2) allowing collection of interest to the TTC prior to any collection of interest. In addition, Contractor may arrange Payment schedules within the patient's current income and financial ability to pay in accordance with the County's policy and procedures (e.g., Extended Payment Plan).

5.1.1.2a All Contractor collections shall be remitted to the TTC in accordance with Subparagraph 4.7a, TTC OCA Payment Remittance, herein.

5.1.1.3a Contractor shall be liable and responsible for all collection shortages related to the accounts, which may occur during Contractor's collection and processing activities.

5.1.2a TTC Contractor Collections

5.1.2.1a The Contractor shall provide a daily cashiering function for debtor mail-in payments and if applicable, walk-in payments shall be processed in accordance with Subparagraph 6.4.1a, TTC Walk-In Payments, of this SOW. The Contractor is only to accept payments on assigned accounts. All payments received shall be processed daily by the Contractor's office staff and deposited on the same day into a bank account in the Contractor's name insured by the Federal Deposit Insurance Corporation and approved by the TTC. The Contractor shall maintain this bank account for the exclusive use of the TTC collections.

5.1.2.2a Contractor shall ensure that they are in compliance with the Internal Control Plan as approved by the TTC. The Contractor shall ensure that procedures are followed in the handling of collections from debtors. For the purposes of the Contract, adequate internal control procedures are, at a minimum, the controls set forth in Subparagraph 6.0, Minimum Internal Control Requirements, of this SOW. If the TTC determines that additional controls are necessary at any time during the term of the Contract, the Contractor shall implement such additional controls, as are required, or such alternative procedures as pre-approved in writing by the TTC. The Contractor shall be liable and responsible for all collection shortages related to the accounts, which may occur during Contractor's collection and processing activities.

5.1.3a TTC County Auditing of Contractor Records

Upon a minimum of 24 hours written notice, the County may audit, at the Contractor's place of business, any of the Contractor's records pertaining to the Contract. The Contractor is required to maintain all such records in California until the expiration of five (5) years from the date of final payment under the Contract. In the event Contractor's place of business **is not** located in Los Angeles County, or is in another State, Contractor shall reimburse expenses

for the County Contract Administrator and audit staff to travel to the place of business in order to audit the Contractor's records.

5.1.4a TTC Disputes

In the event that a debtor disputes any amount of the balance due on an account or liability for payment of all or part of the amount due to an established public debt reduction program, the Contractor shall notify the TTC in writing (Exhibit A, Attachment 7.2) of such dispute within three (3) business days after debtor disputes the amount. The Contractor shall not resume locate or collection efforts on the disputed amount until directed in writing by the TTC (Exhibit A, TTC Attachment 7.2) to do so.

5.1b DHS Collections Related

5.1.1b DHS Debtor Payments on Assigned Accounts

5.1.1.1b County shall notify Contractor of any adjustments required to the Contractor records resulting from adjustments to the charge or payments received directly by the County. Contractor shall accurately post all adjustments to the appropriate accounts within five (5) business days of receipt of the adjustment notification and consistent with the manner presented by County. Contractor shall also provide County with an Acknowledgement of Adjustments Report in accordance with Exhibit A, DHS Attachment I-7. In addition, Contractor may arrange Payment schedules within the patient's current income and financial ability to pay in accordance with the DHS' policy and procedures (e.g., Extended Payment Plan).

5.1.1.2b If Contractor does not agree with the adjustments for any reason, it must notify County in writing of the specific reasons for the objections and provide County with supporting documentation within five (5) business days from the date the adjustment notification was received by Contractor. County shall evaluate Contractor's objection, make a determination and notify Contractor in writing of its decision within ten (10) business days of receipt of such notice from Contractor. With regard to this Subparagraph 5.1.2b, County decision on any objection shall be final.

5.1.1.3b Failure on the part of Contractor to act within the prescribed time frames and in accordance with the procedures set forth above will result in a waiver of any claim for contingency fee that might have otherwise been warranted.

5.1.2b DHS Credit Reporting

- 5.1.2.1b Contractor Initiated Credit Inquiry: DHS may request Contractor to run a credit report inquiry, however, Contractor shall not cause a County patient to be listed with any credit reporting service (e.g., Experian). In the event this policy changes, Contractor will be notified in writing by the DHS.
- 5.1.2.2b County Requested Credit Inquiry Services: If requested by County, Contractor shall provide all equipment necessary to enable County or Contractor staff to perform electronic credit inquiries, in locations and quantities determined by County, on patients applying for the County's no-cost or low-cost programs and/or assist in identifying inaccurate or false billing information.
- 5.1.2.3b Contractor shall provide training and assistance in obtaining and utilizing the information on the credit inquiries.
- 5.1.2.4b Contractor shall perform DACS for accounts referred by County with amounts identified as collectible as determined through the use of credit inquiries.
- 5.1.2.5b All costs associated with services in the above Subparagraphs 5.1.2.1b, 5.1.2.2b, and 5.1.2.3b shall be included in the Contractor's fee and Contractor shall not receive additional reimbursement for these services.
- 5.1.2.6b Contractor shall perform credit inquiries, Social Security Number check or skip tracing services for accounts as requested by County. Contractor shall also provide information for credit inquiries or Social Security Number Reports as set forth in Exhibit A, DHS Attachment 1-9.

5.1.3b DHS Contractor Collections

- 5.1.3.1b Contractor shall provide a daily cashing function for patient mail-in and if applicable, walk-in payments at Contractor's business office where the County's accounts are worked and shall provide for the daily collection and processing of these payments. The Contractor is only to accept payments on Accepted Accounts. In the event the patient attempts to make voluntary payment, Contractor will not accept the payment and will instead refer the patient to DHS. Contractor shall ensure that all payments are processed on a daily basis. Contractor shall also maintain a local office for walk-in payments.

Contractor will report payment information to DHS in the agreed upon reporting format.

5.1.3.2b All payments shall be processed daily by Contractor's office staff and deposited on the same day to Contractor's trust funds. Contractor shall maintain separate trust accounts for County accounts. Contractor shall ensure that adequate internal control procedures are followed in the handling of collections from patients. If County determines that additional controls are necessary at any time during the term of the agreement, Contractor shall implement such additional controls, as required, or alternative procedures as pre-approved in writing by County.

5.1.3.3b Contractor shall be liable and responsible for all collection shortages related to the accounts, which may occur during Contractor's collection and processing activities.

5.1.3.4b If the facility receives payment on a self-pay account within seven (7) calendar days of the account being deemed uncollectible by the Contractor, DHS' staff will post the payment to the account and generate a payment file and send the file to the Contractor. The Contractor shall request for reactivation of the account. The Contractor shall be entitled to its contingency fee for any sums collected upon such reassigned accounts.

5.1.4b DHS County Auditing of Contractor Records

Contractor shall maintain a comprehensive audit trail, including all documentation substantiating billings and collections made as a result of the provision of services herein, and provide audit and appeal support to County, including responding to auditor requests for documentation and information and interfacing with the auditors during document review. Contractor shall make available all audit supporting documentation in format and frequency requested by the Director.

5.1.5b DHS Disputes

In the event that a patient disputes any amount of the balance due on an account or liability for payment of all or part of the amount due, Contractor shall immediately discontinue collection activity on the disputed amount. Contractor shall research the Contractor's file note and search the DHS Affinity system for facility's notes to validate the dispute, in order to resolve the dispute. If the contractor is unable to resolve the dispute within fifteen (15) days, then notify the referring facility. Contractor shall notify DHS in

writing of unresolved disputes and shall not resume collection efforts on the disputed amount until directed in writing by DHS.

5.2 Legal Related

5.2.1 Legal Action

5.2.1.1 Contractor shall identify any referred account that cannot be collected through normal collection techniques but, in the Contractor's determination, may be collected through a lawsuit.

5.2.1.2 County shall provide guidelines for such determination and Contractor shall provide to County documentation that the case meets County guidelines.

5.2.1.3 Contractor shall obtain written authorization from County prior to proceeding with any lawsuit. In no event shall the Contractor institute a lawsuit or legal process without the prior written authorization from the County.

5.2.1.4 Contractor shall bring and maintain any action in its own name and not in the name of the County.

5.2.1.5 With prior written approval of the County and upon securing a judgment on the account, Contractor shall enforce the judgment and collect on the account.

5.2.1.6 Debtor Payments on Assigned Accounts Pursuant to Section 698.220, Code of Civil Procedures, Contractor shall apply payments in the following priority on all judgments: (1) court costs, (2) principle, and (3) interest. All court costs, attorney fees and applicable interest on the attorney fees shall be paid solely to Contractor.

5.2.1.7 Contractor shall notify County in writing of any monies collected through lawsuits or legal proceedings. All costs awarded by court judgment shall be added to the account only after the Contractor has forwarded proof of such costs to County. Contractor shall then be allowed to collect its costs as awarded in the judgment only. If attorney fees are stipulated in the judgment, Contractor can recoup the entire amount. However, attorney fees are considered to be principal and Contractor can only collect interest on such fees provided the judgment specifies interest.

5.2.2 Contractor Attorneys

The Contractor shall employ a licensed attorney or attorneys in the State of California to invoke legal process, pursuant to

Subparagraph 5.2.1, Legal Action, of this SOW, in the collection of these accounts. Compensation shall be paid by the Contractor for the services of any such attorney as part of Contractor's commission. Any attorneys so employed shall be deemed to represent the Contractor and not the County.

5.2.3 Franchise Tax Board Intercept Program and Treasury Offset Program

The Contractor shall not be entitled to any commission on payments received through the State Franchise Tax Board or Treasury Offset Programs (e.g., Social Security, Internal Revenue Service, Franchise Tax Board Payments or Refunds).

5.2.4 Attachment

The Contractor, upon securing a judgment, may utilize the Attachment process, i.e., legal process of seizing property to ensure satisfaction of a judgment, with the prior written approval of the County (Exhibit A, TTC Attachment 7.2).

5.3 Commission and Referral Related

5.3.1 Refunds

The Contractor is responsible for all refunds to the debtors for all payments received which exceed the assigned amount (debt amount). If it is determined by the TTC and/or DHS that a refund to the debtor is warranted for any reason and Contractor has received the funds and not yet remitted to the TTC and/or DHS, a refund will be made by the Contractor regardless of when the determination is made. When TTC and/or DHS generates a refund subsequent to Contractor making a remittance to the TTC and/or DHS, the Contractor will return any commission retained or paid on the refunded amount to the TTC and/or DHS along with the next scheduled payment remittance, as described in Subparagraph 4.7 OCA Payment Remittance.

5.3.2 Direct Payments

On a weekly basis, the County shall notify the Contractor of payments that the TTC, DHS, or TTC's Client Department has received directly from the debtor or third party resource when the payment is for an account previously assigned to the Contractor for collection and determined not to be the result of an action taken by the TTC or DHS prior to the assignment (Exhibit A, TTC Attachments 2.0 and 2.1, and DHS Attachment 1-11). The TTC will remit a Trust Warrant Requisition to the Contractor for the appropriate commission on the direct payments on the TTC's direct pay accounts. County's determination shall be final with regard to direct payments.

5.3.3 Third Party Liability Cases

When Contractor discovers or is notified that the debtor has i) retained an attorney to represent the debtor before a third party, or ii) has instituted a claim or lawsuit against a third party liable for medical care, or iii) the Contractor has discovered the identity and/or whereabouts of said third party, the Contractor shall immediately notify the TTC and/or DHS (Exhibit A, TTC Attachment 7.2, Information Exchanges Including Correspondence and Exhibit A, DHS Attachment 1.14, Closed Report).

On TTC accounts, the Contractor shall return the account to the TTC pursuant to Subparagraph 4.5, Recall of Accounts from OCA; on DHS accounts, the Contractor shall return the account to DHS pursuant to Exhibit A, DHS Attachment 1-14, Closed Report, and shall be entitled only to a commission on such sums as have been collected by the Contractor from the date of assignment and prior to the date the Contractor discovered or was notified of any pending action against a liable third party. In the event the Contractor takes any commissions on payments received by the Contractor, having knowledge that the liability for the account lies with a third party, the Contractor shall reimburse the referring department, TTC, or DHS for the amount of the commission taken.

5.3a **TTC Commission and Referral Related**

5.3.1a TTC Mortgaged/Deed of Trust

Where Contractor discovers or is notified that the debt has been secured by a mortgage or deed of trust, and said mortgage or mortgage lien is the only source of repayment of an account, the Contractor shall notify the TTC (Exhibit A, Attachment 7.2) and shall send a recall request of such account to the TTC, pursuant to Subparagraph 4.5a, TTC's Recall of Accounts from OCA, and shall not be entitled to a fee or commission.

5.3.2a TTC Uncollectible Accounts

5.3.2.1a The Contractor shall report to the TTC on all accounts deemed by the Contractor to be uncollectible. Such accounts shall be requested for recalls to the TTC, with regard to Subparagraph 4.5a, TTC's Recall of Accounts from OCA, and the Contractor shall have no rights to a commission for any sums thereafter collected upon these accounts. **All such accounts are to be returned to the TTC as agreed upon by the TTC and Contractor, within one hundred and eighty (180) days if there has been no activity, but no account shall be held by Contractor more than three hundred and sixty-five (365) days from the date of referral.** If the Contractor makes a recommendation for reactivation of an account, within sixty (60) calendar days of returning said account,

the TTC may, in its sole discretion, once again refer or assign such account to the Contractor, pursuant to Subparagraph 4.1a, TTC's Referral of Delinquent Miscellaneous Accounts to an OCA, herein. The Contractor shall be entitled to its commission for any sums thereafter collected upon such reassigned accounts.

5.3.2.2a The Contractor shall not collect any payments and/or commissions on accounts that have not been assigned to the Contractor or accounts have been returned to the TTC. In the event Contractor received any payments on returned accounts, Contractor shall notify the TTC Contract Manager for further instructions.

5.3b DHS Commission and Referral Related

5.3.1b Uncollectible Accounts

As described in 4.6.b, DACS OCA Return Referrals, the Contractor shall report to DHS on all accounts deemed by Contractor to be uncollectible and closed accounts. Such accounts shall be returned to DHS, and Contractor shall have no rights to a contingency fee for any sums thereafter collected upon these accounts. **All such accounts are to be returned to DHS as agreed upon by DHS and Contractor, within one hundred and eighty (180) days if there has been no activity, but no account shall be held by Contractor more than three hundred and sixty-five (365) days from the date of referral,** and shall be in accordance with the format and schedule set forth in Exhibit A, DHS Attachment 1-10, Schedule of Information, Returns. If Contractor makes a recommendation for reactivation of an account within sixty (60) calendar days of returning said account, DHS may, in its sole discretion, once again refer such account to the Contractor. Contractor shall be entitled to its contingency fee for any sums thereafter collected upon such reassigned accounts. Contractor shall not collect any payments and/or contingency fees on accounts that have not been referred to Contractor.

5.4 Information Technology Related and Reports

5.4a TTC Information Technology Related and Reports

5.4.1a Electronic Exchanges of Information

SSH File Transfer Protocol (SFTP) will be required for all file transfers using Secure Shell (SSH) protocol with PGP encryption. TTC Network Support Unit will setup the connection with the Contractor:

5.4.1.1a The Contractor will be required to encrypt the files using PGP. No open source PGP software is allowed. When email is exchanged, the content shall be kept at the absolute minimum to conduct business. No sensitive information will be sent via email.

5.4.1.2a The County will provide an email address as a destination for material being exchanged through email.

5.4.1.3a If any sensitive information needs to be exchanged, that material should be exchanged through the SFT method (see 5.4.1.1a).

5.4.2a Required Information, Reports and Data Exchanges

The formats and frequency of the required data/information electronic exchanges are set forth in Exhibit A, TTC Attachment 1. Any changes to the formats or frequency of the reports shall be provided to the Contractor in writing by the TTC. From time to time, the TTC Contract Manager may request additional reports or one time only reports created from Contractor's existing data fields. The Contractor shall make such reports available to the TTC within one (1) week from the TTC's request.

5.4.3a TTC Other Information Exchanges including Correspondence

Collection reports are required to be submitted to the TTC via email (Exhibit A, TTC Attachment 7.1) on a monthly basis.

5.4b DHS Reports

5.4.1b The formats and frequency of the required reports are set forth in Exhibit A, DHS Attachment 1 - Schedule of Information. Any changes to the formats or frequency of the reports shall be provided to the Contractor in writing by DHS.

5.4.2b From time to time, DHS may request additional reports or one time only reports created from Contractor's existing data fields. Contractor shall make such reports available to County within one (1) week from DHS' request or as otherwise agreed to by County and Contractor.

5.4.3b Contractor shall provide the following reports to the County, at the time intervals so stated:

- Per Paragraph 4.0, Workflow Requirements the Acknowledgement of Referrals report shall be provided on a weekly basis (Exhibit A, DHS Attachment 1-2).
- Contractor shall provide the County with a Collections/Contingency Fees Report, monthly summary report for each facility and DHS in total, reflecting the

number of Referred Accounts, Accepted Accounts, fees and net payment amounts (Exhibit A, DHS Attachment 1-3).

- Contractor shall maintain a payment tracking system to identify by account, by category, by facility, and in total, amounts collected, amounts pending, and Returned Accounts. Per Paragraph 4.8 each month, Contractor shall provide Account Inventory Files, a listing of newly Accepted Accounts to each facility (Exhibit A, DHS Attachment 1-5).
- Contractor shall also provide the account detail in the Collection/Commission Fees Detail Report, a monthly detailed status report in the format requested by the Director, reflecting Accepted Accounts which are “active” or “returned” during the reporting month which shall include, in alphabetical sequence by patient last name, patient’s full name, medical record number, account number, referral date and account amount (Exhibit A, DHS Attachment 1-4).
- Per Subparagraph 4.6.2b, Contractor shall provide a monthly report for each applicable facility reflecting all uncollectible accounts in the Returns Report, which shall include in alphabetical sequence, patient’s last name, patient’s full name, medical record number, account number, referral date and account amount (Exhibit A, DHS Attachment 1-6).).
- Per Subparagraph 5.1.2.1b, after receiving notification from the County of any adjustments required to the Contractor’s records, Contractor shall provide the County with an Acknowledgement of Adjustments Report on an as-needed basis as requested by the County (Exhibit A, DHS Attachment 1-7).
- Per Subparagraph 4.3.1b, each week Contractor shall submit a FATP Update Report for patients that do not have financial ability to pay and are recalled by the County (Exhibit A, DHS Attachment 1-8).
- Per Subparagraph 5.1.3.6b, upon request, Contractor shall provide a Credit Inquiry/Social Security Number Report with information for credit inquiries or Social Security Reports (Exhibit A, DHS Attachment 1-9).

In addition to the above reports, upon request by the County, the Contractor shall provide a written assessment of each County Facility’s performance. Any concerns and recommendations shall be included in such reports.

5.5 Special Accounts

5.5b DHS Special Accounts

In the event DHS identifies services substantially similar to those provided by Contractor, the Director of DHS may refer “special accounts” to the

Contractor, pursuant to the DHS Contract, Subparagraphs 5.0 Commission Rates and 8.1 Change Notices and Amendments.

5.6 Contract Termination/Transition to New Contract

5.6.1 Contractor shall have sixty (60) days from date of Board approval to meet the information technology requirements pursuant to Exhibit 15A, TTC Technical Requirements and Exhibit 15B, DHS Technical Requirements. In the event Contractor is not able to fulfill these requirements, the County may in its best interest go to the next highest ranked Proposer. Contractor cannot begin delinquent account collection services until they have met the TTC and DHS Technical Requirements and receive written approval from County to commence delinquent account collection services.

5.6a TTC Contract Termination/Transition to New Contract

5.6.1a Upon termination or Contract expiration/termination date, in no case shall the Contractor continue working the accounts and no commissions will be paid on monies received by the Contractor from the debtors upon termination or transition.

5.6.2a At least one hundred and twenty (120) days, or at the time determined by the TTC, prior to expiration/termination of the current Contract, the TTC shall commence the Wind Down process. At the initiation of the Wind Down process, the TTC shall:

- Discontinue sending referrals to the current Contractor;
- Request a recall of all accounts with all accounts returned within sixty (60) days of the request; recalled accounts shall contain the latest address, telephone number, and collector notes.
- Request at a minimum, if not already included in the recalled account files, aging and identifying information such as: bankruptcy, deceased, legal action pending, account is in dispute, and the TTC's accounts receivable system (CARS) account number, and the Contractor's account number.

5.6.3a Funds received by the Contractor during the Wind Down period and/or after Contract expiration/termination shall be forwarded to the TTC in a manner acceptable to the TTC within three (3) business days of receipt. Any legal actions in progress during the Wind Down period and/or at the time of Contract termination shall be turned over to the TTC for completion within fifteen (15) days of notice of commencement of the Wind Down period and/or Contract termination.

5.6.4a In addition, upon notice of the Wind Down period and/or termination of the Contract(s), the Contractor shall send letters notifying all debtors that the Contractor is no longer providing their services to the TTC and informing the debtors to submit payments directly to the TTC. In a case where the Contractor still receives payments after returning accounts to the TTC, the Contractor shall forward all payments received to the TTC in a manner acceptable to the TTC immediately for processing. The Contractor shall not be entitled to any commission for payments received after the termination of the Contract(s).

5.6.5a Within forty-five (45) days following Contract termination, the Contractor shall submit to the TTC, in the form and with the certification and reports as may be prescribed by the TTC, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but no later than sixty (60) days from the effective date of termination and/or expiration. Invoice shall not include charges for work done after Contract termination. Upon failure of Contractor to submit its termination claim and invoice within the time allowed, County may determine, on the basis of information available to the TTC, the amount, if any, due to Contractor in respect to the termination, and such determinations shall be final. After such determination is made, the TTC shall pay Contractor the amount so determined.

5.6.6a Contractor shall maintain all records relating to their contract performance for a minimum of five (5) years after Contract termination. The County will have the right to inspect these records at any time within this five (5) year period.

5.6b DHS Contract Termination/Transition to New Contract

5.6.1b At the end of the contract period, Contractor shall process all accounts in Contractor's inventory that have been referred by DHS to Contractor prior to the time of expiration of this Contract, unless the Agreement is sooner terminated with or without cause by DHS.

5.6.2b Contractor shall complete the processing of such accounts and make every effort to expedite close-out.

5.6.3b Contractor shall be reimbursed at the same rates as stated in the agreement. Contractor shall complete the processing of all approved accounts in accordance with the terms and conditions of this Contract, as well as any reports.

5.6.4b All account payment funds received by the Contractor after contract termination shall be forwarded to DHS.

5.6.5b Any legal actions in progress at the time of contract termination shall be completed.

5.6.6b Contractor shall maintain all records relating to their contract performance for a minimum of five (5) years after contract termination. The County will have the right to inspect these records at any time within this five (5) year period.

6.0 MINIMUM INTERNAL CONTROL REQUIREMENTS

6.1 General Requirements for TTC and DHS

6.1.1 Written internal control procedures shall be provided within ten (10) business days upon Contract Award, subject to County approval, and should be maintained and periodically updated as necessary and/or as requested by County; providing an updated copy for review and approval by County within ten (10) business days of the update/request. Contractor personnel should be periodically instructed in said procedures and office management staff should continuously monitor operations to ensure compliance therewith.

6.2 Mail Remittances

6.2.1 Cash handling and record keeping duties should be adequately separated by having different staff responsible for each duty. Mail should be picked up by employees who do not have cash handling duties or access to accounting records. This requirement can also be satisfied by the use of a private courier service to pick up the mail. Mail should be opened by at least two (2) employees in order to document and verify the amount of mail payments. These employees should not have access to accounting records or be collectors.

6.2.2 Checks and money orders should be restrictively endorsed when the mail is opened. The payments should be logged into a Control Log showing the date of payment, payment instrument (e.g. check, money order, cash), debtor's name, amount received and number of the payment instrument. Any cash received should immediately be receipted and put in a safe or other secured location. The receipt should be utilized for posting to the account. The actual checks and money orders should be locked in a secure location with restrictive access until deposited during or at the end of the day. This location should remain locked during the day. Two (2) independent adding machine tapes should be run on the receipts and actual cash and checks, then compared and initialed by the two (2) mail openers.

6.3 Receipts

The following controls should be in place to maintain accountability over receipts:

- 6.3.1 Receipts are not to be issued by collectors.
- 6.3.2 Receipts must be pre-numbered, multi-part forms with copies for the debtor, accounting office(s) and one retained as a control copy. Each copy must be marked for distribution.
- 6.3.3 Issued receipts should be numerically controlled and kept in a secure place. Office management staff should maintain accountability for all receipt stock, and all used and voided receipts.
- 6.3.4 Receipts should be used in numerical order.
- 6.3.5 Employees who issue receipts should not control used and unused receipt stock.

6.4 Additional Requirements

6.4a Additional TTC Requirements

6.4.1a TTC Walk-In Payments

All walk-in payments should be receipted for in the presence of the debtor (or his/her representative) by an employee who does not have the ability to post collections to debtor accounts. A copy of the receipt must be given to the debtor (or his/her representative). Signs should be posted in English and Spanish instructing the debtor (or his/her representative) to request and get a receipt. Walk-in payments are accepted in the offices of the Treasurer and Tax Collector located in the first floor lobby at:

Kenneth Hahn Hall of Administration,
225 N. Hill Street
Los Angeles, California 90012

6.4.2a TTC All Payments

6.4.2.1a All cash is to be secured; thereafter, the receipts corresponding to cash received shall be utilized for posting purposes. Unidentified, post-dated, and NSF checks should be accounted for and dispositioned on a separate log that provides a complete audit trail from receipt to disposition.

6.4.2.2a All payments, including unidentified payments, should be deposited daily. Duplicate deposit slips should be retained for all deposits. In the event an unidentified payment is a check or money order, a photocopy of same should be retained in order to disposition the payment at a later date.

6.4.2.3a Office management staff should reconcile the amount of mail and, if applicable, walk-in payments to the total amount of the deposit. The office management staff should receive one copy of the mail payment's adding machine tape and the amount of walk-in payments, and compare them to the applicable amount of the daily deposit slips and the post-dated and unidentified check logs.

6.4b Additional DHS Requirements

6.4.1b DHS Walk-in Payments

6.4.1.1b All walk-in payments should be receipted for in the presence of the patient by an employee who does not have the ability to post collections to patient accounts. A copy of the receipt must be given to the patient. Signs should be posted in English and Spanish instructing the patient to request and get a receipt.

6.4.1.2b Office management staff should reconcile the amount of mail and walk-in payments to the total amount of the deposit. The office management staff should receive one copy of the mail payments' adding machine tape and the amount of walk-in payments, and compare them to the amount of the daily deposit slips and the post-dated and unidentified check logs.

6.4.2b DHS All Payments

6.4.2.1b All cash is to be secured and the receipt used for posting purposes. Unidentified and NSF checks should be accounted for and dispositioned on a separate log that provides a complete audit trail from receipt to disposition.

6.4.2.2b All payments, including unidentified payments, should be deposited daily. Duplicate deposit slips should be retained for all deposits. In the event an unidentified payment is a check or money order, a photocopy should be retained in order to disposition the payment at a later date.

6.4.2.3b Contractor shall maintain capability to receive debtor payment by internet payment.

7.0 QUALITY CONTROL

The Contractor shall establish and maintain a written Quality Control Plan to ensure that the requirements of the contract are met. The Quality Control Plan may be in a chart format. An updated copy must be provided to the County's Project Director ten (10) business days prior to the Contract start date and within

ten (10) business days when changes occur during the term of the Contract. The plan shall discuss, but not be limited to, the following:

- 7.1 Method of monitoring to ensure that Contract requirements are being met, covering at a minimum all the items listed on the Performance Requirements Summary (PRS), Technical Exhibit 2a and 2b, respectively. It must specify the activities to be monitored by the Contractor on either a scheduled or unscheduled basis, how often the monitoring will be accomplished, and the title of the individual(s) who will perform the monitoring;
- 7.2 The methods used by the Contractor for identifying and preventing deficiencies in the quality of services performed before the level of performance becomes unacceptable and not in compliance with the Contract;
- 7.3 A record of all inspections 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;
- 7.4 The method for assuring that confidentiality of debtor information is maintained while in the care of the Contractor;
- 7.5 The method for assuring new contractor employees will sign an Acknowledgement of Confidentiality Agreement prior to starting employment, and will understand and abide by the its terms upon starting employment; and
- 7.6 On an ongoing basis the Contractor's performance will be compared to the contract performance standards identified herein. DHS may use a variety of inspection methods to evaluate the Contractor's performance, including but not limited to: random sampling; one hundred percent inspection of its output items on a period basis (daily, weekly, monthly, quarterly, semiannually or annually) as determined necessary to assure a sufficient evaluation of the Contractor's performance; review of reports and files; complaints from DHS; site visits; and patient complaints.

8.0. COMPLAINTS

- 8.1 In the event the Contractor receives any verbal or written complaints regarding an account referred or assigned to the Contractor under the contract, the Contractor shall immediately notify the County Contract Manager by telephone. Such notification shall be followed up in writing within three (3) business days. The Contractor shall provide the County Contract Manager with a copy of any written complaint within three (3) business days of receipt of same. The County Contract Manager shall immediately notify the Contractor, by telephone, of any verbal or written

complaints received about the Contractor, will follow up in writing within three (3) business days, and shall provide the Contractor with copies of any written complaints received by County within three (3) business days of receipt. In addition, Contractor shall provide the County Contract Manger a monthly complaint report as set forth in Exhibit A, TTC Attachment 7.3, Contractor Monthly Complaint Report.

8.2 Contractor shall maintain a master complaint log of all complaints received. The Contractor shall promptly investigate all complaints received and provide a written report to the County Contract Manager regarding the disposition of each verbal and written complaint within five (5) business days of written notification of such complaint. Minimum elements of the written report shall include a statement of the complaint, identification by name of the Contractor employee(s) involved, results of Contractor's investigation of the complaint, and a statement regarding the corrective action taken to avoid a recurrence of such a complaint. The County retains the right to terminate the Contract in accordance with the TTC and DHS Contract(s) respectively, Subparagraph 8.42, Termination for Default, if the Contractor does not take any action with regards to said complaint(s).

8.3 Special Circumstance Complaints

Upon notification by the County of a special circumstance complaint, Contractor will immediately cease all collection activity on named case(s) and respond within 24 hours with a report to the County. The report shall detail all information requested by the County regarding collection efforts.

9.0. QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under the respective TTC and DHS Contract(s), using the quality assurance procedures as defined in the TTC and DHS Contract(s) respectively, Paragraph 8, Standard Terms and Conditions, Subparagraph 8.15, County's Quality Assurance Plan.

9.1 TTC Mandatory Monthly Meetings

Contractor shall meet with the County Contract Manager at a minimum monthly, or as determined by the County Contract Administrator. Failure to attend mandatory monthly meetings will cause an assessment of five hundred dollars (\$500.00) per occurrence.

DHS Meetings

Contractor shall meet with the DHS Contract Manager and Hospital Coordinators separately, at a minimum on a monthly basis, or as determined by the County Contract Manager. If a mandatory meeting is requested by DHS, failure to attend a mandatory meeting will cause an assessment of five hundred dollars (\$500.00) per occurrence.

9.2 Contract Discrepancy Report (Technical Exhibit 1)

Verbal notification of a Contract discrepancy will be made to the Contract Monitor once a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor, however, not more than ten (10) business days.

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

9.3 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.

9.4a TTC Performance Requirements Summary

All listings of services used in the Performance Requirements Summary (PRS), TTC Exhibit 2a, Technical Exhibits, 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 the PRS, the meaning apparent in the Contract and the SOW will prevail. If any service seems to be created in this PRS 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.

9.4.1a When the Contractor's performance does not conform to 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 deductions/fees to be assessed in the PRS;

- Reduce, suspend or cancel this Contract for systematic, deliberate misrepresentations or unacceptable levels of performance; and/or
- Failure of the Contractor to comply with or satisfy the request(s) for improvement of performance or to perform the neglected work specified within ten (10) business days from such request shall constitute authorization for the County to have the service(s) performed by others. The entire cost of such work performed by others as a consequence of the Contractor's failure to perform said service(s), as determined by the County, shall be credited to the County on the Contractor's future invoice.

9.4.2a This section does not preclude the County's right to terminate the Contract upon ten (10) business days written notice with or without cause, as provided for in the TTC Contract, Paragraph 8, Terms and Conditions, Subparagraph 8.42, Termination for Convenience.

9.4b DHS Performance Requirements Summary

The Performance Requirements Summary (PRS) Chart in this DHS Exhibit 2b, Technical Exhibits, outlines major components of the required services to be monitored by DHS during the term of this Contract. It states DHS' expectations for required services in reference to the SOW requirements in terms of the standard of performance, maximum deviation from standard before service will be deemed unsatisfactory, DHS' typical method of monitoring, and the unsatisfactory performance indicator which may be assessed if Contractor services are unsatisfactory.

9.4.1b DHS expects a high standard of the Contractor's performance for the required services. DHS will work with the Contractor to help resolve any areas of difficulty brought to the attention of DHS by the Contractor before allowable deviation from the acceptable standard occurs. However, the Contractor is expected to comply with all of the terms of any resultant contract, not just the specific service requirements set forth in the Performance Requirements Summary Chart.

1. Performance Requirements Summary Chart:

- Lists the required services considered most critical to acceptable contract performance and Statement of Work reference. (See column 1 of chart)
- Defines the standard of performance for each required service. (See column 2 of chart)
- Shows the maximum allowable degree of deviation from perfect performance or Acceptable Quality Level (AQL) for each required service before County may assess unsatisfactory performance indicators. (See column 3 of chart)

- Shows the monitoring methods DHS will typically use to evaluate the Contractor's performance in meeting the contract requirements. (See column 4 of chart)
 - Shows the Unsatisfactory Performance Indicator for exceeding the AQL that each performance deviation may cause to occur. (See column 5 of chart). These indicators may serve as a baseline for liquidating damages pursuant to the DHS Contract, Paragraph 8.26.2.
2. Contract Discrepancy Report ("CDR"):

Performance of a required service is considered acceptable when the number of performance deviations found during the quality assurance process does not exceed the number of deviations allowed by the AQL. When the performance is unacceptable, the Contractor shall be required to respond to a CDR. The DHS will evaluate the Contractor's explanation on the CDR and, if DHS determines that the unsatisfactory performance was caused by circumstances beyond the Contractor's control and without fault or negligence by the Contractor, DHS may decline to count such point(s) as unsatisfactory performances.
 3. Remedy of Defects:

Notwithstanding a finding of unsatisfactory performance and assessment of Unsatisfactory Performance Indicators, the Contractor must, within the time period specified by DHS, remedy any and all defects in the provision of the Contractor's services and, as deemed necessary by the DHS, perform such services again at an acceptable level.
 4. Unsatisfactory Performance Remedies:

When performance does not conform with the requirements of the Contract (which by reference also includes the terms of this Exhibit A, "Statement of Work"), DHS shall have right to apply the following nonperformance remedies:

 - Require the Contractor to implement a formal corrective action plan, subject to approval by DHS. 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 recurrences.
 - Assess unsatisfactory performance deductions in the amount of one hundred dollars (\$100) for each unsatisfactory performance indicator point per month. Such assessment shall be made in accordance with the DHS Contract, Paragraph 8.26.2, "Liquidated Damages."
 - DHS may, in its sole discretion, withhold account referrals until such time as DHS determines Contractor performance has returned to an acceptable level.

- Terminate the agreement for default pursuant to provisions of the DHS Contract, Paragraph 8.43, "Termination For Default".

10.0 ADDITIONAL REQUIREMENTS

County does not anticipate assigning any County employees to assist Contractor on a full-time basis regarding services to be provided by Contractor pursuant to this Agreement. However, County personnel will be made available to Contractor, at the County's discretion, to provide input and assistance in order to answer questions and provide necessary liaison between Contractor and County departments.

- 10.1 The various operational/administrative records and statistics of County's health operations shall be available to Contractor for review and evaluation whenever deemed appropriate and feasible by County, and as may be allowed by applicable law.
- 10.2 Contractor(s) shall furnish all labor, materials, supplies, personnel, equipment, and administrative support necessary to perform the services under the TTC and DHS Contract(s), respectively.
- 10.3 At the County's sole discretion, the County may assign space, chairs, and desks, on a non-exclusive basis, for work area and related use by the Contractor. In the event the County assigns space to the Contractor, Contractor shall use the space only for the purpose of the performance of services hereunder. The Contractor is prohibited from use of such space, desks, and chairs for the purposes other than for the performance of the TTC and DHS Contract(s), respectively.
- 10.4 At the County's sole discretion, the County may provide access to telephones, fax machines, and photocopying equipment, on a non-exclusive basis, for the purpose of Contractor's performance of this Contract. The Contractor is prohibited from use of such equipment for the purposes other than for the performance of the TTC and DHS Contract(s), respectively.
- 10.5 Location of Contractor:
Contractor shall maintain a business office, toll free telephone number, and in the event Contractor has a local office within a 15 mile radius of Downtown Los Angeles Civic Center, a telephone listing in Los Angeles County where clients may visit or call Contractor (or the Contractor's attorney) regarding their accounts. This business office shall also receive payments and have some responsible person(s) to maintain all of the records and reports required per this contract.

Contractor's business office address and a toll-free telephone number shall be clearly visible on Contractor's letterhead used for all client

communications. At a minimum, the business office should maintain continuous regular business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (Pacific Standard Time), with extended morning or evening hours on at least one day.

10.6 Telephone Services requirements

10.6.1 Contractor shall provide a toll free number so that debtors may be able to obtain information through an operator or automated system on the debt, such as status, amount due, payment options, etc.; Remit Payment; and Establish a payment plan.

Contractor shall provide an option that offers a multilingual translation.

Contractor shall also provide a toll free number for hearing impaired with a telecommunication device that offers the services specified above.

10.6.2 **Materials and Equipment:** The purchase of all materials and/or equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

REQUIRED DATA/INFORMATIONAL ELECTRONIC EXCHANGES

#	Name	From/To SOW Section	Media Type	Delivery	Frequency	Deliver To
TTC REFERRAL OF DELINQUENT MISC ACCTS TO OCA		<i>TTC to OCA 4.1a</i>				
1.0	Notification of OCA Referrals		Email	Internet	Weekly/ [REDACTED]	Contractor
1.1	OCA Referral File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
1.2	Confirmation of OCA Referral file received		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
1.3	Exceptions to OCA Referral file		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
1.4	Exception resolution of OCA Referral file		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov and/or Contractor
TTC PAYMENT & ADJUSTMENTS TO OCA RECORDS		<i>TTC to OCA 4.4a</i>				
2.0	Notification of TTC Payments/Adjustments		Email	Internet	Weekly/ [REDACTED]	Contractor
2.1	TTC Payments/Adjustments File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
2.2	Confirmation of TTC Payment/Adjustment file received		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
2.3	Exceptions to TTC Payment/Adjustment file		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
2.4	Exception resolution of TTC Payment/Adjustment file		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov and/or Contractor
2.5	Contractor disputed adjustment(s) – content to be determined		Email	Internet	As Needed	co [REDACTED].gov
2.6	TTC decision to disputed adjustment(s) - content to be determined		Email	Internet	As Needed	Contractor
TTC RECALL OF ACCOUNTS FROM OCA		<i>TTC to OCA 4.5a</i>				
3.0	Contractor Request of Recalls		Email	Internet	Weekly/ [REDACTED] of prior week	co [REDACTED].gov
3.1	Notification of TTC Recalls		Email	Internet	Weekly/ [REDACTED]	Contractor
3.2	TTC Recall File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
3.3	Confirmation of TTC Recall File received		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
3.4	Recalled referral related notes		Varies	SFT	As Needed	SFT Environment
TTC OCA RETURN REFERRALS		<i>OCA to TTC 4.6a</i>				
4.0	Notification of OCA Return Referrals		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
4.1	OCA Return Referral File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
4.2	Confirmation of OCA Return Referral file received		Email	Internet	Weekly/ [REDACTED]	Contractor
4.3	Exceptions to OCA Return Referral file		Email	Internet	Weekly / [REDACTED]	Contractor
4.4	Exception resolution of OCA Return Referral File		Email	Internet	Weekly/ [REDACTED] of the following week	co [REDACTED].gov and/or Contractor
TTC OCA PAYMENT REMITTANCE		<i>OCA to TTC 4.7a</i>				
5.0	Notification of OCA Payment Remittance		Email	Internet	Weekly/ [REDACTED]	co [REDACTED].gov
5.1	OCA Payment Remittance File Layout		ASCII File	SFT	Weekly/ [REDACTED]	SFT Environment
5.2	Confirmation of OCA Payment Remittance file received		Email	Internet	Weekly/ [REDACTED]	Contractor
5.3	Exceptions to OCA Payment Remittance file		Email	Internet	Weekly / [REDACTED] of the following week	Contractor
5.4	Exception resolution of OCA Payment Remittance file		Email	Internet	Weekly/ [REDACTED] of the following week	co [REDACTED].gov and/or Contractor

REQUIRED DATA/INFORMATIONAL ELECTRONIC EXCHANGES

#	Name	From/To SOW Section	Media Type	Delivery	Frequency	Deliver To
TTC OCA RECONCILIATION		<i>OCA to TTC 4.8a</i>				
6.0	Notification of OCA Maintenance Inventory		Email	Internet	Weekly/	co [REDACTED].gov
6.1	OCA Maintenance Inventory File Layout		ASCII File	SFT	Weekly/	SFT Environment
6.2	Confirmation of OCA Maintenance Inventory file received		Email	Internet	Weekly/	Contractor
6.3	Exception resolution of OCA Maintenance Inventory file – content to be determined		Email	Internet	Weekly/ of the following week	co [REDACTED].gov and/or Contractor
OTHER INFORMATION EXCHANGES						
7.1	Collection Reports	OCA to TTC	Excel File	SFT	thly	SFT Environment
7.2	Other (all other information exchanges including correspondence)	Either Party	Varies	SFT	As Needed	SFT Environment
7.3	Contractor thly Complaint Report	OCA to TTC	Word File	SFT	thly	SFT Environment

NOTIFICATION OF OCA REFERRALS

Attachment 1.0

From: co[REDACTED].gov
Sent: Wednesday, May 27, 2009 8:19 AM
To: Contractor

Subject: REFERRALS JOB REQUEST

Good morning,

This is to inform that the referral file "[REDACTED]" for 05-27-09 is ready to process.

	COUNT	AMOUNT
Total Referrals	[REDACTED]	\$ [REDACTED]

Thank you

***OCA REFERRAL FILE LAYOUT**

Attachment 1.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII
Fixed length
End of record CR/LF
No field delimiters

CONFIRMATION OF OCA REFERRALS FILE RECEIVED

Attachment 1.2

From: Contractor
Sent: Wednesday, May 27, 2009 9:00 AM
To: co [REDACTED].gov
Subject: Load LA TTC placement file "[REDACTED]"

TTC File has been received and loaded.

Load Option LOAD

Client [REDACTED]	Count	Amount
	-----	-----
New Accounts (D15)	[REDACTED]	
Reactivated (D25)		
Cancelled (D25)		
Updated Accounts		
Errors		
Warnings (not loaded)		
	-----	-----
Total	[REDACTED]	

EXCEPTIONS TO OCA REFERRAL FILE

Attachment 1.3

From: Contractor
Sent: Wednesday, May 27, 2009 10:08 AM
To: co[REDACTED].gov

Subject: EXCEPTIONS TO OCA REFERRAL FILE

We have seven errors for department codes not on file. Can you let us know if they should be in our system and whether or not they are DHS or TTC?

DEPT CODE NOT FOUND (Account Number)
DEPT CODE NOT FOUND (Account Number)

Thanks

EXCEPTION RESOLUTION OF OCA REFERRAL FILE

Attachment 1.4

From: Contractor

Sent: Wednesday, May 27, 2009 1:38 PM

To: co [REDACTED].gov

Subject: Load TTC placement file "File Name"

The exceptions are corrected and loaded.

NOTIFICATION OF TTC PAYMENTS/ADJUSTMENTS

Attachment 2.0

From: co[REDACTED].gov
Sent: Wednesday, May 27, 2009 9:15 AM
To: Contractor

Subject: TTC PAYMENT/ADJUSTMENT FILE

The file "Name" for 05-27-09 is ready to process.

TTC	2	[REDACTED]
DHS		[REDACTED]
Total	2,	[REDACTED]

Net Amount \$ [REDACTED]

Thanks

*TTC PAYMENTS/ADJUSTMENTS FILE LAYOUT

Attachment 2.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII

Fixed length

End of record CR/LF

No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF TTC PAYMENT/ADJUSTMENT FILE RECEIVED

Attachment 2.2

From: Contractor
Sent: Wednesday, May 27, 2009 10:31 AM
To: co[REDACTED].gov

Subject: TTC PAYMENT/ADJUSTMENT FILE LOADED

List "File Name" is received and loaded.

Load Option LOAD
Client LA.TTC

	Count	Amount		
	-----	-----		
New Accounts (D15)				
Reactivated (D25)				
Cancelled (D25)				
Updated Accounts	[REDACTED]			
Errors				
Warnings (not loaded)				
	-----	-----		
Total	[REDACTED]			
Warnings (loaded)				
Transactions: TC	+ Cnt	+ Amount	- Cnt	- Amount
	-----	-----		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Error report in HOLD file: FC [REDACTED].wri Batch report in HOLD file:
FC [REDACTED].wri

EXCEPTIONS TO TTC PAYMENT/ADJUSTMENT FILE

Attachment 2.3

From: Contractor

Sent: Wednesday, May 27, 2009 1:40 PM

To: co[REDACTED].gov

Subject: Exceptions to TTC Payment/Adjustment File

File has been loaded. One error attached.

Thanks

EXCEPTION RESOLUTION OF TTC PAYMENT/ADJUSTMENT FILE

Attachment 2.4

From: Contractor

Sent: Wednesday, May 27, 2009 3:40 PM

To: co [REDACTED].gov

Subject: Exception Resolution of TTC Payment/Adjustment File

Provide explanation(s)

CONTRACTOR DISPUTED ADJUSTMENT(S)

Attachment 2.5

Content to be determined once contract is awarded

TTC DECISION TO DISPUTED ADJUSTMENT(S)

Attachment 2.6

Content to be determined once contract is awarded

CONTRACTOR REQUEST OF RECALLS

Attachment 3.0

From: Contractor
Sent: Friday, November 17, 2009 1:47 PM
To: co [REDACTED].gov

Subject: Return Accounts - 11-25-2009

Contractor's Recalls for Next Week:

TTC:

<u>Acct No</u>	<u>Recall Reason</u>
[REDACTED] 09	BAN
[REDACTED] 07	BAN
[REDACTED] 27	BAN
[REDACTED] 45	BAN
[REDACTED] 25	BAN
[REDACTED] 45	BAN

NOTIFICATION OF TTC RECALLS

Attachment 3.1

From: co [REDACTED].gov
Sent: Wednesday, November 25, 2009 9:23 AM
To: Contractor

Subject: WEEKLY RECALLS

The file "Name" for 11-25-09 is ready to process:

TTC	[REDACTED]
DHS	<u>7</u>
Total	5
Net Amount	\$ [REDACTED].84

Thanks

*TTC RECALL FILE LAYOUT

Attachment 3.2

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII

Fixed length

End of record CR/LF

No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF TTC RECALL FILE RECEIVED

Attachment 3.3

From: Contractor
Sent: Wednesday, November 25, 2009 10:30 AM
To: co [REDACTED].gov

Subject: Recalls 11-25-2009

LA Recall file is received and loaded. No Errors.

List "File Name"

	Count	Amount
	-----	-----
Processed	[REDACTED]	
Recalled (RCL)	8	\$ [REDACTED]

List of RCLs: LA [REDACTED] LLS

Thanks

RECALLED REFERRAL RELATED NOTES

Attachment 3.4

Content to be determined once contract is awarded

NOTIFICATION OF OCA RETURN REFERRALS

Attachment 4.0

From: Contractor
Sent: Friday, March 19, 2010 9:37 AM
To: co[REDACTED].gov

Subject: Notification of OCA Return Referrals

New files are on your server for TTC.

Cancellations, file at:

/ [REDACTED] / FF [REDACTED] URN

Number of Cancellations: [REDACTED] 9
Total \$ Returned: [REDACTED] .76

BAN and DEC, file at:

/ [REDACTED] URN

Number of BAN / DEC : [REDACTED]
Total \$ BAN / DEC : [REDACTED]

*OCA RETURN REFERRAL FILE LAYOUT

Attachment 4.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII

Fixed length

End of record CR/LF

No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF OCA RETURN REFERRAL FILE RECEIVED

Attachment 4.2

From: co [REDACTED].gov
Sent: Friday, March 19, 2010 10:54 AM
To: Contractor

Subject: OCA RETURN REFERRAL FILE RECEIVED

File is processed.

Thanks

EXCEPTIONS TO OCA RETURN REFERRAL FILE

Attachment 4.3

From: co [REDACTED].gov
Sent: Friday, March 19, 2010 11:54 AM
To: Contractor

Subject: Errors in Return File

Batch Post Exceptions for File:

ACCT NOT FOUND
ACCT NOT FOUND
ACCT NOT FOUND

EXCEPTION RESOLUTION OF OCA RETURN REFERRAL FILE

Attachment 4.4

From: Contractor

Sent: Friday, March 19, 2010 11:54 AM

To: co[REDACTED].gov

Subject: Exception Resolution of OCA Return Referral File

Provide explanation(s)

NOTIFICATION OF OCA PAYMENT REMITTANCE

Attachment 5.0

From: Contractor
Sent: Friday, March 19, 2010 9:37 AM
To: co [REDACTED].gov

Subject: OCA PAYMENT REMITTANCE FILE

New file is on your server for TTC.

Transactions, file at:

/ [REDACTED] /load/FF [REDACTED] MNT

Number of Transactions: [REDACTED] 0
Total \$ Trans code [REDACTED] .56
Total \$ Trans code [REDACTED] .89

Credit Card Breakdown:

Number of Credit Card Transactions: [REDACTED]
% of Total Transactions [REDACTED] 6%
Amount of Credit Card Transactions: [REDACTED] 5.40
% of Total Amount: [REDACTED] 4%

***OCA PAYMENT REMITTANCE FILE LAYOUT**

Attachment 5.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII
Fixed length
End of record CR/LF
No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF OCA PAYMENT REMITTANCE FILE RECEIVED

Attachment 5.2

From: co [REDACTED].gov
Sent: Friday, March 19, 2010 10:54 AM
To: Contractor

Subject: OCA PAYMENT REMITTANCE FILE RECEIVED

File is received

Thanks

EXCEPTIONS TO OCA PAYMENT REMITTANCE FILE

Attachment 5.3

From: co[REDACTED].gov

Sent: Monday, March 22, 2010 10:54 AM

To: Contractor

Subject: EXCEPTIONS TO OCA PAYMENT REMITTANCE FILE

File name:

TTC Accounts Count:

Tertiary Accounts Count:

Total:

Amount:

Comments:

EXCEPTION RESOLUTION OF OCA PAYMENT REMITTANCE FILE

Attachment 5.4

From: Contractor

Sent: Thursday, March 25, 2010 10:54 AM

To: co [REDACTED].gov

Subject: EXCEPTION RESOLUTION OF OCA PAYMENT REMITTANCE FILE

Provide explanation(s)

NOTIFICATION OF OCA MAINTENANCE INVENTORY

Attachment 6.0

From: Contractor
Sent: Friday, March 19, 2010 9:37 AM
To: co[REDACTED].gov

Subject: OCA MAINTENANCE INVENTORY

New file is on your server for TTC.

Maintenance, file at:

/[REDACTED]/load/FF[REDACTED].INVENT

Active Accounts:	[REDACTED]	50
Original principal:	\$ [REDACTED]	04
Adjustments to Principal:	-\$ [REDACTED]	83
Total payments:	\$ [REDACTED]	.28
Balance:	\$ [REDACTED]	.93

*OCA MAINTENANCE INVENTORY FILE LAYOUT

Attachment 6.1

Field Description	From position	To position	Length	Format /Type
Intentionally Omitted				

ASCII
Fixed length
End of record CR/LF
No field delimiters

* SYSTEMS CARS/DATA FILE TRANSFERS

CONFIRMATION OF OCA MAINTENANCE INVENTORY FILE

Attachment 6.2

From: co[REDACTED].gov
Sent: Friday, March 19, 2010 10:15 AM
To: Contractor

Subject: MAINTENANCE INVENTORY FILE RECEIVED

File is received and processed.

Thanks

EXCEPTION RESOLUTION OF OCA MAINTENANCE INVENTORY FILE

Attachment 6.3

Content to be determined once contract is awarded

OTHER (all other information exchanges including correspondence)

Attachment 7.2

Content to be determined once contract is awarded

CONTRACTOR MONTHLY COMPLAINT REPORT

Attachment 7.3

CONTRACTOR MONTHLY COMPLAINT REPORT

Contractor Name: _____

Reporting Period: _____

Collector Name

Type of Allegation

No.

Contractor Summary This Month

Prepared By Signature Date

SCHEDULE OF INFORMATION

Reference No.	Name	Generated By	Frequency	Statement of Work Reference
1-2	Acknowledgment Listing	Contractor	Weekly	Paragraph 4.0
1-3	Collection/Contingency Fees Report	Contractor	Monthly	Paragraph 5.4b
1-4	Collection/Contingency Fees Detail Report	Contractor	Monthly	Paragraph 5.4b
1-5	Inventory Report	Contractor	Monthly	Subparagraph 4.8.1b
1-6	Return Report	Contractor	Twice per Month	Subparagraph 4.6b
1-7	Acknowledgment of Adjustments	Contractor	As needed	Subparagraph 5.1.2b
1-8	FATP Update Report	Contractor	Weekly	Paragraph 4.3b
1-9	Credit Inquiry/Social Security Number Report	Contractor	As needed	Subparagraph 5.1.3.6b
1-10	External Batch Layout	Contractor		Subparagraphs 4.6.2b and 4.7b
1-11	Functional Description of the Contractor C-Status Query	Contractor		Subparagraph 5.3.2
1-12	Functional Description of the Contractor Recall Query	Contractor		Subparagraph 4.5.3b
1-13	Functional Description of the PA Tape Create Bad Debt Query	Contractor		Subparagraphs 4.1.3b, 4.6.1b, and 4.18b
1-14	Agency Name Closed Report	Contractor	Weekly	Subparagraphs 5.3.3

* DHS reserves the right to change the media indicated, as improvements to technology become available

ACKNOWLEDGEMENT LISTING

Agency Name:

Patient Name	Facility' s Acct.#	Amount	Date of Service	Date Referred
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COLLECTION/CONTINGENCY FEES REPORT

STATEMENT FOR:

CLIENT NO:	CLIENT NAME:	REMIT. LIAB	INTEREST IS SHARED
DEBTOR NAME	CLIENT ADDRESS:	COMMISSION	DUE ON COLLECTION
DEBTOR NO.	ATTN:	Rate	To Contractor To Client
		Amount	Balance
		PRIN	
		Principal	
		Interest	
		COLL. PD. TO CLIENT	
		Principal	
		Interest	
		COLL. PD. TO CONTRACTOR	
		Principal	
		Interest	

COLLECTION/CONTINGENCY FEES DETAIL REPORT

STATEMENT FOR:

CLIENT NO:	CLIENT NAME:	REMIT. LIAB	INTEREST IS SHARED
	CLIENT ADDRESS:	ATTN:	
PATIENT NAME	ACCOUNT NO.	COLL. PD. TO CONTRACTOR	COLL. PD. TO CLIENT
		COMMISSION	CHARGES DUE

**AGENCY NAME:
INVENTORY REPORT AS OF:**

Patient Name	Medical Record#	Account#	Date Assignd.	Amt Assignd.	Adj. To Acct.	Date of Service	Total Coll.	Current Acct. Bal
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AGENCY NAME
RETURN REPORT

FOR MONTH ENDING:

FACILITY NAME:

PATIENT NAME	MI	MEDICAL RECORD#	ACCOUNT#	DATE	DATE OF	CURRENT	REASON
LAST,	FIRST			ASSIGNED	SERVICE	ACCT. BAL.	CODE

TOTAL ACCOUNTS RET.

TOTAL CURR. ACT. BAL

**COUNTY OF LOS ANGELES
ACKNOWLEDGMENT OF ADJUSTMENTS**

<u>CLIENT/DEB NAME</u>	<u>DATE</u>	<u>ADJUSTMENT</u>	<u>BALANCE</u>
XXXX XXX	XXXXXX	XXX	XXXX

TOTALS

TOTALS

TOTAL INCREASED PRINCIPAL XXXXX

TOTAL DECREASED PRINCIPAL XXXXX

COUNTY OF LOS ANGELES
Financial Ability To Pay Update Report
Accounts Identified As Self Pay
Locates To Collect

Name	Medical Record #	Account	Debtor Gross	Spouse Gross	Total Gross	Dependent	Comments
------	------------------	---------	--------------	--------------	-------------	-----------	----------

XXXXX	XXX	XXXX	\$	\$	\$		
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TOTAL

_____APPROVED

_____EXCEPTIONS

BY: _____

DATE: _____

EXTERNAL BATCH LAYOUT

All fields defined in the record layout are to be provided in the upload file by LACO clients.

File record format as follows:

Header record (1 record only)

Data records multiple records of CHG/CRD or PAY/ADJ)

EOF record(1 record only)

Header Record Layout-First Record - Variable length

Separate data using a comma ",".

Data must NOT have trailing or leading characters.

Do NOT enclose data in Quotes.

All Pieces required.

Data must not contain any commas.

Linefeed signals end of a record (ASCII Decimal 10).

Piece	Data
-------	------

<u>Position</u>	<u>Description</u>
-----------------	--------------------

Piece 1,	"HEADER RECORD" Fixed, must be hard coded.
----------	--

Piece 2,	"CHG/CRD" or "PAY/ADJ" to define batch type. The entire batch must be consistent with charge/credits or payments/adjustment type data records.
----------	--

Piece 3,	Batch Name is 25-character maximum alpha numeric. User defined and must be unique to each file.
----------	---

Piece 4,	Batch ID is 30-character maximum alpha numeric. User defined, but should be unique to each file.
----------	--

Piece 5,	Positive Integer, total number of records. Not including header and trailer record. The limit is 999999.
----------	--

Piece 6,	Entering Area Code. Required field. Maximum length 7. Comes from database CD PAT ENTERING AREAS/CD CHARGE ENTERING AREA.
----------	--

ASCII Line Feed character.

CHG/CDT Layout - Repeating Record - Variable length

This record is only for CHARGES and CREDITS.

Separate data using a comma ",".

Data must NOT have trailing or leading characters.

Do NOT enclose data in Quotes.

Data must not contain any commas.

Amount of charge or credit will limited to value defined in Affinity® Charge Master Dictionary.

Linefeed signals end of a record (ASCII Decimal 10).

Piece Data

Position Description

Piece 1, Account Number. Required field.

Piece 2, Charge Service Date. Required field. In the Format
 "MM/DD/YYYY".

Piece 3, Charge Code. Required field. As defined in the
 Affinity® Charge Master dictionary. Charge code must be
 active.

Piece 4, Source of Request. Required field. From the OC CLIIC
 CODE dictionary. It must be active and an exact match
 of the code as defined in the Affinity® dictionary. An
 inactive code entered will cause charge record to
 reject.

Piece 5, Quantity. Not required however, if no quantity is
 entered, a quantity of 1 is ASSUMED for charges or
 credits. Maximum quantity 999.

Piece 6, Credit Flag. If this piece is a "Y", this is a Credit.
 If it is anything else, the record is a Charge.

 ASCII Line Feed character.

PAY/ADJ Layout - Repeating Record - Variable length

This record is only for PAYMENTS and ADJUSTMENTS.

Separate data using a comma ",".

Data must NOT have trailing or leading characters.

Do NOT enclose data in Quotes.

Data must not contain or use any commas.

Amount of charge or credit will be limited to value defined in Affinity® Charge Master Dictionary.

Linefeed signals end of a record (ASCII Decimal 10).

NO NEGATIVE Amounts.

Piece Data

Position Description

Piece 1, Account Number. Required field.

Piece 2, Payment/Adjustment for Date. Required field. In the Format "MM/DD/YYYY".

Piece 3, Insurance code. Required field. From the CD INSURANCE file. Must be active and an exact match of the insurance code as defined in the Affinity® database. An inactive code entered will cause payment/adjustment record to reject. The insurance code MUST match one of the insurance's defined on the account.

Piece 4, PAT Code. Required field. From the PA CD PAT CODE DICTIONARY. Must be active and an exact match of the code as defined in the Affinity® dictionary. An inactive code entered will cause payment/adjustment record to reject.

Piece 5, Payment Method. Required field. From the PAYMENT TYPE simple dictionary. Must be active and an exact match of the code as defined in the Affinity® dictionary. An inactive code entered will cause payment/adjustment record to reject.

Piece 6, Amount. Required field. Must always be a positive number. *NO commas.* Maximum length 13(9999999999.99), minimum 0.

Piece 7, Comment. Maximum length of 30 characters. NO commas!

ASCII Line Feed character.

END OF FILE Record Layout - Last Record

Data must NOT have trailing or leading characters.
Linefeed signals end of a record (ASCII Decimal 10).

<u>Piece</u>	<u>Data</u>
<u>Position</u>	<u>Description</u>

EOF	End of File marker. Required.
-----	-------------------------------

	ASCII Line Feed character.
--	----------------------------

Functional Description of the Contractor C-Status Query

Query Name: Y GNM PA Contractor - C STATUS

Primary Database File: PA PAYMENT TRANSACTIONS

Data Selection: Show records between a selected PAT posting date range.
 Exclude Multi-Post transactions.
 Show only payments.
 Show only Bad Debt accounts (C status).
 Show only records indicating an insurance of "Contractor".

Data Layout – Fixed (76 columns)

Field	Start	Length
Patient Name (%PN)	1	20
Medical Record Number (%MRUN)	21	9
Account Number (%PA)	30	7
Admit Arrive Date (%ADT)	37	10
Discharge Disposition Date (%DDT)	47	10
Amount Signed (%AMT)	57	9
PAT Posting Date (%PAYDT)	66	10

Variables (summary):

%FAC, Facility Pointer (set to 1 since there is only one facility)
 %FDT, From PAT Posting Date (user input)
 %TDT, Through PAT Posting Date (user input)
 %PS, Patient Service Code

%CAT, Patient Category Code

%PT, PAS Patient Type Code

%PN, Patient Name

%ADT, Admit Arrive Date

%DDT, Discharge Date

%MRUN, Patient Medical Record Number

%PA, Patient Account Number

%ADJ, PAT Code from PA CD PAT CODE DICTIONARY

%ADES, PAT Code description

%AMT, Amount Signed

%PAYDT, PAT Posting Date

Functional Description of the Contractor Recall Query

Query Name: Y GNM PA CONTRACTOR RECALL

Primary Database File: MASTER VISIT FILE

Data Selection: Show accounts in a "Billed" status

Show only accounts where any PA NOTE between the selected "From" and "Through" dates contains the text "CONTRACTOR RECALL"

Data Layout – Fixed (106 columns)

Field	Start	Length
Patient Name (%NAME)	1	20
Medical Record Number (%MRUN)	21	9
Account Number (%ACCT)	30	7
Admit Arrive Date (%ADT)	37	10
Discharge Disposition Date (%DDT)	47	10
Balance (" \$" %BAL)	57	9
Note Date (%NDT)	66	10
First 30 characters of the first line of the PA Note	76	30

Variables (summary):

%PAN (), Array that holds the PA NOTE for text search

%FLAG, indicates that the PA NOTE meets criteria

%CHG, Total Charges

%PMT, Total Payments

%ADJ, Total Adjustments

%TWO, Total Write-Offs

%BAL, Total Charges + Total Payments + Total Adjustments + Total Write-Offs

%MRUN, Patient Medical Record Number

%NAME, Patient Name

%ACCT, Patient Account Number

%ADT, Admit Arrive Date

%DDT, Discharge Disposition Date

%NDT, Note Date

Functional Description of the PA Tape Create Bad Debt Query

Query Name: PA TAPE BAD DEBT CREATE FILE (F/E)

Primary Database File: PA TAPE CONTROL FILE

Query Name: PA TAPE BAD DEBT FILE (SUBQUERY)

Primary Database File: MASTER VISIT FILE

Data Selection:

The Affinity procedure calling this query passes the record IDs for the PA Tape Control File primary record and the PA Tape Population Record.

Data Layout

The file created by this query consists of several record (line) types noted by the Record numbers below. Some of the records occur once for each visit and others occur multiple times or not at all for each visit.

Each of the records 1 through 24 occur only once per patient account. Record 31 occurs up to three times for the first three insurance carriers for the account. Records 41, 42, and 43 may occur multiple times to show all charges, diagnoses, and CPT codes. All account notes for each visit (record 51) show, one record for each line of notes. All 'Payments', 'Adjustments' and 'Patient Transfers' show for each visit, one record for each transaction.

Fields in order:

col	RECORD #1 - Header	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "01")	
E	Agency Name (%AGENCYNAME, passed to query from procedure)	
F	Tape Creation Date (Today, YYMMDD)	
G	Tape Creation Time (Now, Military)	

col	RECORD #21 – Patient Data	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP, derived from Mumps \$P(ZS(25),"~",2))	
C	Account Number	
D	Record Constant (String Literal "21")	
E	Medical Record Number (%MRUN) strip dashes and left file with 0's to 10 characters	
F	Patient's Last Name	
G	Patient First Name	
H	Patient Middle Initial	
I	Patient Address	
J	Patient Address 2	
K	Patient City	
L	Patient State	
M	Patient Zip Code (%ZIP - without dashes)	
N	Patient Phone Number (%PHONE) strip dashes and left file with 0's to 10 characters	
O	Patient Social Security Number (%SSN) strip dashes and left file with 0's to 9 characters	
P	Patient Date of Birth (MMDDYY)	

Functional Description of the PA Tape Create Bad Debt Query

Q	Patient Sex	
R	Patient Language Code ** (Uses registration field, NOT the custom question)	
S	Patient AKA (%AKA)	
T	Admit Date (MMDDYY)	
U	Discharge Date (MMDDYY)	
V	Original Final Bill Date (MMDDYY)	

col	RECORD #22 – Visit Data	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "22")	
E	PA Payment Plan Amount (%QTY)	
F	PA Payment Plan Due Amount (%QTY)	
G	Contract Period Type (string literal "M")	
H	PA Payment Plan Due (%QTY)	
I	PA Payment Plan Thru Date (MMDDYY)	
J	Attending Physician Name (%APHY)	
K	Attending Physician License Number (%ALIC)	
L	Admitting Physician Name (%PHYS)	
M	Admitting Physician License Number (%PLIC)	
N	Total Charges (%QTY)	
O	Total Payments (%QTY)	
P	Total Adjustments (%QTY)	
Q	Write Off Amount (Total Charges + Total Payments + Total Adjustments)(%QTY)	
R	Final Bill Date (MMDDYY)	
S	Financial Class Code	
T	Patient Service Code	
U	Patient Type (PAS Patient Type)	

col	RECORD #23 – Employer Data	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "23")	
E	Employer Name (priority 1) (%EMPNAME)	
F	Employer Address (priority 1) (%EMPADDR1)	
G	Employer City (priority 1) (%EMPCITY)	
H	Employer State (priority 1) (%EMPSTATE)	
I	Employer Zip (priority 1) (%EMPZIP)	
J	Employer Phone (priority 1) (%EMPHONE -> %PHONE, no dashes)	
K	Employer Name (priority 2) (%EMPNAME)	
L	Employer Address (priority 2) (%EMPADDR1)	
M	Employer City (priority 2) (%EMPCITY)	

Functional Description of the PA Tape Create Bad Debt Query

N	Empolyer State (priority 2) (%EMPSTATE)	
O	Employer Zip (priority 2) (%EMPZIP)	
P	Employer Phone (priority 2) (%EMPHONE -> %PHONE, no dashes)	

col	RECORD #24 – Guarantor Data	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "24")	
E	Guarantor Name (priority 1) (%GUARNAME)	
F	Guarantor Address (priority 1) (%GUARADDR)	
G	Guarantor Address 2 (priority 1) (%GUARADD2)	
H	Guarantor City (priority 1) (%GUARCITY)	
I	Guarantor State (priority 1) (%GUARST)	
J	Guarantor Zip Code (priority 1) (%GUARZIP)	
K	Guarantor Phone (priority 1) (%GUARPHONE->%PHONE, no dashes)	
L	Guarantor SSN (priority 1) %GUARSSN->%SSN, no dashes)	
M	Next of Kin Name (priority 1) (%CONTACTNAME)	
N	Next of Kin Phone (priority 1) (%CONTACTPHN->%PHONE, no dashes)	
O	Next of Kin Name (priority 2) (%NOK2TNAME)	
P	Next of Kin Phone (priority 2) (%NOK2PHN->%PHONE, no dashes)	

col	RECORD #31 Insurance Carriers (three times, once for each of priorities 1, 2, and 3)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP, derived from Mumps \$P(ZS(25),"~",2))	
C	Account Number	
D	Record Constant (String Literal "31")	
E	Insurance Priority "n" (1, 2, or 3)	
F	Insurance Code (priority n) (%INS)	
G	Insurance Company Name (priority n) (%INSNAME)	
H	Insurance Address (priority n) (%INSADDR1)	
I	Insurance Address 2 (priority n) (%INSADDR2)	
J	Insurance City (priority n) (%INSCITY, first part of %INSADDR3))	
K	Insurance State (priority n) (last part of %INSADDR3)	
L	Insurance Zip Code (priority n) (%INSZIP -> %ZIP, no dashes)	
M	Insurance Phone (priority n) (%INSPHONE->%PHONE, no dashes)	
N	Total Charges (%QTY)	
O	Total Payments (%QTY)	
P	Total Charges + Total Payments + Total Adjustments (%QTY)	
Q	Final Bill Date (MMDDYY)	

col	RECORD #32 Continued for insurance in Record #31	
A	Agency (%AGENCY, passed to query from procedure)	

Functional Description of the PA Tape Create Bad Debt Query

B	Hospital Code (%HOSP, derived from Mumps \$P(ZS(25),"~",2))	
C	Account Number	
D	Record Constant (String Literal "32")	
E	Insurance Code (priority n) (%INS)	
F	Insurance Subscriber Name	
G	Ins Employer Group Name	
H	Insurance Policy Number	
I	Insurance Group Number	
J	Ins Authorization Precertification ID	
K	Insurance Subscriber Last Name	
L	Insurance Subscriber First Name	
M	Patient Relationship to Insured	

col	RECORD #41: All clinic (4 digit) or IP (7 digit) charges at up to ten per record. Does not show any Ancillary Charges (10 digit)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP, derived from Mumps \$P(ZS(25),"~",2))	
C	Account Number	
D	Record Constant (String Literal "41")	
E	Charge Code #1 (%CC, piece 1)	
F	Charge Billing Description (%CHGDES, piece 1)	
G	Revenue Code (UB82 Summary Code, %REV, piece 1)	
H	Charge Code #2 (%CC, piece 2)	
I	Charge Billing Description (%CHGDES, piece 2)	
J	Revenue Code (UB82 Summary Code, %REV, piece 2)	
K	Charge Code #3 (%CC, piece 3)	
L	Charge Billing Description (%CHGDES, piece 3)	
M	Revenue Code (UB82 Summary Code, %REV, piece 3)	
N	Charge Code #4 (%CC, piece 4)	
O	Charge Billing Description (%CHGDES, piece 4)	
P	Revenue Code (UB82 Summary Code, %REV, piece 4)	
Q	Charge Code #5 (%CC, piece 5)	
R	Charge Billing Description (%CHGDES, piece 5)	
S	Revenue Code (UB82 Summary Code, %REV, piece 5)	
T	Charge Code #6 (%CC, piece 6)	
U	Charge Billing Description (%CHGDES, piece 6)	
V	Revenue Code (UB82 Summary Code, %REV, piece 6)	
W	Charge Code #7 (%CC, piece 7)	
X	Charge Billing Description (%CHGDES, piece 7)	
Y	Revenue Code (UB82 Summary Code, %REV, piece 7)	

col	RECORD #42 Diagnoses (multiple records per visit as needed for all Dx's to be shown)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	

Functional Description of the PA Tape Create Bad Debt Query

C	Account Number	
D	Record Constant (String Literal "42")	
E	Diagnosis Code (priority 1)	
F	Diagnosis Description (priority 1)	
G	Diagnosis Code (priority 2)	
H	Diagnosis Description (priority 2)	
I	Diagnosis Code (priority 3)	
J	Diagnosis Description (priority 3)	
K	Diagnosis Code (priority 4)	
L	Diagnosis Description (priority 4)	
M	Diagnosis Code (priority 5)	
N	Diagnosis Description (priority 5)	
O	Diagnosis Code (priority 6)	
P	Diagnosis Description (priority 6)	
Q	Diagnosis Code (priority 7)	
R	Diagnosis Description (priority 7)	
S	Diagnosis Code (priority 8)	
T	Diagnosis Description (priority 8)	
U	Diagnosis Code (priority 9)	
V	Diagnosis Description (priority 9)	
W	Diagnosis Code (priority 10)	
X	Diagnosis Description (priority 10)	

col	RECORD #43 CPT Codes (multiple records per visit as needed for all codes to be shown)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "43")	
E	CPT Code 1	
F	CPT Code 2	
G	CPT Code 3	
H	CPT Code 4	
I	CPT Code 5	
J	CPT Code 6	
K	CPT Code 7	
L	CPT Code 8	
M	CPT Code 9	
N	CPT Code 10	

col	RECORD #51 Account Notes (all lines for all notes for visit)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "51")	

Functional Description of the PA Tape Create Bad Debt Query

E	Sequence Number (note line number)	
F	Note Date (YYMMDD)	
G	Activity Code (string literal "000")	
H	Constant P (string literal "P")	
I	System Note Fixed Value	
J	Single Note line	

col	RECORD #60 Payments (all Payments, Adjustments, Patient Transfers for visit)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "60")	
E	Sequence Number (note line number) (only up to 9999 lines)	
F	PAT Posting Date (YYMMDD)	
G	Payment Code (%PAYCODE)	
H	PAT Transaction Code Description	
Y	Amount Signed	

col	RECORD #90 Summary (one record)	
A	Agency (%AGENCY, passed to query from procedure)	
B	Hospital Code (%HOSP)	
C	Account Number	
D	Record Constant (String Literal "90")	
E	Total Records 21 – 24 (%REC2124)	
F	Total Records 31 – 32 (%REC3132)	
G	Total Records 40 (%REC40)	
H	Total Records 42 (%REC41)	
I	Total Records 42 (%REC42)	
J	Total Records 43 (%REC43)	
K	Total Records 51 (%REC51)	
L	Total Records 60 (%REC60)	
M	Total Records (%TOTREC)	
N	Account Balance (charges + payments + adjustments)	
O	Total Charges	
P	Final Bill Date (MMYYDD)	

Functional Description of the PA Tape Create Bad Debt Query**Constants:**

% AGENCY (passed to query from procedure)
 % AGENCYNAME (passed to query from procedure)
 % DAYS (passed to query from procedure)
 % POPID (passed to query from procedure)
 % PRIMID (passed to query from procedure)
 % HOSP, derived from Mumps \$P(ZS(25),"~",2)

Variables:

% REC2124, count of records (21, 22, 23, 24)
 % REC3132, count of records (31, 32)
 % REC41, count of records (41)
 % REC42, count of records (42)
 % REC43, count of records (43)
 % REC51, count of records (51)
 % REC60, count of records (60)
 % MRUN, Medical Record Number with dashes removed
 % LAST, Patient's Last Name (before comma in formatted name)
 % FIRST, Patient's First Name (immediately after the comma in formatted name)
 % MIDDLE, Patient's Middle Initial (first character after the space after the comma in formatted name)
 % ZIP, Zip code with dashes removed
 % PHONE, Phone number with dashes removed, leading digit (presumably "1") removed and padded with leading zeros.
 % SSN, Social Security Number, dashes removed and padded with leading zeros
 % AKA, first AKA only, if more than one.
 % QTY, Monetary values with decimal point removed and padded with leading zeros
 % NOTAFF, ? general variable
 % APHY, Primary Attending Physician Name (OVMC)
 % ALIC, Primary Attending Physician Licence Number (OVMC)
 % PHYS, Attending Physician Name, or if null, Physician Attending Non Staff (Product)
 % PHYS, Admitting Physician Name (OVMC)
 % PLIC, Admitting Physician License (OVMC)
 % EMP, Employer priority
 % EMPNAME, Employer Name
 % EMPADDR1, Employer Address
 % EMPCITY, Employer City
 % EMPSTATE, Employer State
 % EMPZIP, Employer Zip Code
 % GUARNAME, Guarantor Name
 % GUARADDR, Guarantor Address
 % GUARADD2, Guarantor Address 2
 % GUARCITY, Guarantor City
 % GUARST, Guarantor State
 % GUARZIP, Guarantor Zip Code
 % GUARPHONE, Guarantor Phone
 % CONTACTNAME, Next of Kin Name (first priority)

Functional Description of the PA Tape Create Bad Debt Query

%CONTACTPHN, Next of Kin Phone (first priority)
%NOK2TNAME, Next of Kin Name (second priority)
%NOK2TNAME, Next of Kin Phone (second priority)
%INS, insurance priority
%INSNAME, Insurance Company Name
%INSADDR1, Insurance Address (first line)
%INSADDR2, Insurance Address (second line)
%INSCITY, Insurance City
%INSADDR3, combined Insurance City and State
%INSZIP, Insurance Zip
%INSPHONE, Insurance Phone
%CC, Charge Code List (first clinic charge (4 digit code), OR up to seven inpatient charges (7 digit codes)
%CHGDES, Charge Billing Description List (to match Charge Code List)
%REV, UB82 Summary Code (to match Charge Code List)
%DIA, Diagnosis list (first five ICD9 codes in priority order)
%DESC, Diagnoses Descriptions (first five in priority order)
%CPT1, CPT Code list (first 5 in entry order)
%ARRAY(%CNT), One multiline note
%PATCODE, PAT Transaction Type (P=payment, A-adjustment, T=patient transfer)

**AGENCY NAME
RETURN REPORT**

FOR MONTH ENDING:

FACILITY NAME:

<u>PATIENT NAME</u>	<u>MI</u>	<u>MEDICAL RECORD#</u>	<u>ACCOUNT#</u>	<u>DATE</u>	<u>DATE OF</u>	<u>CURRENT</u>	<u>REASON</u>
<u>LAST,</u>	<u>FIRST</u>			<u>ASSIGNED</u>	<u>SERVICE</u>	<u>ACCT. BAL.</u>	<u>CODE</u>

TOTAL ACCOUNTS RET.

TOTAL CURR. ACT. BAL

DELINQUENT ACCOUNT COLLECTION SERVICES TREASURER AND TAX COLLECTOR

WORKLOAD VOLUMES

These are historical workload statistics and the actual workload may fluctuate from month to month. The average length of time from the date the debt was incurred to referral to the Contractor is three (3) to six (6) months. The TTC does not guarantee any particular level of account referrals or the age of the accounts at referral during the course of the contract.

(Based on TTC's historical statistics for the most recent fiscal years –
no guarantee these numbers are indicative for future workload.)

SECONDARY COLLECTION SERVICES				
FY 2007-2008				
Referrals				
	Total Number	Relative Percentage	Total	
Category	of Accounts	by Account	Dollar Value	Collection*
DHS	143	0.13%	\$ 501,838	\$ 8,990
DPSS	101,149	93.61%	\$ 35,352,013	\$ 1,536,716
OTHER	6,763	6.26%	\$ 2,944,428	\$ 147,686
TOTAL	108,055	100.00%	\$ 38,798,279	\$ 1,693,392
Average Balance Per Account			\$ 359	
FY 2008-2009				
Referrals				
	Total Number	Relative Percentage	Total	
Category	of Accounts	by Account	Dollar Value	Collection*
DHS	0	0.00%	\$ -	\$ -
DPSS	47,601	91.20%	\$ 18,688,674	\$ 988,794
OTHER	4,592	8.80%	\$ 3,205,760	\$ 183,092
TOTAL	52,193	100.00%	\$ 21,894,434	\$ 1,171,886
Average Balance Per Account			\$ 419	
FY 2009-2010				
Referrals				
	Total Number	Relative Percentage	Total	
Category	of Accounts	by Account	Dollar Value	Collection*
DHS	162	0.18%	\$ 359,740	\$ 1,262
DPSS	38,313	43.53%	\$ 16,883,336	\$ 483,337
OTHER	49,541	56.29%	\$ 11,016,015	\$ 707,800
TOTAL	88,016	100.00%	\$ 28,259,091	\$ 1,192,399
Average Balance Per Account			\$ 321	

*Please note that the funds collected could be related to accounts referred during any time period and not solely during the year reported above.

**DELINQUENT ACCOUNT COLLECTION SERVICES
DEPARTMENT OF HEALTH SERVICES**

WORKLOAD VOLUMES

These are historical workload statistics and the actual workload may fluctuate from month to month. DHS does not guarantee any particular level of account referrals or the age of the accounts at referral during the course of the contract.

(Based on DHS' historical statistics for the most recent fiscal years – no guarantee these numbers are indicative for future workload.)

SECONDARY COLLECTION SERVICES					
FY 2007-2008					
Referrals					
Category	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Average Balance Per Account	Collection*
Inpatients	16,543	7.81%	\$ 372,189,459	\$ 22,498	\$ 8,456,674
Outpatient	143,341	67.70%	\$ 113,053,929	\$ 789	\$ 1,860,373
CHC/HC	51,845	24.49%	\$ 15,908,424	\$ 307	\$ 147,700
Total	211,729	100.00%	\$ 501,151,812	\$ 2,367	\$ 10,464,747
FY 2008-2009					
Referrals					
Category	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Average Balance Per Account	Collection*
Inpatients	16,008	8.10%	\$ 340,507,078	\$ 21,271	\$ 8,744,230
Outpatient	123,860	62.70%	\$ 105,218,977	\$ 849	\$ 2,790,779
CHC/HC	57,684	29.20%	\$ 18,280,874	\$ 317	\$ 270,221
Total	197,552	100.00%	\$ 464,006,929	\$ 2,349	\$ 11,805,230
FY 2009-2010					
Referrals					
Category	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Average Balance Per Account	Collection*
Inpatients	16,688	7.37%	\$ 373,161,237	\$ 22,361	\$ 8,653,212
Outpatient	166,719	73.63%	\$ 169,396,287	\$ 1,016	\$ 2,980,014
CHC/HC	43,029	19.00%	\$ 13,477,611	\$ 313	\$ 274,686
Total	226,436	100.00%	\$ 556,035,135	\$ 2,456	\$ 11,907,912

*Please note that the funds collected could be related to accounts referred during any time period and not solely during the year reported above.

**DELINQUENT ACCOUNT COLLECTION SERVICES
TREASURER AND TAX COLLECTOR**

WORKLOAD VOLUMES

These are historical workload statistics and the actual workload may fluctuate from month to month. The average length of time from the date the debt was incurred to referral to the Contractor is three (3) to six (6) months. The TTC does not guarantee any particular level of account referrals or the age of the accounts at referral during the course of the contract.

(Based on TTC's historical statistics for the most recent fiscal years – no guarantee these numbers are indicative for future workload.)

TERTIARY COLLECTION SERVICES				
From Inception March 13, 2009 to June 30, 2010				
	Referrals			
Category	Total Number of Accounts	Relative Percentage by Account	Total Dollar Value	Collection*
DHS	234,640	100.00%	\$ 660,218,303	\$ 744,217
TOTAL	234,640	100.00%	\$ 660,218,303	\$ 744,217
Average Balance Per Account			\$ 2,814	

*Please note that the funds collected could be related to accounts referred during any time period and not solely during the year reported above.

REQUIRED FORMS - EXHIBIT 15A

**Treasurer and Tax Collector
Information Technology
Technical Requirements**

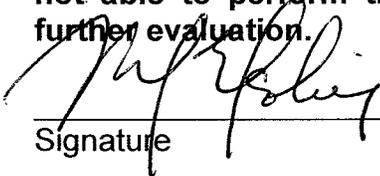
Proposer must have automated system capabilities to accept and process account referrals and assignments via a secure file transfer environment defined by the County of Los Angeles, Treasurer and Tax Collector standards. Following is the description of the standards:

1. Transmission method and payload encryption are required;
2. SSH File Transfer Protocol (SFTP) will be required for all file transfers using Secure Shell (SSH) protocol.
3. Payloads must be encrypted using PGP. No open source PGP software is allowed.

Note: In order to provide the required work, as described in Appendix B, SOW, of this RFP, these standards must be in place.

Proposer must have the ability to provide the Collection Accounts Receivable Systems (CARS)/File Transfers in accordance with Appendix B, SOW, Attachment 1a, Required Data/Informational Electronic Exchanges, Attachments 1.1, OCA Referral File Layout, 2.1, TTC Payments/Adjustments File Layout, 3.2, TTC Recall File Layout, 4.1, OCA Return Referral File Layout, 5.1, OCA Payment Remittance File Layout, and 6.1, OCA Maintenance Inventory File Layout specifications.

Proposer attests that they are able to have in place necessary equipment and protocols to perform the required functions as stated above. In the event Proposer is not able to perform the required functions their Proposal may be eliminated from further evaluation.



Signature

12-27-2011

Date

Michael Scoliere, Capital Partner

Name and Title of Signer (please print)

Note: Contractor shall have sixty (60) days from date of Board approval to meet the information technology requirements pursuant to this Exhibit 15A, TTC Technical Requirements. In the event Contractor is not able to fulfill these requirements, the County may in its best interest go to the next highest ranked Proposer. Contractor cannot begin delinquent account collection services until they have met the TTC requirements and have received written approval from County to commence delinquent account collection services.

DHS IT Technical Requirements (Exhibit 15B)

REQUIRED FORMS - EXHIBIT 15B
Department of Health Services
Information Technology
Technical Requirements

Proposer affirms that all conditions, requirements and equipment protocols as stated and required in Appendix B, DHS Attachment 1-10, Attachment 1-11, Attachment 1-12, and Attachment 1-13 shall be in place prior to start of the Contract. Proposer shall have procedures in place to meet all requirements of the Delinquent Account Collections Services Agreement, Statement of Work (SOW) and specifically as the SOW is related and referenced to Attachment 1-10, Attachment 1-11, Attachment 1-12, and Attachment 1-13.

Proposer attests that they are able to have in place necessary equipment and protocols to perform the required functions as stated above. In the event Proposer is not able to perform the required functions their Proposal may be eliminated from further evaluation.

Signature



July 15, 2011

Date

Scott D. Wylie, Partner

Name and Title of Signer (please print)

Note: Contractor shall have sixty (60) days from date of Board approval to meet the information technology requirements pursuant to this Exhibit 15B, DHS Technical Requirements. In the event Contractor is not able to fulfill these requirements, the County may in its best interest go to the next highest ranked Proposer. Contractor cannot begin delinquent account collection services until they have met the DHS requirements and have received written approval from County to commence delinquent account collection services.

COMMISSION RATES

Linebarger Goggan Blair & Sampson, LLP

DACS TERTIARY ACCOUNT TYPE	COMMISSION RATE
Rate for TTC and DHS Tertiary Accounts combined:	33%

EXHIBIT C

TECHNICAL EXHIBITS

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Exhibits

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- 2a TTC PRS CHART
- 2b INTENTIONALLY OMITTED

DELINQUENT ACCOUNT COLLECTION SERVICES PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART

The provision of Delinquent Account Collection Services (DACS) is comprised of secondary and tertiary collection services for the County of Los Angeles. Following is the DACS Performance Requirements Summary (PRS) for the Treasurer and Tax Collector (TTC).

**DELINQUENT ACCOUNT COLLECTION SERVICES
TTC PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
SOW: Subparagraph 4.4a, TTC Payments & Adjustments to OCA Records	Adjustments are posted accurately and per schedule	Debtor complaints, management reports, review accounts during on-site audits	<ul style="list-style-type: none"> • \$100 per each incomplete/inaccurate account adjustment posting. • \$100 per each day posting is late.
SOW: Subparagraphs 4.5 and 4.5a, TTC Recall of Accounts from OCA	Return accounts to TTC timely and as required. Stop debtor locate or collection activities immediately upon notification of recall	Analyze reports and logs	<ul style="list-style-type: none"> • \$150 each day account is not returned. • \$200 per account, if Contractor continues collection activities after notification of recall.
SOW: Subparagraph 4.7a, TTC OCA Payment Remittance	TTC appropriately and timely notified of remittances; payments remitted to TTC timely and accurately.	Review of reports	<ul style="list-style-type: none"> • \$75 per day required email notification is late. • \$1000 per incident of late remittance PLUS \$75 per day remittance is late. • \$150 per incomplete/inaccurate remittance.
SOW: Subparagraphs 5.1.2 and 5.1.2a, TTC Debtor Payments on Assigned Accounts	Accept payments as specified and process payments on assigned accounts timely and as required	Analyze reports, on site audits, debtor complaints	<ul style="list-style-type: none"> • \$100 per individual payment accepted on an account not assigned.

**DELINQUENT ACCOUNT COLLECTION SERVICES
TTC PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
SOW: Subparagraph 5.1.3a, TTC Credit Reporting	No reporting of debtors to credit reporting services	Debtor complaints	<ul style="list-style-type: none"> • \$150 per incident of debtor reported to credit reporting services.
SOW: Subparagraph 5.1.5a, TTC Paid In Full letters	Issue paid in full letter on paid in full or settled accounts	Debtor complaints	<ul style="list-style-type: none"> • \$150 per incident.
SOW: Subparagraph 5.1.9, Compromise Authority	Obtain and maintain documentation supporting negotiations to secure a compromise settlement per guidelines	Review of accounts during on-site audits	<ul style="list-style-type: none"> • \$500 per improper or unauthorized compromise settlement. • \$250 if file documentation does not support compromise per guidelines.
SOW: Subparagraph 5.1.7a, TTC Disputes	Stop locate or collection activities immediately. Notify appropriate party within 3 business days after debtor disputes the amount.	Debtor complaints, on-site audits	<ul style="list-style-type: none"> • \$100 per day for each day notification of dispute is late.
SOW: Subparagraph 5.3.2a, TTC Uncollectible Accounts	Report accounts to TTC as required and in a timely manner	Debtor complaints, review accounts during on-site audits	<ul style="list-style-type: none"> • \$100 per day per account not reported.
SOW Subparagraph 5.3.1, Refunds	Process refunds timely and as required	Debtor complaints, review reports	<ul style="list-style-type: none"> • \$150 per day late. • \$250 per incident.

**DELINQUENT ACCOUNT COLLECTION SERVICES
TTC PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
SOW: Subparagraph 5.4.1a, Electronic Exchanges of Information & 5.4.2a, Required Information, Reports and Data Exchanges	Provide TTC with required reports	Review of reports	<ul style="list-style-type: none"> • \$100 per incomplete/inaccurate report. • \$100 per report per each day late.
SOW: Subparagraph 5.6a, TTC Contract Termination/Transition to New Contract	Stop locate or collection activities immediately upon termination or expiration of Contract term. Return accounts to TTC as required in Paragraph 5.6a; all funds received to be forwarded to TTC as required	Review of accounts and reports	<ul style="list-style-type: none"> • \$100 per account per each day not returned. • \$100 per day funds are late to TTC. • \$100 per incident of locate or collection activities after termination or expiration of Contract term.
SOW: Paragraph 6.0, Minimum Internal Controls Requirements	Maintain minimum internal controls as required	Inspection during on-site audits	<ul style="list-style-type: none"> • \$250 per individual noncompliance incident.
SOW: Paragraph 6.0, Minimum Internal Control Requirements; Subparagraph 6.1, General Requirements and Subparagraph 6.4.2a, TTC All Payments	A written Internal Control Plan must be maintained and provided as required.	Receipt and review of Plan	<ul style="list-style-type: none"> • \$50 per each day late. • \$100 if Plan is incomplete.
SOW: Paragraph 7.0, Quality Control	A written Quality Control Plan must be maintained and provided as required.	Receipt and review of Plan	<ul style="list-style-type: none"> • \$50 per each day late. • \$100 if Plan is incomplete.

**DELINQUENT ACCOUNT COLLECTION SERVICES
TTC PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
SOW: Paragraph 8.0, Complaints	Complaints are received, logged, provided to TTC, investigated and reports submitted as required	On site audits; Analyze management reports (e.g. report log-ins); Review debtor complaints	<ul style="list-style-type: none"> • \$100 per day when timeframe is not adhered to. • \$200 for each complaint not reported to TTC.
SOW: Subparagraph 9.1, TTC Mandatory Monthly Meetings	Contractor's representative to attend scheduled meetings.	Attendance	<ul style="list-style-type: none"> • \$500 per occurrence.
Contract: Paragraph 7.0 - Administration of Contract; Subparagraph 7.1, Contractor Contract Administrator	Contractor shall notify the County in writing of any change in name or address of the Contract Administrator.	Inspection & Observation	<ul style="list-style-type: none"> • \$50 per occurrence.
Contract: Paragraph 7.0 - Administration of Contract; Subparagraph 7.2, Contractor's Contract Manager	Notify TTC of Contract Manager/Alternate changes, with resume, within 5 business days.	Inspection, Observation & Complaints	<ul style="list-style-type: none"> • \$50 per day that notification is late.
Contract: Subparagraph 7.5, Background and Security Investigation	Employee Background Checks	Complaints, spot checks of assigned personnel.	<ul style="list-style-type: none"> • \$500 per incident of noncompliance.
Contract: Subparagraph 7.6, Confidentiality	Employee Acknowledgement and Confidentiality Agreement signed prior to beginning	Review of reports; complaints	<ul style="list-style-type: none"> • \$100 per day per employee when form not signed as required. • \$1,000 per unauthorized release of information.

**DELINQUENT ACCOUNT COLLECTION SERVICES
TTC PERFORMANCE REQUIREMENTS SUMMARY (PRS) CHART**

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEEES TO BE ASSESSED
Contract: Subparagraphs 8.24 and 8.25, Insurance	work under the Contract, and provided to TTC. Maintain required insurance policies and provided to TTC.	Receipt and review of insurance information.	<ul style="list-style-type: none"> • \$100 per day late; withhold payments due or Contract termination at TTC's option.
Contract: Subparagraph 8.38 - Record Retention & Inspection/Audit Settlement	Contractor to maintain all required documents as specified in Sub-paragraph 8.38.	Inspection of files	<ul style="list-style-type: none"> • \$50 per occurrence; • \$500 per occurrence if not recovered within 48 hours.
Contract: Subparagraph 8.38 - Record Retention & Inspection/Audit Settlement; Subparagraph 8.38.4, Financial Statements	Provide required financial statements according to schedule.	Review of reports	<ul style="list-style-type: none"> • \$50 per each day that report is late.
Contract: Subparagraph 8.40 - Subcontracting	Contractor shall obtain County's written approval prior to subcontracting any work.	Inspection & Observation	<ul style="list-style-type: none"> • \$500 per occurrence; possible termination for default of contract.

CONTRACTOR'S EEO CERTIFICATIONLinebarger Goggan Blair & Sampson, LLP

Contractor Name

1515 Cleveland Place, Suite 300, Denver, Colorado 80202

Address

74-2864602

Internal Revenue Service Employer Identification Number

GENERAL CERTIFICATION

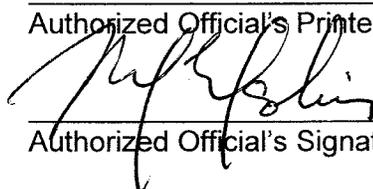
In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of 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.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | | |
|----|---|---|-----------------------------|
| 1. | The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 2. | The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 3. | The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 4. | Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

Michael Scoliere, Capital Partner

Authorized Official's Printed Name and Title



Authorized Official's Signature
12-27-2011
Date

COUNTY'S ADMINISTRATION

CONTRACT NO. _____

COUNTY CONTRACT ADMINISTRATOR:

Name: Donna Doss
Title: Assistant Treasurer and Tax Collector
Address: 500 West Temple Street, Room 100
Los Angeles, California 90012
Telephone: (213) 974-2077 Facsimile: (213) 680-3633
E-Mail Address: ddoss@ttc.lacounty.gov

COUNTY CONTRACT MANAGER:

Name: Tracy Erickson
Title: Assistant Operations Chief
Address: 500 West Temple Street, Room 461
Los Angeles, California 90012
Telephone: (213) 893-7991 Facsimile: (213) 687-1148
E-Mail Address: terickson@ttc.lacounty.gov

COUNTY CONTRACT MONITOR:

Name: Flordeliza Padlan
Title: Accounting Officer II
Address: 500 West Temple Street, Room 461
Los Angeles, California 90012
Telephone: (213) 974-9045 Facsimile: (213) 687-1148
E-Mail Address: fpadlan@ttc.lacounty.gov

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NAME: Linebarger Goggan Blair & Sampson, LLP

CONTRACT NO: _____

CONTRACTOR'S CONTRACT ADMINISTRATOR:

Name: Brian Harms
Title: Director of Operations
Address: 1515 Cleveland Place, Suite 300, Denver, CO 80202
Telephone: 720-979-0223
Facsimile: 720-979-0244
E-Mail Address: Brian.Harms@LGBS.com

CONTRACTOR'S CONTRACT MANAGER:

Name: Michael Scoliere
Title: Capital Partner
Address: 5080 Tuttle Crossing Blvd., Suite 340, Dublin, OH 43016
Telephone: 614-210-8102
Facsimile: 614-889-5015
E-Mail Address: Michael.Scoliere@LGBS.com

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: Michael Scoliere
Title: Capital Partner
Address: 5080 Tuttle Crossing Blvd., Suite 340, Dublin, OH 43016
Telephone: 614-210-8102
Facsimile: 614-889-5015
E-Mail Address: Michael.Scoliere@LGBS.com

Name: Brian Harms
Title: Director of Operations
Address: 1515 Cleveland Place, Suite 300, Denver, CO 80202
Telephone: 720-979-0223
Facsimile: 720-979-0244
E-Mail Address: Brian.Harms@LGBS.com

CONTRACTOR'S ADMINISTRATION

Notices to Contractor shall be sent to the following:

Name: Brian Harms
Title: Director of Operations
Address: 1515 Cleveland Place, Suite 300, Denver, CO 80202
Telephone: 720-979-0223
Facsimile: 720-979-0244
E-Mail Address: Brian.Harms@LGBS.com

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION

- G1 CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G2 CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT
- G3 CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

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 Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

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.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

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 Acknowledgement and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGEMENT:

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.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

CONTRACTOR NON-EMPLOYEE ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

(Note: This certification is to be executed and returned to County with Contractor's executed Contract. Work cannot begin on the Contract until County receives this executed document.)

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 ACKNOWLEDGEMENT:

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.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

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. (Ord. 2002-0015 § 1 (part), 2002)

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 purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 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

Title 2 ADMINISTRATION
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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:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

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. (Ord. 2002-0015 § 1 (part), 2002)

SAFELY SURRENDERED BABY LAW

Safely Surrendered



No shame. No blame. No names.

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

www.babysafela.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.

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?

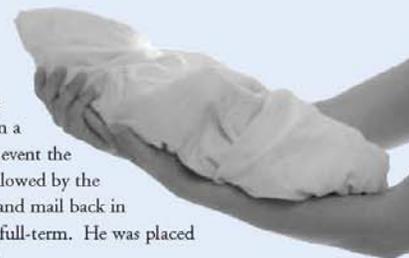
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

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.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



J INTENTIONALLY OMITTED
K INTENTIONALLY OMITTED
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M1 INTENTIONALLY OMITTED
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**AGREEMENT
CONTRACTOR'S OBLIGATIONS AS A
"BUSINESS ASSOCIATE" UNDER THE HEALTH INSURANCE
PORTABILITY AND ACCOUNTABILITY ACT OF 1996
AND THE HEALTH CARE INFORMATION TECHNOLOGY
FOR ECONOMIC AND CLINICAL HEALTH ACT
(BUSINESS ASSOCIATE AGREEMENT)**

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

Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Standards for Privacy of Individually Identifiable Health Information ("Privacy Regulations") and the Health Insurance Reform: Security Standards ("the Security Regulations") at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (together, the "Privacy and Security Regulations"). The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate ("Business Associate Agreement") 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.

Further, pursuant to the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005, *title XIII and title IV of Division B*, ("HITECH Act"), effective February 17, 2010, certain provisions of the HIPAA Privacy and Security Regulations apply to Business Associates in the same manner as they apply to Covered Entity and such provisions must be incorporated into the Business Associate Agreement.

This Business Associate Agreement and the following provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Business Associate in compliance with HIPAA's Privacy and Security Regulations and the HITECH Act, as they now exist or may hereafter be amended.

Therefore, the parties agree as follows:

DEFINITIONS

- 1.1 "Breach" has the same meaning as the term "breach" in 45 C.F.R. § 164.402.
- 1.2 "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.
- 1.3 "Electronic Health Record" has the same meaning as the term "electronic health record" in the HITECH Act, 42 U.S.C. section 17921. Electronic Health Record means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff.
- 1.4 "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.
- 1.5 "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.
- 1.6 "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).
- 1.7 "Minimum Necessary" refers to the minimum necessary standard in 45 C.F.R. § 162.502 (b) as in effect or as amended.

- 1.8 "Privacy Rule" means the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164, also referred to as the Privacy Regulations.
- 1.9 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, 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. "Protected Health Information" includes Electronic Health Information.
- 1.10 "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.
- 1.11 "Security Incident" means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.
- 1.12 "Security Rule" means the Security Standards for the Protection of Electronic Health Information also referred to as the Security Regulations at 45 Code of Federal Regulations (C.F.R.) Part 160 and 164.
- 1.13 "Services" has the same meaning as in the body of this Agreement.

- 1.14 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" in 45 C.F.R. § 164.402.
- 1.15 "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.
- 1.16 Terms used, but not otherwise defined in this Business Associate Agreement shall have the same meaning as those terms in the HIPAA Regulations and HITECH Act.

OBLIGATIONS OF BUSINESS ASSOCIATE

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

(a) shall Use and Disclose Protected Health Information only as necessary to perform the Services, and as provided in Sections 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 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 or in any manner that would constitute a violation of the Privacy Regulations or the HITECH Act if so Used or Disclosed by Covered Entity.

2.2 Prohibited Uses and Disclosures of Protected Health Information. Business Associate:

(a) shall not Use or Disclose Protected Health Information for fundraising or marketing purposes.

(b) shall not disclose Protected Health Information to a health plan for payment or health care operations purposes if the Individual has requested this special restriction and has paid out of pocket in full for

the health care item or service to which the Protected Health Information solely relates.

- (c) shall not directly or indirectly receive payment in exchange for Protected Health Information, except with the prior written consent of Covered Entity and as permitted by the HITECH Act. This prohibition shall not affect payment by Covered Entity to Business Associate. Covered Entity shall not provide such written consent except upon express approval of the departmental privacy officer and only to the extent permitted by law, including HIPAA and the HITECH Act.

2.3 Adequate Safeguards for Protected Health Information. Business Associate:

- (a) 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 Business Associate 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 as in effect or as amended.
- (b) as to Electronic Protected Health Information, shall implement and maintain administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information; effective February 17, 2010, said safeguards shall be in accordance with 45 C.F.R. Sections 164.308, 164.310, and 164.312, and shall comply with the Security Rule's policies and procedure and documentation requirements.

2.4 Reporting Non-Permitted Use or Disclosure and Security Incidents and Breaches of Unsecured Protected Health Information. Business Associate

- (a) shall report to Covered Entity each Use or Disclosure of Protected Health Information that is made by Business Associate, its employees, representatives, Agents, subcontractors, or other parties under Business Associate's control with access to Protected Health Information but which is not specifically permitted by this Business Associate Agreement or otherwise required by law.
- (b) shall report to Covered Entity each Security Incident of which Business Associate becomes aware.
- (c) shall notify Covered Entity of each Breach by Business Associate, its employees, representatives, agents or subcontractors of Unsecured Protected Health Information that is known to Business Associate or,

by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of the Business Associate as determined in accordance with the federal common law of agency.

2.4.1 Immediate Telephonic Report. Except as provided in Section 2.4.3, notification shall be made immediately upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information by telephone call to (562) 940-3335.

2.4.2 Written Report. Except as provided in Section 2.4.3, the initial telephonic notification shall be followed by written notification made without unreasonable delay and in no event later than three (3) business days from the date of discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach by the Business Associate to the Chief Privacy Officer at:

Chief Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple Street
Suite 525
Los Angeles, California 90012
HIPAA@auditor.lacounty.gov
(213) 974-2166

- (a) The notification required by section 2.4 shall include, to the extent possible, the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, Used, or Disclosed; and
- (b) The notification required by section 2.4 shall include, to the extent possible, all information required to provide notification to the Individual under 45 C.F.R. 164.404(c), including:

- (i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
- (ii) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
- (iii) Any other details necessary to conduct an assessment of whether there is a risk of harm to the Individual;
- (iv) Any steps Business Associate believes that the Individual could take to protect him or herself from potential harm resulting from the breach;
- (v) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to the Individual, and to protect against any further Breaches; and
- (vi) The name and contact information for the person most knowledgeable regarding the facts and circumstances of the Breach.

If Business Associate is not able to provide the information specified in section 2.3.2 (a) or (b) at the time of the notification required by section 2.4.2, Business Associate shall provide such information promptly thereafter as such information becomes available.

2.4.3 Request for Delay by Law Enforcement. Business Associate may delay the notification required by section 2.4 if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security. If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay notification, notice, or posting for the time period specified by the official; if the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay notification, notice, or posting temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in paragraph (a) of this section is submitted during that time.

- 2.5 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 Business Associate Agreement.
- 2.6 Breach Notification. Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information, provide Breach notification for each and every Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or subcontractors, in a manner that permits Covered Entity to comply with its obligations under Subpart D, Notification in the Case of Breach of Unsecured PHI, of the Privacy and Security Regulations, including:
- (a) Notifying each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of such Breach;
 - (b) The notification required by paragraph (a) of this Section 2.6 shall include, to the extent possible:
 - (i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
 - (ii) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
 - (iii) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
 - (iv) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to individuals, and to protect against any further Breaches; and
 - (v) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.
 - (vi) The notification required by paragraph (a) of this section shall be written in plain language

- Covered Entity, in its sole discretion, may elect to provide the notification required by this Section 2.6, and Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, including costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information.
- 2.7 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.
- 2.8 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. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act.
- 2.9 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.
- 2.10 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, in order 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 and/or the HITECH Act which requires an Accounting of Disclosures of Protected Health Information maintained in an Electronic Health Record for treatment, payment, and health care operations.

[Optional, to be used when all Uses and Disclosures permitted in order to perform the Services will be for the Covered Entity's payment or health care operations activities: However, Business Associate is not required to provide an Accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.]

Any accounting provided by Business Associate under this Section 2.10 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 2.10, 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 2.10 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. If Business Associate maintains an Electronic Health Record, Business Associate shall provide such information in electronic format to enable Covered Entity to fulfill its obligations under the HITECH Act.

- 2.11 Indemnification. Business Associate shall indemnify, defend, and hold harmless Covered Entity, including its elected and appointed officers, employees, and agents, from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, penalties and fines (including regulatory penalties and/or fines), and expenses (including attorney and expert witness fees), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement; Business Associate's obligations under this provision extend to compliance and/or enforcement actions and/or activities, whether formal or informal, of Secretary of the federal Department of Health and Human Services and/or Office for Civil Rights.

3.0 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.

4.0 TERM AND TERMINATION

4.1 Term. The term of this Business Associate Agreement shall be the same as the term of this Agreement. Business Associate's obligations under Sections 2.1 (as modified by Section 4.2), 2.4, 2.5, 2.6, 2.7, 2.8, 2.9, 2.10, 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 this Agreement, upon either party's knowledge of a material breach by the other party, the party with knowledge of the other party's breach shall:

- (a) Provide an opportunity for the breaching party to cure the breach or end the violation and terminate this Agreement if the breaching party does not cure the breach or end the violation within the time specified by the non-breaching party;
- (b) Immediately terminate this Agreement if a party has breached a material term of this Agreement and cure is not possible; or
- (c) If neither termination nor cure is feasible, 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, 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 Business Associate 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.

5.0 MISCELLANEOUS

- 5.1 No Third Party Beneficiaries. Nothing in this Business Associate 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 Business Associate Agreement.
- 5.3 Relationship to Services Agreement Provisions. In the event that a provision of this Business Associate Agreement is contrary to another provision of this Agreement, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of this Agreement.
- 5.4 Regulatory References. A reference in this Business Associate 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 Business Associate 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 Business Associate Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations and other privacy laws governing Protected Health Information.

INTENTIONALLY OMITTED

Title 2 ADMINISTRATION
Chapter 2.206
DEFAULTED PROPERTY TAX REDUCTION PROGRAM

- 2.206.010 Findings and declarations.
- 2.206.020 Definitions.
- 2.206.030 Applicability.
- 2.206.040 Required solicitation and contract language.
- 2.206.050 Administration and compliance certification.
- 2.206.060 Exclusions/Exemptions.
- 2.206.070 Enforcement and remedies.
- 2.206.080 Severability.

2.206.010 Findings and declarations.

The Board of Supervisors finds that significant revenues are lost each year as a result of taxpayers who fail to pay their tax obligations on time. The delinquencies impose an economic burden upon the County and its taxpayers. Therefore, the Board of Supervisors establishes the goal of ensuring that individuals and businesses that benefit financially from contracts with the County fulfill their property tax obligation. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.020 Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" shall mean any person, firm, corporation, partnership, or combination thereof, which submits a bid or proposal or enters into a contract or agreement with the County.
- B. "County" shall mean the county of Los Angeles or any public entities for which the Board of Supervisors is the governing body.
- C. "County Property Taxes" shall mean any property tax obligation on the County's secured or unsecured roll; except for tax obligations on the secured roll with respect to property held by a Contractor in a trust or fiduciary capacity or otherwise not beneficially owned by the Contractor.
- D. "Department" shall mean the County department, entity, or organization responsible for the solicitation and/or administration of the contract.
- E. "Default" shall mean any property tax obligation on the secured roll that has been deemed defaulted by operation of law pursuant to California Revenue and Taxation Code section 3436; or any property tax obligation on the unsecured roll that remains unpaid on the applicable delinquency date pursuant to California Revenue and Taxation Code section 2922; except for any property tax obligation dispute pending before the Assessment Appeals Board.
- F. "Solicitation" shall mean the County's process to obtain bids or proposals for goods and services.
- G. "Treasurer-Tax Collector" shall mean the Treasurer and Tax Collector of the County of Los Angeles. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.030 Applicability.

This chapter shall apply to all solicitations issued 60 days after the effective date of the ordinance codified in this chapter. This chapter shall also apply to all new, renewed, extended, and/or amended contracts entered into 60 days after the effective date of the ordinance codified in this chapter. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.040 Required solicitation and contract language.

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All solicitations and all new, renewed, extended, and/or amended contracts shall contain language which:

- A. Requires any Contractor to keep County Property Taxes out of Default status at all times during the term of an awarded contract;
- B. Provides that the failure of the Contractor to comply with the provisions in this chapter may prevent the Contractor from being awarded a new contract; and
- C. Provides that the failure of the Contractor to comply with the provisions in this chapter may constitute a material breach of an existing contract, and failure to cure the breach within 10 days of notice by the County by paying the outstanding County Property Tax or making payments in a manner agreed to and approved by the Treasurer-Tax Collector, may subject the contract to suspension and/or termination. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.050 Administration and compliance certification.

A. The Treasurer-Tax Collector shall be responsible for the administration of this chapter. The Treasurer-Tax Collector shall, with the assistance of the Chief Executive Officer, Director of Internal Services, and County Counsel, issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other departments.

B. Contractor shall be required to certify, at the time of submitting any bid or proposal to the County, or entering into any new contract, or renewal, extension or amendment of an existing contract with the County, that it is in compliance with this chapter is not in Default on any County Property Taxes or is current in payments due under any approved payment arrangement. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.060 Exclusions/Exemptions.

A. This chapter shall not apply to the following contracts:

- 1. Chief Executive Office delegated authority agreements under \$50,000;
- 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor;
- 3. A purchase made through a state or federal contract;
- 4. A contract where state or federal monies are used to fund service related programs, including but not limited to voucher programs, foster care, or other social programs that provide immediate direct assistance;
- 5. Purchase orders under a master agreement, where the Contractor was certified at the time the master agreement was entered into and at any subsequent renewal, extension and/or amendment to the master agreement.
- 6. Purchase orders issued by Internal Services Department under \$100,000 that is not the result of a competitive bidding process.
- 7. Program agreements that utilize Board of Supervisors' discretionary funds;
- 8. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar related group purchasing organization;
- 9. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles Purchasing Policy and Procedures

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Manual, section P-3700 or a successor provision;

10. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, section 4.6.0 or a successor provision;

11. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, section P-2810 or a successor provision;

12. A non-agreement purchase worth 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

13. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual section P-0900 or a successor provision;

14. Other contracts for mission critical goods and/or services where the Board of Supervisors determines that an exemption is justified.

B. Other laws. This chapter shall not be interpreted or applied to any Contractor in a manner inconsistent with the laws of the United States or California. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.070 Enforcement and remedies.

A. The information furnished by each Contractor certifying that it is in compliance with this chapter shall be under penalty of perjury.

B. No Contractor shall willfully and knowingly make a false statement certifying compliance with this chapter for the purpose of obtaining or retaining a County contract.

C. For 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; and/or,

3. Recommend to the Board of Supervisors that an exemption is justified pursuant to Section 2.206.060.A.14 of this chapter or payment deferral as provided pursuant to the California Revenue and Taxation Code. (Ord. No. 2009-0026 § 1 (part), 2009.)

2.206.080 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. (Ord. No. 2009-0026 § 1 (part), 2009.)