BOARD OF SUPERVISORS | Hilda L. Solis First District | Holly J. Mitchell Second District | Lindsey P. Horvath Third District | Janice Hahn Fourth District | Kathryn Barger Fifth District

Chief Executive Office.

COUNTY OF LOS ANGELES
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 973-1101 ceo.lacounty.gov

CHIEF EXECUTIVE OFFICER
Joseph M. Nicchitta

"To Enrich Lives Through Effective and Caring Service"

November 17, 2026

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

Dear Supervisors:

APPROVAL TO EXECUTE FOUR CONTRACTS FOR WORKERS' COMPENSATION MEDICAL MANAGEMENT AND COST CONTAINMENT SERVICES (ALL DISTRICTS) (3-VOTES)

SUBJECT

The Chief Executive Office (CEO) is requesting authority to execute four contracts, with Allied Managed Care, Inc. (Allied), Broadspire Services, Inc. (Broadspire), EK Health Services Inc. (EK Health), and Medata LLC (Medata), for the purpose of providing Workers' Compensation Medical Management and Cost Containment (MMCC) services for the County of Los Angeles (County).

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the Chief Executive Officer, or his designee, to execute four contracts, substantially similar to Enclosure I, with Allied, Broadspire, EK Health, and Medata, respectively, to provide MMCC services, effective January 1, 2027, all for an initial four-year term, with four optional one-year extensions, and one optional subsequent six-month extension, for an aggregate total not-to-exceed contract amount of $111,600,000 for the initial term, and an aggregate total not-to-exceed contract amount of $237,500,000 should all the extension options be exercised for all four contracts.

2. Authorize the Chief Executive Officer, or his designee, to execute amendments and change notices pursuant to each of the contract's terms to: a) exercise the renewal options and subsequent six-month extension; b) execute applicable contract amendments should the original contracting entities merge, be acquired by other entities, or otherwise have a change of entity; c) provide for an increase in funding of up to 10 percent above the original contract amount to ensure compliance with federal, State, or County regulations; and d) revise terms and conditions or statement of work requirements, as necessary, to comply with Board of Supervisors (Board) policies, legal

requirements, program requirements, and/or to address business needs.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the CEO to enter into four new contracts with Allied, Broadspire, EK Health, and Medata, to continue providing MMCC services for the County's Workers' Compensation Program. These services are essential to controlling program costs by providing integrated MMCC services in four primary areas: 1) Medical Bill Review; 2) Medical Case Management/Nurse Case Management; 3) Utilization Review; and 4) Medical Provider Network and Preferred Provider Organization Networks. The County also requires the contractors to support return-to-work efforts, thereby increasing productivity, enhancing employee well-being, and improving overall program outcomes. The current MMCC contracts expire on December 31, 2026.

Approval of the second recommendation will allow the CEO to exercise the available extension options, implement necessary funding adjustments, and provide flexibility to execute future amendments in order to effectively manage the contracted services, and transfer workload between MMCC contractors as needed. Although the County is under no obligation to increase contract amounts, additional funding may be authorized if the contractors provide evidence of eligible costs, and if such adjustments are determined to be in the best interest of the County. This recommendation has no impact on Net County Cost (NCC).

Implementation of Strategic Plan Goals

The recommended actions support the Countywide Strategic Plan: North Star 3, Realize Tomorrow's Government Today, Goal G (Internal Controls and Processes), by continuing vital State-mandated workers' compensation risk management services through the use of qualified independent contractors to enhance the efficiency and effectiveness of the County's Workers' Compensation Program, maximize resources, and ensure fiscal responsibility.

FISCAL IMPACT/FINANCING

Funding for Workers' Compensation MMCC services under the new contracts is included in the Fiscal Year 2026-27 Budget. The total maximum obligation for the four-year base term is $111,600,000, fully offset by the Workers' Compensation Operating Budget. The total maximum obligation, if all option years and the subsequent six-month extension are exercised, is $237,500,000. Funding for the optional extensions will be included in future budget cycles and will not impact the NCC.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to section 44.7 of the Los Angeles County Charter, Los Angeles County Code 2.121.250, and Government Code 31000.8, the Board may award contracts for services provided by independent contractors or private firms.

In 1996, a consulting firm recommended that the County establish a comprehensive medical and disability management program integrating medical fee review services with Preferred Provider Organization networks, nurse case management, and 24-hour claim reporting. Since 1998, the County has contracted for workers' compensation medical and disability management and cost containment services. Due to the highly specialized and technical nature of the contracted services,

the recommended contracts are not Proposition A contracts or subject to Living Wage Program requirements (County Code Chapter 2.201); additionally, in accordance with Board Policy No. 5.030 (Low-Cost Labor Resource Program), the CEO considered alternative low-cost labor resource options but determined that the contracted services are not suitable for such program providers.

Three of the recommended contracts contain the County's and CEO's standard terms and conditions and have been approved as to form by County Counsel. Broadspire requested revisions to certain terms and conditions, which were negotiated and subsequently reviewed by County Counsel and CEO Risk Management Branch and approved as to form by County Counsel. The terms and conditions provided under this contract vary slightly from the County's standard language but contain no material alteration of the County's requirements.

CONTRACTING PROCESS

On May 21, 2025, the CEO released a Request for Proposals for MMCC services. The solicitation was posted on the "Doing Business with Los Angeles" County website, and a mandatory virtual proposers' conference was held on June 4, 2025. Eight proposals were received by July 9, 2025, deadline for submission of proposals. An evaluation committee comprised of County subject matter experts independently reviewed and scored the eight proposals based on the criteria outlined in the Request for Proposals and in compliance with Board Policy No. 5.054 (Evaluation Methodology for Solicitation Responses).

Following the completion of the evaluation process, the CEO identified four proposers, Allied, Broadspire, EK Health, and Medata, as the highest-overall rated for MMCC Contract Services Units A – D. Selection and non-selection notices were issued, negotiations concluded successfully, and debriefings were conducted for proposers requesting a debriefing of their proposal. Two proposers filed Notices of Intent to submit a Proposed Contractor Selection Review (PCSR). One PCSR Request was submitted, and a reviewer independent of the solicitation process determined the PCSR had no merit. The written PCSR determination was transmitted to the proposer, and the CEO did not receive any further protests.

A summary of the Community Business Enterprise Program information collected from all proposers is attached (Enclosure II). The recommended contractors were selected without regard to race, creed, color, or sex.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

No impact on current services or projects is anticipated. Approval of the recommended actions will ensure continuity of critical risk management services within the County's Workers' Compensation Program.

Respectfully submitted,



Joseph M. Nicchitta

Chief Executive Officer

JMN:JG:DC
AT:LG:WM:rn

Enclosures

c: Executive Office, Board of Supervisors
County Counsel

Enclosure I

CONTRACT

BY AND BETWEEN

COUNTY OF LOS ANGELES

AND

(CONTRACTOR)

FOR

WORKERS' COMPENSATION
MEDICAL MANAGEMENT AND COST CONTAINMENT (MMCC) SERVICES
UNIT ____

CONTRACT NUMBER: AO-26-4__

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C County's Administration

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E Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")

F Information Security and Privacy Requirements Exhibit

CONTRACT BETWEEN
COUNTY OF LOS ANGELES
AND
(CONTRACTOR)
FOR
WORKERS' COMPENSATION MEDICAL MANAGEMENT AND COST CONTAINMENT (MMCC) SERVICES
UNIT ___

This Contract ("Contract") made and entered into by and between the County of Los Angeles, hereinafter referred to as "County" and Contractor Name, hereinafter referred to as "Contractor". County and Contractor are also referred to herein collectively as "parties," and each as a "party" in the singular. Contractor Name is located at Contractor Address.

RECITALS

WHEREAS, the County may contract with private businesses for worker's compensation medical management and cost containment services when certain requirements are met; and

WHEREAS, the Contractor is a firm specializing in providing worker's compensation medical management and cost containment services; and

WHEREAS, Los Angeles County Code Section 5.31.050 provides that the County establishes, administers, and operates a complete self-insurance workers' compensation program; and

WHEREAS, pursuant to the California Government Code Sections 31000 and 31000.8, County is authorized to contract with private firms to perform such services when certain requirements are met; and

WHEREAS, on [Month] [Day], 2026, the County Board of Supervisors adopted recommendations in a Board letter submitted by the Chief Executive Office (CEO), and delegated authority to the County CEO, or his designee, to execute a contract with [Contractor Name] to provide MMCC services for the County's Workers Compensation Program, Unit ___, for an initial four-year term, effective January 1, 2027 and continuing through December 31,

2030; and to amend the contract by executing four (4) optional one-year contract extension periods, to extend the contract through December 31, 2034; and one (1), optional six month extension to extend the term through June 30, 2035, effective upon amendment execution by the County; and to amend the contract to provide an increase or decrease in funding of up to 10 percent above or below the original contract amount to ensure compliance with Federal, State, or County regulations, and make modifications to the program requirements, effective upon amendment execution by the County.

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 through F 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 will be resolved by giving precedence first to the terms and conditions of the Contract and then to the Exhibits according to the following priority.

Contract Exhibits:

Exhibit A	Statement of Work
Exhibit B	Pricing Schedule
Exhibit C	County's Administration
Exhibit D	Contractor's Administration
Exhibit E	Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")
Exhibit F	Information Security and Privacy Requirements Exhibit

This Contract constitutes 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 will be valid unless prepared pursuant to Paragraph 8.1 (Amendments) and signed by both parties.

2.0 DEFINITIONS

2.1 Standard 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 must be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

2.1.1 **Administrative Director:** Administrative Director of the California Department of Industrial Relations Division of Workers' Compensation (DWC).

2.1.2 **Board of Supervisors (Board)**: The Board of Supervisors of the County acting as governing body.

2.1.3 **California Workers' Compensation Information System (WCIS):** system for receiving workers' compensation medical bill payment records data via EDI, as provided in Labor Code § 138.6, collecting comprehensive information from claims administrators to help the Department of Industrial Relations oversee the state's workers' compensation system.

2.1.4 **Workers' Compensation Claims Administration System (WCCAS)**: The County's current workers' compensation system, to be used by Contractor. This system includes online input of claims, bills, and litigation data, including all payment and salary continuation authorizations

2.1.5 **Contract**: This agreement executed between County and Contractor. Included are all supplemental agreements amending or extending the service to be performed. The Contract sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services, and other work.

2.1.6 **Contractor**: The person or persons, sole proprietor, partnership, joint venture, corporation or other legal entity who has entered into an agreement with the County to perform or execute the work covered by this Contract.

2.1.7 **Contractor's Project Manager**: The person designated by the Contractor to administer the Contract operations under this Contract.

2.1.8 **County's Contract Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.

2.1.9 **County's Project Manager**: Person designated by County's Contract Director to manage the operations under this Contract.

2.1.10 **County's Project Monitor**: Person with responsibility to oversee the day-to-day activities of this Contract. Responsible for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.

2.1.11 **County's Third-Party Administrators (TPA):** County's Contractors providing management of worker compensation files.

2.1.12 **County Observed Holidays**: Days on which County departments are closed for business in observance of significant events. A list of County observed holidays may be found on the County's website https://lacounty.gov/government/about-la-county/about/.

2.1.13 **Day(s)**: Calendar day(s) unless otherwise specified.

2.1.14 **Department:** The County of Los Angeles Chief Executive Office, which is entering into this Contract on behalf of the County of Los Angeles.

2.1.15 **Division of Workers' Compensation (DWC):** The Division of Workers' Compensation (DWC) of the State of California's Department of Industrial Relations (DIR) monitors the administration of workers' compensation claims, and provides administrative and judicial services to assist in resolving disputes that arise in connection with claims for workers' compensation benefits.

2.1.16 **Electronic Data Interchange:** The computer-to-computer exchange of data or information in a standardized format. In California workers' compensation, medical EDI refers to the electronic transmission of detailed medical bill payment records information from trading partners, i.e., senders, to the California DWC.

2.1.17 **Employer Report of Injury (DWC 5020):** Employer's Report of Occupational Injury or Illness form.

2.1.18 **Explanation of Review:** The explanation of the medical payment or denial of the medical payment.

2.1.19 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

2.1.20 **On-Site County Representative:** County personnel assigned to monitor the activities of the Third-Party Administrators.

2.1.21 **Pharmacy Benefit Management (PBM):** A contract or agreement with a pharmacy group to supply medications and supplies to injured workers in accordance with Labor Code 4600.2.

2.1.22 **Risk Management Information System (RMIS):** As used herein, "Risk Management Information System" and/or "RMIS" will mean the County's current risk management and claims administrative matter management information system and ad-hoc reporting capabilities. The specifications of the current Risk Management Information System is provided in the Exhibit A (Statement of Work), Attachments 5a and 5b. The WCCAS is a module within the RMIS.

2.1.23 **Quality Control Plan:** All measures taken by the Contractor to assure that the quality of the services meet contractual requirements regarding timeliness, accuracy, appearance, completeness and consistency.

2.1.24 **Statement of Work**: A written description of the work to be performed by Contractor to meet the needs of the County, including special provisions pertaining to the method, frequency, manner, and place of performing the contract services.

2.1.25 **Subcontract**: An agreement by the Contractor to employ a subcontractor to provide services to fulfill this Contract.

2.1.26 **Subcontractor**: Any individual, person or persons, sole proprietor, firm, partnership, joint venture, corporation, or other legal entity furnishing supplies, services of any nature, equipment, and/or materials to Contractor in furtherance of Contractor's performance of this Contract, at any tier, under oral or written agreement.

2.1.27 **Workers' Compensation Medical Management and Cost Containment (MMCC) Services:** Services set forth in Exhibit A, (Statement of Work) to provide cost effective medical services to County injured workers.

3.0 WORK

3.1 Pursuant to the provisions of this Contract, the Contractor must fully perform, complete and deliver on time, all tasks, deliverables, goods, services and other work as set forth in herein.

3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same will be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor must have no claim whatsoever against the County.

3.3 The County will have sole discretion to reassign any or all work under this Contract to another contracted vendor(s) if County deems it to be in its best interest.

3.4 The County will have sole discretion to separate any service or portion of the services required under this Contract and assign the work to a new contractor or an existing County contractor(s) if it deems it to be in its best interest.

3.5 Upon mutual agreement between the County and Contractor, the Contractor must assume County workload from other Workers' Compensation MMCC Contractors at the same terms and conditions as the presiding contract or as determined in the best interest of County. CEO is authorized by the Board to execute such agreements.

4.0 TERM OF CONTRACT

4.1 The term of this Contract will be four (4) years, commencing upon execution by the County's Chief Executive Officer, or his designee, as authorized by the County's Board of Supervisors, or January 1, 2027, whichever is later, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 The County will have the sole option to extend this Contract term for up to four (4) additional one (1) year periods and six (6) month to month extensions, for a maximum total Contract term of eight (8) years and six (6) months. Each such extension option may be exercised at the sole discretion of the Chief Executive Officer or designee, as authorized by the Board.

The County maintains a database that tracks/monitors Contractor performance history. Information entered into the database may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

4.3 The Contractor must notify Department when this Contract is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor must send written notification to Department at the address herein provided in Exhibit D (County's Administration).

5.0 CONTRACT SUM

5.1 Total Contract Sum

5.1.1 The Contract Sum under this contract will be the total monetary amount payable by County to Contractor for supplying all the tasks, deliverables, goods, services and other work specified under this Contract. Contractor will provide services at the rates identified in Exhibit B (Pricing Schedule).

5.1.2 The Department may increase the total contract amount by up to 10%, as approved by the Board. The County does not warrant or represent that all, or any portion, of the not-to-exceed contract amount will be authorized, allocated, or expended by the County; nor does the County warrant or represent that it will authorize the selected contractor(s) to perform any work or services of any monetary amount.

5.2 Written Approval for Reimbursement

The Contractor will not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any person or entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, must not occur except with the County's express prior written approval.

5.3 Notification of 75% of Total Contract Sum

The Contractor must maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract sum under this Contract. Upon occurrence of this event, the

Contractor must send written notification to Department at the address herein provided in Exhibit D (County's Administration).

5.4 No Payment for Services Provided Following Expiration-Termination of Contract

The Contractor will 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 must immediately notify County and must immediately repay all such funds to County. Payment by County for services rendered after expiration-termination of this Contract will not constitute a waiver of County's right to recover such payment from the Contractor.

5.5 Invoices and Payments

5.5.1 The Contractor must invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A (Statement of Work and Attachments) and elsewhere hereunder. The Contractor must prepare invoices, which will include the charges owed to the Contractor by the County under the terms of this Contract, and subject to the adjustments and conditions set forth herein.

5.5.2 The Contractor's invoices must be priced in accordance with Exhibit B (Pricing Schedule). Contractor will be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment will be due to the Contractor for that work. The Contractor's invoices must include supplemental data following the form and format set forth in Statement of Work Attachment 3, Sample Invoice Supplemental Data Format, of the Contract.

5.5.3 The Contractor must submit the monthly invoices to the County by the 15th calendar day of the month following the month of service to the County's Project Monitor.

5.5.4 County Approval of Invoices

All invoices submitted by the Contractor for payment must have the written approval of the County's Project Manager prior to any payment thereof. In no event will the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

5.5.5 Preference Program Enterprises - Prompt Payment Program

Certified Prompt Payment Enterprises (PPEs) will receive prompt payment for services they provide to County departments. Prompt payment is defined as fifteen (15) calendar days after receipt of an approved, undisputed invoice which has been properly matched against

documents such as a receiving, shipping, or services delivered report, or any other validation of receipt document consistent with Board Policy 3.035 (Preference Program Payment Liaison and Prompt Payment Program).

5.6 Adjustments to Monthly Invoices and Total Fees Paid

5.6.1 The County may reduce the monthly invoice for assessment of adjustments to payments pursuant to Paragraph 5.7 (Adjustments for Overpayment, Fine, Penalty or Other Cost) for which the County has notified Contractor pursuant to Paragraph 5.8 (Notice of Assessment of Adjustments to Payments) at any time prior to receipt of the monthly invoice.

5.6.2 The total fees paid pursuant to this Contract will be reduced for overpayments, fines, penalties and other costs incurred by County due to the Contractor's failure to comply with any term or condition of this Contract as further set forth in Paragraph 5.7 (Adjustments for Overpayment, Fine, Penalty or Other Cost); and will be increased or reduced as set forth in Paragraph 6.0 (Quality Control Plan) of Exhibit A (Statement of Work); and will be reduced for adjustments for Contractor's failure to meet performance requirements as further set forth in the Performance Requirements Summary Chart. The County's payment is subject to adjustment following audit as set forth in Paragraph 8.37 (Record Retention and Inspection/Audit Settlement) of this Contract.

5.7 Adjustments for Overpayment, Fine, Penalty or Other Cost

5.7.1 The Contractor must reimburse the County for any overpayment, fine, penalty or defense cost incurred due to the Contractor's failure to comply with any term or condition of this Contract. No reimbursement by the Contractor is required under this section if Contractor's act(s) and/or omission(s) were expressly approved or directed by an authorized County representative. Such failure includes but is not limited to the following:

5.7.2 Late payment or nonpayment of any medical bill to any medical provider resulting in penalty or attorney fees.

5.7.3 Overpayment of any medical bill owed to any medical provider in a case due to Contractor's failure to comply with the general standards of care and generally accepted best practices of the workers' compensation claims administration industry or any written County policy provided to Contractor prior to the overpayment.

5.7.4 Excessive payment to any medical provider in a case due to Contractor's failure to comply in a timely manner with the general standards of care

and generally accepted best practices of the workers' compensation claims administration industry or any written County policy provided to Contractor prior to the excessive payment.

5.7.5 Fines or penalty assessed against the Contractor or the County due to the Contractor's failure to comply with the general standards of care and generally accepted practices in the workers' compensation claims administration industry or any written County policy provided to Contractor prior to the failure by Contractor.

5.8 Notice of Assessment of Adjustments to Payments

5.8.1 The County will give notice to the Contractor of any assessment of adjustment pursuant to Paragraph 5.7 (Adjustments for Overpayment, Fine, Penalty or Other Cost). The Contractor will have the opportunity to respond to the assessment including the following:

5.8.2 Evidence that an overpayment or excessive cost was not made.

5.8.3 Evidence that the Contractor complied with the general standards of care and generally accepted practices of the workers' compensation claims administration industry or any written County policy provided to Contractor.

5.8.4 Evidence that Contractor prior approval from an authorized County official.

5.9 Mandatory Dispute Arbitration

5.9.1 The Contractor and the County will submit all disputes relating to Paragraph 5.7 (Adjustments for Overpayment, Fine, Penalty or Other Cost), to binding arbitration, in accordance with California Code of Civil Procedure Sections 1280 through 1294.2. Either the Contractor or the County may enforce the award of the arbitrator under Section 1285 of the Code. The Contractor and the County understand that they are waiving their rights to a jury trial.

5.9.2 The Contractor and the County will select a mutually acceptable arbitrator. If for any reason the Contractor and the County cannot agree on a mutually acceptable arbitrator, either the Contractor or the County may apply to the Superior Court for the designation of five possible arbitrators meeting the qualifications of Paragraph 5.9.2. The Contractor and the County may then each strike two names from the list within the next five (5) days. The court shall then appoint as arbitrator a person whose name has not been struck from the list.

5.9.3 The arbitrators selected by the Superior Court under Paragraph 5.9.1 must have at least ten (10) years' experience in workers' compensation claims administration. This provision may be waived by mutual

agreement of the County and the Contractor. The County's Project Manager is authorized to agree to a waiver on behalf of the County.

5.10 Default Method of Payment: Direct Deposit or Electronic Funds Transfer

5.10.1 The County, at its sole discretion, has determined that the most efficient and secure default form of payment for goods and/or services provided under an agreement/contract with the County will be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Auditor-Controller (A-C).

5.10.2 The Contractor must submit a direct deposit authorization request via the website https://directdeposit.lacounty.gov with banking and vendor information, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

5.10.3 Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit will supersede this requirement with respect to those payments.

5.10.4 At any time during the duration of the Contract, a Contractor may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), will decide whether to approve exemption requests.

5.11 Unresolved Disallowed Costs

Contractor must not invoice the County for disallowed costs under the Contract. Correspondingly, the Contractor must not have unresolved disallowed costs in excess of One Hundred Thousand Dollars ($100,000) that have been confirmed as disallowed costs by the contracting County department, and remain unpaid for a period of six (6) months or more from the date of an Auditor-Controller (A-C) Report. Unless such disallowed costs are the subject of current good faith negotiations, as determined in the sole discretion of the County, non-compliance by Contractor regarding this provision will constitute a material breach of the Contract and may result in termination for default, in addition to any other remedies available to the County. Further, if Contractor has been determined to have unresolved disallowed costs in excess of $100,000 for longer than six months since the date of the A-C Report, they will be disqualified from future County solicitations unless such disallowed costs are the subject of good faith negotiations to resolve the disallowed costs, in the sole opinion of the County, or have already been resolved.

6.0 ADMINISTRATION OF CONTRACT - COUNTY

6.1 County's Administration

A listing of all County Administration referenced in the following paragraphs are designated in Exhibit D (County's Administration). The County will notify the Contractor in writing of any changes as they occur.

6.2 County's Contract Director

The role of the County's Contract Director may include:

6.2.1 Coordinating with Contractor and ensuring Contractor's performance of the Contract; however, in no event will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby; and

6.2.2 Upon request of the Contractor, providing direction to the Contractor, as appropriate in areas relating to County policy, information requirements, and procedural requirements; however, in no event, will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

6.2.3 In the event of a dispute regarding substantive questions, the County's Contract Director's interpretation shall prevail including without limitation, interpretation of Federal, State and local laws, civil procedures, legal process, court rules and administrative regulations.

6.2.4 County's Contract Director is authorized to initiate and enter into change notices which do not change the terms and conditions of this Contract in accordance with 8.1 (Amendments).

6.3 County's Project Manager

The role of the County's Project Manager is authorized to include:

6.3.1 Meeting with the Contractor's Project Manager on a regular basis; and

6.3.2 Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor; however, in no event will Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

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.

6.4 County's Project Monitor

The role of the County's Project Monitor is to oversee the day-to-day administration of this Contract; however, in no event will Contractor's obligation to fully satisfy all

of the requirements of this Contract be relieved, excused or limited thereby. The County's Project Monitor reports to the County's Project Manager.

7.0 ADMINISTRATION OF CONTRACT - CONTRACTOR

7.1 Contractor's Administration

A listing of all of Contractor's Administration referenced in the following paragraphs is designated in Exhibit E (Contractor's Administration). The Contractor will notify the County in writing of any changes as they occur.

7.2 Contractor's Project Manager

7.2.1 The Contractor's Project Manager is designated in Exhibit E (Contractor's Administration). The Contractor must notify the County in writing of any change to Exhibit E (Contractor's Administration), as changes occur.

7.2.2 The Contractor's Project Manager will be responsible for the Contractor's day-to-day activities as related to this Contract and will meet and coordinate with County's Project Manager or designee on a regular basis.

7.2.3 The Contractor's Project Manager must have at minimum three (3) years of experience in supervising or managing California workers' compensation medical and disability management and cost containment services.

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 Project Manager.

7.4 Contractor's Staff Identification

Contractor will 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 Each of Contractor's staff performing services under this Contract, who is in a designated sensitive position, as determined by County in County's sole discretion, must undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but will not be limited to, criminal conviction information. The fees associated with the background investigation will be at the expense of the Contractor,

regardless of whether the member of Contractor's staff passes or fails the background investigation.

If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be removed immediately from performing services under the Contract. Contractor must comply with County's request at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation.

7.5.2 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.5.3 These terms will also apply to subcontractors of County contractors.

7.5.4 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.5 will not relieve 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 agrees that all County Information, including but not limited to, data and information in any form such as documents, reports, algorithms, programs, graphics, cartographs, audiovisuals, and all other materials that are in possession of, belong to, or were obtained from the County; or originated, created, or developed by Contractor under the Contract ("County Information"), is confidential and proprietary to the County regardless of whether such information was disclosed intentionally or unintentionally, or marked as "confidential". Contractor will not disclose any County Information except as described under this Contract.

7.6.2 Contractor must maintain the confidentiality of all records and County Information, including but not limited to billings, County records, case records and patient records under this Contract 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.

7.6.3 Contractor may disclose County Information only as necessary to carry out its obligations and to those individuals who have a need to know, or as required by law, and is prohibited from using County Information for any other purpose without the prior express written approval of the

County's Project Manager and County's Contract Director. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor must notify the County's Project Manager immediately and prior to any such disclosure, to provide the County an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.

7.6.4 Contractor agrees to immediately report to County any and all violations of these provisions by Contractor and staff, including but not limited to officers, employees, agents, volunteers, interns, subcontractors, and individuals providing services hereunder and/or by any other person of whom Contractor becomes aware.

7.6.5 If Contractor receives a request for the release of any data or information involving County Information, the Contractor must notify the County within three (3) calendar days and the County will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request.

7.6.6 Contractor must inform all its staff, including but not limited to officers, employees, agents, volunteers, interns, subcontractors, and individuals providing services hereunder of the Confidentiality provisions of this Contract and ensure compliance of these provisions.

7.6.7 Contractor must 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 Paragraph, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will 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 will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will 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.

7.6.8 Contractor acknowledges and agrees that due to the unique nature of County Information there can be no adequate remedy at law for any

breach of its obligations hereunder, that any such breach may result in irreparable harm to the County, and therefore, that upon any such breach, the County will be entitled to appropriate equitable remedies, and may seek injunctive relief from a court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies are available within law or equity. Any breach of these provisions will constitute a material breach of this Contract and be grounds for immediate termination of this Contract in the exclusive discretion of the County.

7.6.9 Contractor acknowledges that violation of these provisions may subject Contractor and Contractor's staff, including but not limited to officers, employees, agents, volunteers, interns, subcontractors, and individuals providing services hereunder to civil and/or criminal action and that the County may seek all possible legal redress.

8.0 STANDARD TERMS AND CONDITIONS

8.1 Amendments

8.1.1 For any change which affects the scope of work, contract term, contract sum, payments, or any term or condition included under this Contract, an amendment to the Contract must be prepared and executed by the Contractor and by the CEO or designee.

8.1.2 The County's Board or CEO 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 or CEO. To implement such changes, an Amendment to the Contract must be prepared and executed by the Contractor and by the Director or designee.

8.1.3 The CEO or designee, may at their sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Contract). The Contractor agrees that such extensions of time will not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract must be prepared and executed by the Contractor and by the CEO or designee.

8.1.4 Notwithstanding Sub-paragraphs 8.1.3 of the Contract, to approve and execute amendments pursuant to the contracts provisions, for: 1) any extensions of the term of this Contract as set forth in sub-paragraph 4.2 of the Contract; and 2) any modification related to Contractor's assignment or delegation of the Contract, or other such changes in ownership, pursuant to Paragraph 8.2 of the Contract; and 3) any modification to provide an increase or decrease in funding up to 10

percent above or below the total Contract Sum to ensure compliance with Federal, State, or County regulations, and to make modifications to the program requirements; an Amendment to the Contract shall be prepared by the County and executed by the Contractor and the Chief Executive Officer, or designee.

8.1.5 County reserves the right to initiate Change Notices that do not affect the scope, term, contract sum or payments. All such changes shall be accomplished with an executed Change Notice signed by the Contractor and by the Chief Executive Officer or designee.

8.2 Assignment and Delegation/Mergers or Acquisitions

8.2.1 The Contractor must notify the County of any pending acquisitions/mergers of its company unless otherwise legally prohibited from doing so. If the Contractor is restricted from legally notifying the County of pending acquisitions/mergers, then it should notify the County of the actual acquisitions/mergers as soon as the law allows and provide to the County the legal framework that restricted it from notifying the County prior to the actual acquisitions/mergers.

8.2.2 The Contractor must not assign, exchange, transfer, or delegate its rights or duties under this Contract, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment, delegation, or otherwise transfer of its rights or duties, without such consent will be null and void. For purposes of this Paragraph, County consent will 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 will be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

8.2.3 Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any person or 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, will be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County will 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 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 will also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation will 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 must continue to provide all of the services set forth in this Contract.

8.5 Complaints

The Contractor must develop and maintain operating procedures for receiving, investigating and responding to complaints.

8.5.1 Complaint Procedures

- Within thirty (30) business days after the Contract effective date, the Contractor must provide the County with the Contractor's procedures for receiving, investigating and responding to user complaints.
- The County will review the Contractor's procedures and provide the Contractor with approval of said procedures or with requested changes.
- If the County requests changes in the Contractor's procedures, the Contractor must make such changes and resubmit the procedures within five (5) business days for County approval.
- If, at any time, the Contractor wishes to change the Contractor's procedures, the Contractor must submit proposed changes to the County for approval before implementation.
- The Contractor must preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.
- When complaints cannot be resolved informally, a system of follow-through will be instituted which adheres to formal plans for specific actions and strict time deadlines.

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

8.6 Compliance with Applicable Laws

8.6.1 In the performance of this Contract, Contractor must 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 must 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 Paragraph will be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County will 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 will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor will 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 will, 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. Additionally, Contractor certifies to the County:

8.7.1 That Contractor has a written policy statement prohibiting discrimination in all phases of employment.

8.7.2 That Contractor periodically conducts a self-analysis or utilization analysis of its work force.

8.7.3 That Contractor has a system for determining if its employment practices are discriminatory against protected groups.

8.7.4 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.

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.

8.8.2 Written Employee Jury Service Policy

- 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 must have and adhere to a written policy that provides that its Employees will 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.

- For purposes of this Paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of fifty thousand dollars ($50,000) or more in any twelve (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 forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by 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 ninety (90) days or less within a twelve (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 will also be subject to the provisions of this Paragraph. The provisions of this Paragraph will be inserted into any such subcontract agreement and a copy of the Jury Service Program must be attached to the Contract.

- If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor will have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor must 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 must 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.
- Contractor's violation of this Paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar 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, will 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 will 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 must 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 must immediately make full written disclosure of such facts to the County. Full written disclosure must 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 Paragraph will be a material breach of this Contract.

8.10 Consideration of Hiring County Employees Targeted for Layoffs or are on a County 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 must 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/START Participants

8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor will 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 Skills and Training to Achieve Readiness for Tomorrow (START) Program who meet the contractor's minimum qualifications for the open position. For this purpose, consideration will mean that the Contractor will interview qualified candidates. The County will refer GAIN/START participants by job category to the Contractor. Contractors must report all job openings with job requirements to: gainstart@dpss.lacounty.gov and BSERVICES@OPPORTUNITY.LACOUNTY.GOV and DPSS will refer qualified GAIN/START job candidates.

8.11.2 In the event that both laid-off County employees and GAIN/START participants are available for hiring, County employees must 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 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

- 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.
- The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative will be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board will prepare a tentative proposed decision, which will 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 will be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board.
- 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 will be presented to the Board. The Board will have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect

for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. 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.

- 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 will conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing will be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- The Contractor Hearing Board's proposed decision will contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board will present its proposed decision and recommendation to the Board. The Board will 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 will also apply to subcontractors of County contractors.

8.13 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 must notify and provide to its employees, and will 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 information on where and how to safely surrender a baby. Additionally, 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" (available in English/Spanish/Chinese/Korean) 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 Contractor, and its subcontractor(s), can access posters and other program material at 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 contracts 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 will during the term of this Contract, maintain 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 will 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

The County or its agent(s) will monitor the Contractor's performance under this Contract on not less than an annual basis. Such monitoring will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are significant or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board and listed in the appropriate contractor performance database. The report to the Board 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.

8.16 Interpretation

8.16.1 This Contract shall be governed by and construed in accordance with the law of the State of California. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Contract.

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 must 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 must retain all such documentation for all covered employees for the period prescribed by law.

8.17.2 The Contractor must 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 Counterparts and Electronic Signatures and Representations

This Contract may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same Contract. The facsimile, email or electronic signature of the parties will be deemed to constitute original signatures, and facsimile or electronic copies hereof will be deemed to constitute duplicate originals.

The County and the Contractor hereby agree to regard electronic representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Paragraph 8.1 (Amendments) and received via communications facilities (facsimile, email or electronic signature), as legally sufficient evidence that such legally binding signatures have been affixed to Amendments to this Contract.

8.19 Fair Labor Standards

The Contractor must comply with all applicable provisions of the Federal Fair Labor Standards Act and must 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 will 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 Paragraph as "force majeure events").

8.20.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor will 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 will 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 Paragraph, 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 will 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 will be exclusively in the County.

8.22 Independent Contractor Status

8.22.1 This Contract is by and between the County and the Contractor and is not intended, and must 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 must not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.22.2 The Contractor will 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 will 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 will 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 must adhere to the provisions stated in Paragraph 7.6 (Confidentiality).

8.23 Indemnification

The Contractor must indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers (County Indemnitees) 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 and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County indemnitees.

8.24 General Provisions for all Insurance Coverage

8.24.1 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 must provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 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.

8.24.2 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, must be delivered to County at the address shown below and provided prior to commencing services under this Contract.

- Renewal Certificates must be provided to County not less than ten (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 must 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 must match the name of the contractor identified as the contracting party in this Contract. Certificates must 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 dollars ($50,000), 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), will be construed as a waiver of any of the Required Insurance provisions.
- Certificates and copies of any required endorsements must be sent to Ansara Lewis at alewis@ceo.lacounty.gov.
- Contractor also must 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 must promptly notify County of any third-party claim or suit filed against Contractor or any of its subcontractors which arises from or relates to this Contract and could result in the filing of a claim or lawsuit against Contractor and/or County.

8.24.3 Additional Insured Status and Scope of Coverage

The County, it's Special Districts, Elected Officials, Officers, Agents, employees and volunteers (collectively County and its Agents) must 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 will 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 must 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.

8.24.4 Cancellation of or Changes in Insurance

Contractor must provide County with, or Contractor's insurance policies must contain a provision that County will 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 must 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.

8.24.5 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance will 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.

8.24.6 Insurer Financial Ratings

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

8.24.7 Contractor's Insurance Must Be Primary

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

8.24.8 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 must require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.24.9 Subcontractor Insurance Coverage Requirements

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

8.24.10 Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies will 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 must be executed by a corporate surety licensed to transact business in the State of California.

8.24.11 Claims Made Coverage

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

8.24.12 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.

8.24.13 Separation of Insureds

All liability policies must 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.

8.24.14 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 must be designated as an Additional Covered Party under any approved program.

8.24.15 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 must 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 must 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. The written notice must 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. If applicable to Contractor's operations, coverage also must 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 $3 million aggregate. Further, Contractor understands and agrees it must maintain such coverage for a period of not less than three (3) years following this Contract'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 must 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 must be named as an Additional Insured and Loss Payee as its interests may appear. This insurance must include third party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and must not contain a requirement for an arrest and/or conviction.

8.25.6 Cyber Liability Insurance

The Contractor must secure and maintain cyber liability insurance coverage with limits of $10 million per occurrence and in the aggregate during the term of the Contract, including coverage for: network security liability; privacy liability; privacy regulatory proceeding, defense, response, expenses and fines; technology professional liability (errors and omissions); privacy breach expense reimbursement (liability arising from the loss or disclosure of County Information no matter how it occurs); system breach; denial or loss of service; introduction, implantation, or spread of malicious software code; unauthorized access to or use of computer systems; and Data/Information loss and business interruption; any other liability or risk that arises out of the Contract. The Contractor must add the County as an additional insured to its cyber liability insurance policy and provide to the County certificates of insurance evidencing the foregoing upon the County's request. The procuring of the insurance described herein, or delivery of the certificates of insurance described herein, will not be construed as a limitation upon the Contractor's liability or as full performance of its indemnification obligations hereunder. No exclusion/restriction for unencrypted portable devices/media may be on the policy. County reserves the right to increase this limit based on its final assessment of the project during contract negotiations.

8.26 Liquidated Damages

8.26.1 If, in the judgment of the Chief Executive Officer or designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Chief Executive Officer or designee, at their 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 Chief Executive Officer or designee, in a written notice describing the reasons for said action.

8.26.2 If the Chief Executive Officer or designee, determines that there are deficiencies in the performance of this Contract that the Chief Executive Officer or designee, deems are correctable by the Contractor over a certain time span, the Chief Executive Officer or 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 Chief Executive Officer or 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 $100 per day per infraction, or as specified in Attachment 2 (Performance Requirements Summary (PRS)) Chart of Exhibit A (Statement of Work and Attachments) hereunder, and that the Contractor will be liable to the County for liquidated damages in said amount. Said amount will 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 Paragraph 8.26.2 must 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 Paragraph must 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 Paragraph 8.26.2, and must 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 must 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 will 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 Contractor certifies to the County each of the following:

- That Contractor has a written policy statement prohibiting discrimination in all phases of employment.
- That Contractor periodically conducts a self-analysis or utilization analysis of its work force.
- That Contractor has a system for determining if its employment practices are discriminatory against protected groups.
- 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.

8.28.3 The Contractor must 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 must 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 will comply with all applicable Federal and State laws and regulations to the end that no person will, 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 will allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) when so requested by the County.

8.28.7 If the County finds that any provisions of this Paragraph 8.28 (Nondiscrimination and Affirmative Action) have been violated, such violation will 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 Civil Rights Department or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations will 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 will, 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 will be construed as creating any exclusive arrangement with the Contractor. This Contract will 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 must, 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 must bring to the attention of the County's 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 Manager or County's Contract Director is not able to resolve the dispute, the Chief Executive Officer or designee will resolve it.

8.32 Notice to Employees Regarding the Federal Earned Income Credit

The Contractor must notify its employees, and will 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 must be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.33 Notices

All notices or demands required or permitted to be given or made under this Contract must be in writing and will 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 D (County's Administration) and E (Contractor's Administration). Addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party. The CEO or designee will have the authority to issue all notices or demands required or permitted by the County under this Contract.

8.34 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 will 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.

8.35 Public Records Act

8.35.1 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 Paragraph 8.37 (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 will be regarded as public records except for those documents determined to be non-disclosable or exempt pursuant to California Government Code sections 7921.000 et seq. and which are marked "trade secret", "confidential", or "proprietary". The County will 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.

8.35.2 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.

8.36 Publicity

8.36.1 The Contractor must 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 will not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor must develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor will not, and will 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 Director or designee.

8.36.2 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, provided that the requirements of this Paragraph 8.36 (Publicity) will apply.

8.37 Record Retention and Inspection-Audit Settlement

8.37.1 The Contractor must maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor must also maintain accurate and complete employment and other records, including books, records, documents, case files and all pertinent cost accounting relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, will 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 relating to the performance of this Contract, will be kept and maintained by the Contractor and will 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 must be maintained by the Contractor at a location in Los Angeles County or within other 75 miles of the Hall of Administration as specified in Exhibit A, Statement of Work, provided that if any such material is located outside of Los Angeles County, then, at the County's option, the Contractor will 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.

8.37.2 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 must 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 will make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.3 Failure on the part of the Contractor to comply with any of the provisions of this Paragraph will constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

8.37.4 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 must 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 will be paid to the Contractor by the County by cash payment, provided that in no event will the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

8.38 Recycled Bond Paper

Consistent with the Board 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.

8.39 Subcontracting

8.39.1 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.

8.39.2 If the Contractor desires to subcontract, the Contractor must 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.

8.39.3 The Contractor must indemnify, defend, 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.

8.39.4 The Contractor will 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.

8.39.5 The County's consent to subcontract will 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.

8.39.6 The County's Contract Director 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 must forward a fully executed subcontract to the County for their files.

8.39.7 The Contractor will 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.

8.39.8 The Contractor must obtain certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required

by the County from each approved subcontractor. Before any subcontractor employee may perform any work hereunder, Contractor must ensure delivery of all such documents to the County's Contract Director before any subcontractor employee may perform any work hereunder.

8.40 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 Paragraph 8.14 (Contractor's Warranty of Adherence to County's Child Support Compliance Program) will 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 will be grounds upon which the County may terminate this Contract pursuant to Paragraph 8.42 (Termination for Default) and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

8.41 Termination for Convenience

8.41.1 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 will 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 will be no less than ten (10) days after the notice is sent.

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

- 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 would not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract must be maintained by the Contractor in accordance with Paragraph 8.37 (Record Retention and Inspection-Audit Settlement).

8.42 Termination for Default

8.42.1 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 Director:

- 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.

8.42.2 In the event that the County terminates this Contract in whole or in part as provided in Paragraph 8.42.1, 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 will 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 will continue the performance of this Contract to the extent not terminated under the provisions of this Paragraph.

8.42.3 Except with respect to defaults of any subcontractor, the Contractor will not be liable for any such excess costs of the type identified in Paragraph 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 will 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 Paragraph, the term "subcontractor(s)" means subcontractor(s) at any tier.

8.42.4 If, after the County has given notice of termination under the provisions of Paragraph 8.42 (Termination for Default) it is determined by the County that the Contractor was not in default under the provisions of Paragraph 8.42 (Termination for Default) or that the default was excusable under the provisions of Paragraph 8.42.3, the rights and obligations of the parties will be the same as if the notice of termination

had been issued pursuant to Paragraph 8.41 (Termination for Convenience).

8.42.5 The rights and remedies of the County provided in this Paragraph 8.42 (Termination for Default) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.43 Termination for Improper Consideration

8.43.1 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 the Contract or securing favorable treatment with respect to the award, amendment, or extension of the Contract or the making of any determinations with respect to the Contractor's performance pursuant to the Contract. Among other items, improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts. In the event of such termination, the County will be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.43.2 The Contractor must immediately report any attempt by a County officer, employee, or agent to solicit such improper consideration. The report must be made to the Los Angeles County Fraud Hotline at (800) 544-6861, fraud@auditor.lacounty.gov or https://fraud.lacounty.gov/.

8.44 Termination for Insolvency

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

- Insolvency of the Contractor. The Contractor will 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.

8.44.2 The rights and remedies of the County provided in this Paragraph 8.44 (Termination for Insolvency) will not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

8.45 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, must 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 will constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

8.46 Termination for Non-Appropriation of Funds

Notwithstanding any other provision of this Contract, the County will 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 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 will terminate as of June 30 of the last fiscal year for which funds were appropriated. The County will notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

8.47 Transition Services

In the event of expiration or termination of this Contract for any reason, Contractor must fully cooperate with the County and provide transition services, at no additional cost to the County. Such transition services include reasonably cooperating and taking all steps required or reasonably requested to make an orderly transition of the services and County Information from Contractor to another provider, as determined by County in its sole discretion. Contractor must provide all County Information and data back to the County in a platform agnostic industry standard format, unless a different format is reasonably agreed to between the parties at the time of transition.

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 will not be affected thereby.

8.49 Waiver

No waiver by the County of any breach of any provision of this Contract will 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 will not be construed as a waiver thereof. The rights and remedies set forth in this

Paragraph 8.49 will 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 will 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 Paragraph 8.51 "Warranty of Compliance with County's Defaulted Property Tax Reduction Program" will 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 ten (10) days of notice will 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 Time Off for Voting

The Contractor must notify its employees and must require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than ten (10) days before every statewide election, every contractor and subcontractors must keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be

seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

8.54 Compliance with County's Zero Tolerance Policy on Human Trafficking

Contractor acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting contractors from engaging in human trafficking.

If a Contractor or member of Contractor's staff is convicted of a human trafficking offense, the County will require that the Contractor or member of Contractor's staff be removed immediately from performing services under the Contract. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of Contractor's staff pursuant to this Paragraph will not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

8.55 Compliance with Fair Chance Employment Hiring Practices

Contractor, and its subcontractors, must comply with fair chance employment hiring practices set forth in California Government Code Section 12952, the California Code of Regulations Section 11017.1, and County Code Chapter 8.300 (Fair Chance Ordinance for Employers). Contractor, and its subcontractor(s), can access fair chance employment resources, including a Fair Chance Fact Sheet and Workplace Posters (English/Spanish), and other program material at https://dcba.lacounty.gov/fairchance/. Additional compliance resources, including an Employer Toolkit (Fair Chance Hiring: An Employer's Guide to Hiring System-Impacted Individuals), can be accessed at https://opportunity.lacounty.gov/fair-chance-hiring-campaign/.

Contractor's violation of this paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, issue administrative penalties and/or seek additional remedies as provided within Section 8.300.100 of the Fair Chance Ordinance for Employers, and/or terminate the Contract.

8.56 Compliance with the County Policy of Equity

The Contractor acknowledges that the County takes its commitment to preserving the dignity and professionalism of the workplace very seriously, as set forth in the County Policy of Equity (CPOE) (https://ceop.lacounty.gov/). The Contractor further acknowledges that the County strives to provide a workplace free from discrimination, harassment, retaliation and inappropriate conduct based on a protected characteristic, and which may violate the CPOE. The Contractor, its employees and subcontractors acknowledge and certify receipt and understanding of the CPOE. Failure of the Contractor, its employees or its subcontractors to uphold the County's expectations of a workplace free from harassment and discrimination, including inappropriate conduct based on a protected

characteristic, may subject the Contractor to termination of contractual agreements as well as civil liability.

8.57 Prohibition from Participation in Future Solicitation(s)

A Proposer, or a Contractor or its subsidiary or Subcontractor ("Proposer/Contractor"), is prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has provided advice or consultation for the solicitation. A Proposer/Contractor is also prohibited from submitting a bid or proposal in a County solicitation if the Proposer/Contractor has developed or prepared any of the solicitation materials on behalf of the County. A violation of this provision will result in the disqualification of the Contractor/Proposer from participation in the County solicitation or the termination or cancellation of any resultant County contract.

8.58 Injury and Illness Prevention Program

Contractor will be required to comply with the State of California's Cal OSHA's regulations. California Code of Regulations Title 8 Section 3203 requires all California employers to have a written, effective Injury and Illness Prevention Program (IIPP) that addresses hazards pertaining to the particular workplace covered by the program.

8.59 Campaign Contribution Prohibition Following Final Decision in Contract Proceeding

Pursuant to Government Code Section 84308, Contractor and its Subcontractors, are prohibited from making a contribution of more than $500 to a County officer for twelve (12) months after the date of the final decision in the proceeding involving this Contract. Failure to comply with the provisions of Government Code Section 84308 and of this Paragraph, may be a material breach of this Contract as determined in the sole discretion of the County.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 Health Insurance Portability and Accountability Act of 1996 (HIPAA)

The County is subject to the Administrative Simplification requirements and prohibitions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules"). Under this Contract, the Contractor provides services to the County and the Contractor creates, has access to, receives, maintains, or transmits Protected Health Information as defined in Exhibit E (Business Associate Under Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) in order to provide those services. The County and the Contractor therefore agree to the terms of

Exhibit E (Business Associate Under Health Insurance Portability and Accountability Act of 1996 ("HIPAA")).

9.2 Information Security and Privacy Requirements

Contractor shall comply with the requirements set forth in Exhibit F (Information Security and Privacy Requirements Exhibit).

10.0 SURVIVAL

In addition to any terms and conditions of this Contract that expressly survive expiration or termination of this Contract by their terms, the following provisions will survive the expiration or termination of this Contract for any reason:

Paragraph 1.0	Applicable Documents
Paragraph 2.0	Definitions
Paragraph 3.0	Work
Paragraph 5.4	No Payment for Services Provided Following Expiration-Termination of Contract
Paragraph 7.6	Confidentiality
Paragraph 8.1	Amendments
Paragraph 8.2	Assignment and Delegation/Mergers or Acquisitions
Paragraph 8.6	Compliance with Applicable Law
Paragraph 8.19	Fair Labor Standards
Paragraph 8.20	Force Majeure
Paragraph 8.21	Governing Law, Jurisdiction, and Venue
Paragraph 8.23	Indemnification
Paragraph 8.24	General Provisions for all Insurance Coverage
Paragraph 8.25	Insurance Coverage
Paragraph 8.26	Liquidated Damages
Paragraph 8.33	Notices
Paragraph 8.37	Record Retention and Inspection-Audit Settlement
Paragraph 8.41	Termination for Convenience
Paragraph 8.42	Termination for Default
Paragraph 8.48	Validity
Paragraph 8.49	Waiver
Paragraph 8.57	Prohibition from Participation in Future Solicitation

Paragraph 8.59	Campaign Contribution Prohibition Following Final Decision in Contract Proceeding
Paragraph 10.0	Survival

[SIGNATURES PROVIDED ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, Contractor has executed this Contract or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chief Executive Officer, or his designee, of the Chief Executive Office, on the date written below.

COUNTY OF LOS ANGELES

By_____
JOSEPH M. NICCHITTA Date
Chief Executive Officer

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By_____
(NAME)
Senior Deputy County Counsel

CONTRACTOR

By_____
(Contractor Name)

Name:_____
Printed or Typed

Title:_____
Printed or Typed

Exhibit A

Statement of Work (SOW)

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ATTACHMENTS TO SOW

SOW Attachment 1 Contract Discrepancy Report
SOW Attachment 2 Performance Requirements Summary
SOW Attachment 3 Sample Invoice Supplemental Data Template
SOW Attachment 4 Annual Report Template
SOW Attachment 5a Claims Enterprise Bill Review Import Specification
SOW Attachment 5b Claims Enterprise Bill Review Export Specification

1.0 SCOPE OF WORK

1.1 Program Development

Contractor must take all necessary steps to reduce medical costs and enhance the quality of the County's Workers' Compensation Medical Management and Cost Containment (MMCC) Services, while complying with all applicable Federal and State laws and regulations.

1.1.1 Performance Metrics

- Establish performance metrics (minimum and maximum) for each cost containment service component, including how meeting these benchmarks impacts pricing.
- Define the frequency, methods, and tracking process for rate adjustments.

1.1.2 Mutual Selection

At the request of the CEO-RMB, participate in the selection of one MPN, one PPO, and one PBM for the County.

1.2 Intake

Establish and maintain a first report of injury program for all claims.

1.2.1 24-Hour Telephonic Reporting of Injuries

- Maintain a 24/7 toll-free number for County departments to report injuries.
- Identify and provide to the caller the nearest treatment center specific to the County department.

1.2.2 Input Portal

County may opt to create a portal for direct input of first injury reports into the County's Workers' Compensation Claims Administration System (WCCAS).

1.2.3 Case Management Referral

- County will determine the need for nurse case management services on a case-by-case basis.
- Before referral, the TPA and Contractor will determine the appropriate level of case management.
- Referrals will be made by the TPA based on the criteria and approved by the On-Site County Representative (OSCR).

1.2.4 Employer's Report of Injury (DWC 5020)

Upon receiving an injury report:

- Prepare the DWC 5020 form (County will regularly provide employee data for completing the DWC 5020).
- Transmit the form electronically within 24 hours to the TPA and designated County department point of contact.

1.2.5 Other Intake Services

County may request Contractor to provide additional intake services, including referrals to network providers and custom questionnaires and reports related to the intake process.

1.3 Case Management

1.3.1 Nurse Case Managers

Establish and maintain a comprehensive case management program with referral criteria for different levels, ensuring the capability to customize if needed to meet the County's specific requirements.

- All case managers must:
  - **1)** Provide case direction.
  - **2)** Actively coordinate healthcare services and work with the TPA, County Disability Management Coordinator, and/or the County's short- and long-term disability TPA to ensure all resources are utilized to assist with the injured worker's return-to-work.
  - **3)** Facilitate compliance with California workers' compensation UR regulations and the MTUS.
  - **4)** Whenever possible, channel injured workers into network providers.
  - **5)** Access and enter case management information into the County's WCCAS promptly and in County approved format with Contractor-provided hardware.
  - **6)** Submit to TPA:
    - Within forty-eight (48) hours of the initial referral: Initial case assessment.
    - Within seven (7) working days of the assignment: Estimated cost savings.
    - Written case management status reports of all

nurse case management activities during the reporting period at 30-day intervals for each open claim, or more frequently as determined by County's Project Manager.

- Additional case manager requirements for different levels of case management:
    - **Telephonic Case Management**
        - Contact remotely the injured worker, providers, the claims adjuster and the County to actively coordinate healthcare services.
    - **Field Case Management**
        - Meet in-person with the injured worker and, as necessary, with providers, claims adjuster(s), and the County to identify options for achieving optimal case resolution.
        - Catastrophic Case Management
            - Within four (4) hours upon receipt of the referral: Assign a case manager to the case and achieve contact with the injured worker.
            - Within twenty-four (24) hours of contact with the injured worker: Complete a report describing current medical status including diagnosis, prognosis, treatment plan and estimated costs related to the care of the injured worker.

1.3.2 Billable Hours Limit

- Cases with 20 billable hours in 30 days must be referred to County's Project Manager for review.
- Additional billable hours require prior County approval for every 20-hour interval unless pre-approved in writing.

1.3.3 Utilization Review

- Case manager's UR authorizations must be tracked, integrated into UR statistics.
- Case managers must follow established process to refer cases to the Non-Physician Reviewer/Physician Reviewer

when they cannot authorize medical treatment requests based on evidence-based guidelines.

- Ensure consensus between Case manager and UR program on UR authorizations.

1.3.4 Compliance

Ensure case management staff stays updated on legislative and regulatory changes impacting workers' compensation industry in California.

1.4 Utilization Review (UR)

Establish and maintain a UR program to accurately assess the request for medical services in compliance with industry standard best practices, nationally accepted medical criteria, and all California workers' compensation statutes and regulations to ensure the injured worker receives cost effective, quality medical care in the appropriate setting.

1.4.1 General Program Requirements

- Prioritize peer-to-peer collaboration between the Physician Reviewers and the treating physician to develop alternative treatment plans as needed, minimizing delays and ensuring treatment progresses efficiently. Maintain thorough documentation of all communications and outreach attempts.
- Require all UR staff to access and enter notes into the County's WCCAS with Contractor-provided hardware and/or software.

1.4.2 Utilization Review Plan

- Develop or customize UR Plan for the County and designated TPA(s) and include:
  - **1)** Provisions for the oversight of the designated TPA(s) utilization review authorization process.
  - **2)** Quality control mechanisms to avoid utilization review penalties. (The County will not be responsible for paying for Independent Medical Reviews caused by errors on the part of the UR provider).
- File the UR plan with the Administrative Director and provide to the County and designated TPA(s).

1.4.3 System

At no cost to County or County's TPAs, provide access to Contractor's UR system.

- Ensure real-time access to UR activities for all relevant parties.
- Enable use as a reference tool for County and TPA personnel, to access industry standard best practices, nationally accepted medical criteria, and MTUS adopted by the Administrative Director.

1.4.4 Intake

Establish UR intake process, including options available for treatment requests to be submitted.

1.4.5 Requests for Authorization (RFA)

Establish RFA process, including processes for:

- Non-Physician/Physician review.
- Capturing duplicates (timeframes and methods for addressing these requests with the medical treatment provider). A duplicate RFA is any RFA that is submitted within a 12-month period that does not demonstrate a change in the patient's condition. The Contractor will not charge the County for duplicate RFAs.

1.4.6 Non-Physician Reviewers/Physician Reviewers

- Utilize California-based and licensed physicians to review and, when necessary, delay, modify, or deny medical treatment authorization requests that do not meet established criteria for medical necessity to cure or relieve the effects of the injury.
- Establish initial and ongoing credentialing process for all non-Physician Reviewers/Physician Reviewers and measures instituted to ensure good standing. If utilizing an outside credentialing verification organization, detailed information on their responsibility and licensure/accreditation must be provided to County.

1.4.6.3 All UR Determinations and requests for additional information must be sent to the injured worker, the applicant's attorney, the defense attorney, and the requesting physician with Proof of Service.

1.4.7 Determinations

Establish a reconsideration and appeal process including timeframes and methods for tracking the process.

1.4.8 Independent Medical Review (IMR) Requests

County will not be responsible for payment of the Independent Medical Review if such review is required due to errors on the part of the UR provider.

1.4.9 Quality Assurance

Establish a quality assurance program including the processes and systems in place to avoid utilization review penalties pursuant to L.C. Section 5814.4.

1.5 Bill Review

Develop and maintain a bill review program to review medical, medical/legal, and pharmacy bills. As applicable, the program must identify and correct reimbursement levels, fee schedule excesses, and billing infractions, capture duplicate/partial charges, and appropriately unbundle service codes. The Contractor will not charge the County for identifying duplicate bills and will not charge more than one time for any bill that has been reviewed.

1.5.1 Review Process

Review all bills within five (5) business days of receipt.

- **Medical Bills**

  Review properly coded medical bills for compliance with the California Official Medical Fee Schedule (OMFS). Maximize savings through the application of PPO, MPN, and PBM programs, and apply other review methods, such as direct negotiation, when the OMFS does not apply. Include:

  1) Criteria for upcoding or downcoding submitted billings.

  2) Mechanism to ensure defendable decisions when medical providers submit reconsiderations or requests for IBR.

  3) Dollar-value threshold for fee schedule-exempt non MPN/PPO bills sent to negotiation.

  4) Usual and customary (U&C) percentile utilized to reduce bills reviewed to U&C when appropriate.

- **Medical/Legal Bills**

  Review medical/legal bills in accordance with DWC guidelines for compliance with the California Medical/Legal Fee Schedule.

- **Pharmacy Bills**

  Review of all out of network pharmacy bills for reasonableness pursuant to the OMFS and apply available pharmacy discounts below the fee schedule when appropriate.

- **Additional Fee Review**

  Upon request, provide additional fee review services to assess charge reasonableness under State or Federal laws and regulations. This includes professional hospital (inpatient, outpatient, and long-term acute care) review audits and reducing charges not covered by the OMFS.

1.5.2 Bill Review Platform

- **Intake and Tracking**

  1) Perform mail intake operations, including scanning, indexing, imaging, and Optical Character Recognition (OCR) for input into system.

  2) Track each bill from receipt in the mailroom through the transmission of the EOR.

- **Bill Review and Compliance Capabilities**

  1) Accurately evaluate and reduce provider charges in compliance with the California Official Medical Fee Schedule (OMFS).

  2) Integrate reductions from Preferred Provider Organization (PPO) and Medical Provider Network (MPN).

  3) Establish methods to update the bill review system in relation to system rules, OMFS updates, PPO/MPN contract rate updates, and changes in network providers.

  4) Implement methods to test these updates and provide documentation to the County to demonstrate compliance.

5) Accept electronic claims from medical providers for payment of medical services, ensuring safeguards against fraudulent billing practices as per California Labor Code Section 4603.4.

6) Ensure all claims are submitted on standardized forms and maintain confidentiality of medical information per the California Civil Code Section 56 through 56.37 (Confidentiality of Medical Information Act).

7) Conduct an audit process to ensure the accuracy of data entry and review of provider medical bills.

8) Coordinate UR decisions within the bill review platform to maintain consistency in medical approval and payment processes.

- **Fraud Prevention Capabilities**

  1) Analyze fraud and abuse from medical providers.

  2) Detect aberrant or illogical patterns in medical care and billing.

  3) Filter data by treatment codes, providers, or locations.

  4) Identify and address potential fraud through a defined process.

- **System Interface and Access**

  1) Interface daily with the County's Workers' Compensation Claims Administration System (WCCAS) by electronically transmitting reviewed bills for payment.

  2) Provide the County and its TPAs with real-time access to bills, bill review activity (status, volume, performance indicators), reports, and EORs.

1.5.3 Error Prevention

Medical providers with above average number of billing errors must be identified, addressed, and reported quarterly to the County's Project Manager.

1.5.4 Explanations of Review (EOR)

- Prepare and send, at Contractor's expense, an EOR for each bill reviewed, to medical providers and County-designated

TPAs. Contractor will upload the EOR into the WCCAS no later than five (5) days of completion.

- The EOR will identify reductions relating to the OMFS, PPO, MPN, PBM and/or direct negotiation. Such explanation of reviews must also include the regulatory notices and reasoning to defend the reduction if contested, as well as all information required by the State.
- At the request of the County or TPA, the Contractor will provide an EOR to the applicant attorney or injured worker at no cost to the County.

1.5.5 Independent Bill Review (IBR) Appeal Services

- Provide robust IBR appeal services, including an expert witness knowledgeable about fee schedule reductions to defend bill review determinations at Workers' Compensation Appeals Board (WCAB) conferences and hearings at the Contractor's expense.
- Submit a copy of any EOR to the County's attorney prior to the conference or hearing.
- Comply with all Independent Bill Review (IBR) statutes and regulations, providing IBR appeal services at no additional cost to the County.
- Ensure IBR appeal services include preparation of the litigation appeal file upon notice of appeal and submission to County Counsel within seven (7) calendar days of the response due date.
- Provide a copy of the appeal to the TPA.

1.5.6 Inquiries and Complaints

- Establish procedures to resolve complaints from medical providers concerning bill review recommendations, including standard turnaround time to address inquiries, complaints, and reconsideration requests.
- Respond to inquiries regarding bill review activities from medical provider, County's attorney and/or TPA within one (1) calendar day.

1.5.7 Regulatory Reporting

Meet reporting and information requirements as set forth in the California Workers' Compensation Information System (WCIS) regulations.

- Submit complete, valid, and accurate data for all medical services billed or reported for review within 90 days of medical bill payment via electronic data interchange (EDI) as outlined in the California EDI Implementation Guide for Medical Bill Payment Records.
- Complete and submit mandatory annual reports with required data elements as specified in State WCIS regulations.

1.6 Fraud Prevention

Employ fraud prevention methods to protect the County from potential fraudulent billing practices and confirm that the injured worker actually received the services billed for by the provider.

1.7 Bill Payment Electronic File

1.7.1 Provide a County-approved, automated, and scheduled electronic file of reviewed bills for input into the WCCAS.

1.7.2 Ensure accurate identification of each medical provider in the County's vendor file and records. Notify the County of any required updates to a provider's name, address, or tax identification number, and verify the accuracy of all submitted information.

1.8 Medical Provider Network (MPN) & Preferred Provider Organization (PPO)

Provide and maintain both a Medical Provider Network (MPN) and a Preferred Provider Organization (PPO) to ensure comprehensive coverage and cost savings on claims that do not qualify for MPN services.

1.8.1 Network Composition

- Ensure both MPN and PPO networks have broad geographic coverage and be comprised of hospitals, ambulatory surgery centers, medical providers, and all ancillary services with appropriate numbers of primary treating physicians, specialists, hospitals, and ancillary services with experience in the treatment and management of occupational injuries and illnesses.
- Maintain network integrity by implementing workflows that ensure continuity and transfer of care for injured workers and by employing geo-coding capabilities to verify network coverage, provider accessibility, and compliance with access standards.

1.8.2 Medical Panels

- Provide subset panels of MPN/PPO physicians experienced in workers' compensation:
  1) **Initial Treatment Panel**: for the initial treatment of injured workers.
  2) **Specialty Panel**: for treatment requiring long-term treatment or specialty care evaluation.
- Maintain up-to-date medical panels and provide them to the County.
- Clearly identify the means through which County departments and contracted TPAs may access the panel electronically.

1.8.3 Network Maintenance and Administration

- Disclose network contractual arrangements with prospective network participants to the County.
- Incorporate contracted reductions of the mutually selected MPN/PPO into the bill review platform.
- Ensure specialty providers continue to accept workers' compensation patients.
- Implement processes to ensure specialty providers receive all appropriate authorizations, records, and diagnostics prior to scheduled appointments.

1.8.4 MPN Maintenance and Administration

- File the MPN plan with the Administrative Director and make copies available to the County and designated TPAs.
  1) Establish a process for revising and submitting the MPN plan.
  2) Prepare all necessary regulatory filings on behalf of the County and manage all required mailings and notifications.
- Establish an MPN employee notification process for the cancellation of the current MPN and implementation of a new MPN.
- Implement a process for transmitting updated provider network information to the bill review system, ensuring the accuracy of contract information.

1.8.5 PPO Integration

- Ensure PPO contracts provide additional savings below the California OMFS.
- For large-dollar claims, when a PPO discount is unavailable, enter negotiations to secure the best possible pricing for the County.
- Ensure PPO network captures retrospective savings on claims that do not qualify for MPN services.
- Establish a process with timing to incorporate contracted reductions of the mutually selected PPO into the bill review platform.

1.8.6 Network Providers

Ensure all providers maintain valid W-9s and provide them to the County within ten (10) business days upon request.

1.8.7 Dispute Resolution Support

At the discretion and request of the County, provide support to the County before the Workers' Compensation Appeals Board and other agencies concerning PPO and MPN activities, including expert testimony.

1.8.8 Quality Assurance

Establish a quality assurance program that complies with regulatory-mandated processes, addresses quality care and provides outcome reporting for the entire network.

1.8.9 Grievance

Without incurring liability to the County, establish a grievance procedure for medical providers that includes defined timeframes, tracking methods for grievance outcomes and corrective actions, and details on information shared with the County.

1.8.10 Complaints

Without incurring liability to the County, establish a process to resolve complaints that includes defined timeframes in compliance within MPN mandated timeframes and details on information shared with the County:

- **Formal Complaints**: from medical providers and/or injured workers filed with the DWC.

- **Informal Complaints**: from medical providers and/or injured workers.

1.9 Pharmacy Benefit Management (PBM)

Provide PBM services and/or options for integration with an external PBM program.

2.0 IT INFRASTRUCTURE

2.1 Software Requirements

2.1.1 Disclose whether the Contractor's software (bill review, utilization review, and case management) is proprietary, leased, or purchased.

2.1.2 Provide schedules for system updates and enhancements.

2.1.3 Identify outsourced system functionalities.

2.1.4 Ensure software systems are updated to comply with California workers' compensation regulations.

2.1.5 Accept computerized medical management data and imaged documents in an industry-standard format at no cost to the County. All computerized data and imaged documents will be the property of the County.

2.1.6 Ensure ability to interface electronically with the County's designated TPAs and the State of California, if required.

2.2 Provider Look-up Website

Customize website for external and internal users to look-up network providers.

2.3 Incoming/Outgoing Transition

2.3.1 Load at least seven years of County payment history from the previous contractor into the bill review platform at no cost to the County, regardless of the amount of data.

2.3.2 For a period up to sixty (60) days after expiration or termination of the Contract, Contractor will, upon written request from the County, provide County’s computerized medical management data and imaged documents in an industry standard format to the County or delivered to an entity designated by the County, at no cost to the County.

2.4 Disaster Recovery Plan

Establish a disaster recovery plan with clear document request timeframes, adequate staffing, and a redundant data center to ensure prompt recovery and online resumption.

3.0 COUNTY RESPONSIBILITIES

The County's responsibilities are as follows:

3.1 Orientation to County's Workers' Compensation Claims Administration System

County will provide orientation to the County's Workers' Compensation Claims Administration System for key Contractor personnel prior to the effective date of the Contract. The County's Project Manager will arrange for the release of all files and documents from incumbent contractors to selected Contractors no less than 30 days prior to the beginning of work under the Contract. Contractor will not be reimbursed for any expenses during orientation and transition efforts prior to the Contract effective date.

4.0 CONTRACTOR'S RESPONSIBILITIES

The Contractor must furnish all personnel, transportation, supplies, equipment, materials and other items necessary to perform all services required by this SOW and facilitate an orderly transition. These include, but may not be limited to the following items and actions:

4.1 Manual

Within thirty (30) days of Contract execution, Contractor must provide a "Medical Management and Cost Containment" manual describing policies and procedures for the County's Workers' Compensation MMCC program including responsibilities, reporting requirements, review of medical bills, sample letters, sample reports, etc.

4.2 County's Procedures

Provide assistance modifying County procedures required to implement legislative or regulatory changes that impact Workers' Compensation MMCC services.

4.3 Materials and Equipment

4.3.1 Contractor will provide e-mail capability to staff providing services to the County pursuant to this Contract. Contractor must be able to send Explanation of Review (EOR) by e-mail.

4.4 Staffing

4.4.1 Contractor must have access to legal, technical, and other staff who routinely review the medical management and cost containment process to ensure compliance with all applicable Federal and State laws and regulations.

4.4.2 Contractor must provide a Medical Director for the UR Program.

4.5 Training

4.5.1 Provide and maintain a comprehensive training program for all new employees and continuing in-service training to keep staff updated on industry and legislative changes, including State-specific rules and regulations and the OMFS.

4.5.2 Ensure all parties are aware of their responsibilities in administering the County's comprehensive Workers' Compensation program, including medical management and cost containment services.

4.5.3 Upon request, provide training to County personnel and TPA staff.

4.6 Contractor's Office

The Contractor must have the ability to attend regular in-person meetings, including but not limited to Workers' Compensation Appeals Board (WCAB) hearings, within Los Angeles County and surrounding areas.

4.7 Hours/Days of Work

The Contractor is required to provide all services Monday through Friday from 8:30 a.m. until 5:30 p.m. PST, or as specified in this Exhibit A, SOW. The Contractor is not required to provide services on County - recognized holidays. Work schedules must be compliant with California statute and regulations.

4.8 Business Continuity Plan

The Contractor must provide a written Business Continuity Plan (BCP) describing a structured and integrated process that ensures uninterrupted provision of critical services related to this Contract following an event which could interrupt these business operations. The plan must include, but will not be limited to, the following:

4.8.1 A description of critical services and business processes.

4.8.2 Contractor policies and procedures to assure continued business operations following an event.

4.8.3 Address, computer, telephone, key contact and all other critical information concerning a redundant data center for backup and recovery, alternative business processes and/or location(s) following an event.

4.8.4 Contractor must provide County's Project Manager with an updated BCP on each anniversary of the Contract.

4.8.5 The BCP is subject to the County's review. The County's Project Manager will not be required to identify, nor notify Contractor of, deficiencies in the Contractor's BCP. The County will assume neither responsibility nor liability for the Contractor's BCP.

5.0 REPORTS

Prior to Contract implementation, the Contractor and the County's Project Manager or designee will prepare a list of required reports and corresponding timeframes. The County reserves the right to final review and approval of the format on all reports, to request additional reports and/or changes to existing reports during the Contract term. The required reports provided by the Contractor will include, but are not limited to:

5.1 Monthly

5.1.1 Invoice that indicates individual bill charges, allowances, savings, savings type, and fees charged. Invoices must be accompanied by supplemental data using the form and format set forth in Attachment 3 (Sample Invoice Supplementary Data Format).

5.1.2 Bill review status report that identifies the number of bills processed for payment, the types of bills processed, and the number of bills pending.

5.1.3 Nurse Case Management reports that include billable hours per case.

5.1.4 Savings reports with PPO and MPN penetration and savings by type (PPO, MPN, OMFS, or other).

5.1.5 Report of medical provider additional recommendations.

5.1.6 Provider utilization report that outlines number of requests, number of authorizations and the outcome of the request for authorization.

5.1.7 Monthly report of claims reported to toll free number with received and transmitted dates and times.

5.2 Quarterly

5.2.1 Summary of savings report:

- Stratified by type of service (pharmaceuticals, hospitalizations, inpatient, outpatient, physical therapy, chiropractic), diagnosis (major injury, etc.) and/or other categories.
- With method of savings calculations clearly defined.
- Including Usual and Customary/Negotiated Hospital (inpatient, outpatient, long term acute care) Savings Report.

5.2.2 Performance Standards Compliance Report.

5.2.3 Data extraction as requested by the County.

5.2.4 Report of the number and percentage of cases accessing the MPN.

5.2.5 Report of the number and percentage of cases utilizing the retrospective PPO for additional cost savings.

5.2.6 Report of pharmacies and medical providers that have an excessive number of errors.

5.2.7 Savings Report of all bills not subject to fee review or PPO discount. Identify the type of negotiation technique utilized and average percentage of savings achieved through this methodology.

5.3 Annual Report

A comprehensive annual statistical summary report evaluating the County's Workers' Compensation MMCC program documenting savings. **The report must follow the form and format in SOW Attachment 4, Annual Report.**

5.4 Other Reports

Provide ad hoc reports within two (2) weeks upon request at no cost to County.

6.0 CONTRACTOR'S QUALITY CONTROL

The Contractor must establish, maintain, and utilize a comprehensive Quality Control Plan (QCP) to ensure the County receives a consistently high level of service throughout the term of the Contract. The QCP must be submitted to the County's Project Manager for review no less than thirty (30) days after Contract execution. The QCP must include, but may not be limited to, the following:

6.1 The methods for assuring and verifying that contractor staff are qualified and properly trained to perform the services required under the agreement.

6.2 The methods for defining performance metrics for each cost containment service. Include a description of the minimum and maximum levels of performance and a description of the methods for adjusting and tracking performance.

6.3 A system for monitoring compliance with all the services listed in the SOW. It must specify the activities to be inspected/audited, how often inspections/audits will be accomplished, and the title of the individual(s) who will perform the inspection/audits.

6.4 The methods for identifying, correcting and preventing deficiencies in the quality of service performed before the level of performance becomes unacceptable.

6.5 A Contractor-engaged independent public accounting firm to perform an annual Service Organization Controls report (SOC 1). The Contractor must submit the SOC 1 report to the County within seven (7) business days of receipt.

7.0 COUNTY'S QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in the Contract, Paragraph 8.15 (County's Quality Assurance Plan).

7.1 Monthly Meetings

The Contractor's Project Manager must meet with the County's Project Manager or designee at regularly scheduled intervals or at other times, as determined by the County's Project Manager, during the term of the contract. The purpose of such

meetings is for County to disseminate information to the Contractor, and to discuss the Contractor's performance.

In addition to the regularly scheduled meetings above, key contractor personnel must be available to attend at least monthly meetings upon the County's request without additional cost to the County.

7.2 Contract Discrepancy Report

Notification of a Contract discrepancy will be made to the County's Project Monitor as soon as possible whenever a Contract discrepancy is identified. The problem must be resolved within a time period mutually agreed upon by the County and the Contractor.

The County's Contract Monitor will determine whether a formal Contract Discrepancy Report (CDR) will be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County's 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 CDR must be submitted to the County's Contract Monitor within ten (10) business days.

7.3 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.

7.4 Performance Requirements Summary

A Performance Requirements Summary (PRS), Attachment 2 of this Exhibit A, listing required services and deliverables that will be monitored by the County during the term of this Contract is an important monitoring tool for the County.

All listings of services and deliverables referenced in the PRS Chart 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 or deliverables as stated in the Contract and the SOW and this PRS, the meaning apparent in the Contract and the SOW will prevail. If any service or deliverable 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.

Exhibit A - SOW Attachment 1
Contract Discrepancy Report

Date: [click to enter text]

Contract Number: [click to enter text]	Contractor Response Received: [click to enter text]
Contractor: [click to enter text]	County's Project Monitor: [click to enter text]
Contractor Contact: [click to enter text]	County's Project Monitor Signature:

A contract discrepancy(s) is specified below. The Contractor will take corrective action and respond back to the County personnel identified above by the date required. Failure to take corrective action or respond to this Contract Discrepancy Report by the date specified may result in the deduction of damages. (Use additional sheets if necessary).

#	Contract Discrepancy	Contractor's Response	Dates (County Use Only)		
			Correction Due	Completed	Approved
1					
2					
3					

Contractor's Representative Signature Date Signed

Additional Comments

Exhibit A - SOW Attachment 2
Performance Requirements Summary

SPECIFIC PERFORMANCE REFERENCE	SERVICE	MONITORING METHOD	DEDUCTIONS/FEES TO BE ASSESSED
Contract: Paragraph 7.0 - Administration of Contract - Contractor	Contractor must notify the County in writing of any changes to Contractor's Project Manager	Inspection & Observation	$50 per occurrence
Contract: Sub-paragraph 8.37 - Record Retention & Inspection-Audit Settlement	Contractor to maintain all required documents as specified in Sub-paragraph 8.37	Inspection of files	$50 per occurrence
Contract: Sub-paragraph 8.39 - Subcontracting	Contractor must obtain County's written approval prior to subcontracting any work.	Inspection & Observation	$100 per occurrence; possible termination for default of contract
SOW Paragraph 1.5.1	Contractor must review bills within five (5) business days of receipt.	Random Inspection of Electronic Files	$25 per day that review is not completed
SOW Paragraph 1.4.6.1	Contractor must utilize only California-based and licensed physician to review.	Inspection & Observation	$500 per occurrence
SOW Paragraph 4.1	Contractor must provide manual within 30 days of Contract execution.	Inspection of Manual	$100 per day that the manual is not received
SOW Paragraph 5.0	Contractor must provide reports using the prescribed format within the requested timeframes.	Receipt and inspection of Report	$100 per day that the report is not received
SOW Paragraph 7.1 Monthly Meetings	Contractor's representative to attend monthly meeting.	Attendance	$50 per occurrence

Exhibit A - SOW Attachment 3
Sample Invoice Supplemental Data Template

Reprice State	Bill Charges	OMFS Reduction	Additional Review Savings	PPO Savings	Negotiation Savings	Adjustment Savings	Total Savings	Recommended Payments	OMFS Line Fees	Additional Review Savings	PPO Fees	Negotiation Fees	Adjustment Fees*	Total Fees

Key Term **Definition**

OMFS Standard Savings and Fees consists of: Fee Schedule, Usual and Customary, DRG
Additional Review This is a secondary or "professional" review
PPO Savings These are pre-negotiated Network Solutions.

Negotiation Savings	Negotiations is one of the three categories that make up Network Solutions.
Adjustment Savings	Adjustments Savings may include: Auto Policy Reductions, Claim Denials, Taxes, Deductibles, No Coverage/Expired Coverage, Bills Before or After Coverage Dates, and Carrier Agreements.
Adjustment Fees*	Adjustments fees may include: Auto Policy Reductions, Claim Denials, Deductibles, No Coverage/Expired Coverage, Bills Before or After Coverage Dates, Carrier Agreements, and Per Bill Cap. Adjustment Fees do not include Checkwriting Fees or Taxes as they are listed separately on this report.
Customer Adjustments	Charges made at the customer level versus the bill level.

Exhibit A - SOW Attachment 4
Annual Report Template

MMCC Data Monthly by Unit	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Total
# of Injury Reports													
# of UR Referrals													
Total bills reviewed													
# of PPO Bills													
PPO Penetration													
Total Lines Reviewed													
Total Charges													
OMFS/U&C reductions													
Adjustment Savings													
Negotiated Savings													
Professional Review Savings													
PPO Savings													
Total Savings													
Recommended Allowances													
Fees for OMFS reductions													
Total Adjustment Fees													
Fees for Negotiated Fees													
Fees for Professional Review													
Fees for PPO													
Taxes													
Total Bill Review Fees													
Fees for Injury Reporting													
Fees for Field Nurse Case Management													
Fees for TCM Nurse Case Management													
Fees for Non Physician Utilization Review													
Fees for Physician Utilization Review													
Fees for Chiropractic Utilization Review													
Fees for Internal Medicine Utilization Review*													
Fees for Neurology Utilization Review *													
Fees for Orthopedic Utilization Review *													
Fees for Physical Medicine Utilization Review													
Fees for Psychiatric Utilization Review *													
Fees for Psychology Utilization Review													
Total Fees other than Bill Review													
Total Fees													
Net Savings after OMFS													
Net Savings after all expenses													
% of Savings from OMFS/U&C Review													
% of Savings from Adjustment Savings													
% of Savings from Negotiated Review													
% of Savings from Professional Review													
% of Savings from PPO Reductions													
% of Savings from First Health PPO													
UR Statistics													
Certified													
Denied													
Modified													
Withdrawn													
Appeals													
Delayed													
Peer Review													
Total UR Statistics													
Type of UR Activity													
Non Physician													
Chiropractic													
Internal Medicine													
Neurology													
Orthopedic													
Physical Medicine													

Exhibit A - SOW Attachment 4
Annual Report Template

MMCC Data Monthly by Unit	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Total
Psychiatry													
Psychology													
Total of UR Activity													
UR Peer Stats													
#UR Referrals													
# of Referrals to Physicians													
# UR Denials													
#UR Denials Overturned by Treatment Type													
Diagnostics													
Epidurals													
PT													
Surgery													
All Others													
# Peer to Peer Reviews													
#Overturned after Peer review by Treatment Type													
Diagnostics													
Epidurals													
PT													
Surgery													
All Others													

Exhibit A - SOW Attachment 5a
Claims Enterprise Bill Review Import Specifications

Claims Enterprise
Bill Review Import Specifications

Riskonnect

Revision History

Date	Version	Story #		Author
6/12/2013	1	V127766 V128410	[redacted]	Anne Holman
9/13/2013		na		Anne Holman
2/21/2014	2	V129454		Megha Gunda
2/25/2014		na		Megha Gunda
2/27/2014		na		Anne Holman
12/3/2014		V130223		Anne Holman
12/3/2014		na		Anne Holman
7/8/2016		na		Anne Holman

9/16/2016	V131597	[redacted]	Paul daRe
7/14/2017	V131597		David Turner
9/28/2017	V121597		David Turner
6/8/2018			Anne Holman

iVOS Bill Review Import Specifications (eor_aon1)

This document contains the file layouts for importing payment and explanation of review (EOR) information from a bill review company into the iVOS system.

Format name: eor_aon1

Numeric fields should be right justified with leading zeroes. The decimal point is implicit for all money fields.
Non-monetary number fields can be left justified, space filled. If no value, space filled.
Character fields should be left justified with trailing spaces.
All dates are YYYYMMDD

Files are to be named using the following naming convention. The xxxx in the descriptions below is to be replaced by any prefix that the bill review company wants to use. iVOS Bill Review takes the name provided for the master file and builds the file names of the other files by replacing the _Master with the strings shown.

Bill Header file: xxxx_master.txt
Bill Detail file: xxxx_detail.txt
Reason Codes file: xxxx_reason.txt
State Message file: xxxx_state.txt

If the Req/Opt setting for the field is blank, the data in that field is not captured in the iVOS system. The field can be left blank. If data is provided, it is ignored.

Reason Codes - eor_aon1

Field	Description	Begin	End	Length	Type	Req/Opt.	
1	Record Transaction Type	1	1	1	C	R	
2	Reason Code	2	11	10	C	R	
3	Reason Code Text	12	266	255	C	O	
	Total Length excluding CR/LF			266			

Field	Description	Begin	End	Length	Type	Req/Opt.	
1	Record Transaction Type	1	1	1	C	R	
2	StateMessageKey	2	51	50	C	R	
3	State Disclaimer Text	52	4051	4000	C	R	
	Total Length excluding CR/LF			4051			

Header eor_aon1

Field	Description	Begin	End	Length	Type	Req/ Opt.	
1	Record Transaction Type	1	1	1	C	R	
2	Document Number	2	31	30	C	R	
3	Claim Number	32	51	20	C	O	
4	Claim Id	52	76	25	C	O	
5	Claimant Name, First	77	96	20	C		
6	Claimant Name, Middle Initial	97	97	1	C		
7	Claimant Name, Last	98	127	30	C		
8	Claimant SSN	128	136	9	C		
9	Employer Name	137	186	50	C		
10	Employer Division Name	187	226	40	C		
11	Insurer Name	227	276	50	C		
12	Insurer FEIN	277	285	9	C		
13	Insurer State ID Number	286	305	20	C		
14	Insurer Address - Street	306	335	30	C		
15	Insurer Address - City	336	365	30	C		
16	Insurer Address - State	366	367	2	C		
17	Insurer Address - Zip	368	376	9	C		
18	Batch Number	377	381	5	N	O	
19	BR Client Number	382	385	4	C		
20	Client Account Number	386	391	6	C		
21	Bill Jurisdiction Code (state code)	392	393	2	C	O	
22	BR Bill Type Code	394	395	2	C	O	
23	Payment Transaction Code	396	398	3	C	R	
24	Date of Injury	399	406	8	YYYYMMDD		
25	Date of Service Begin	407	414	8	YYYYMMDD	R	
26	Date of Service End	415	422	8	YYYYMMDD	R	
27	Primary ICD-9 Code	423	428	6	C	O	
28	Primary ICD-9 Description	429	458	30	C		
29	Examiner ID	459	463	5	C		
30	Authorizing Examiner ID	464	468	5	C		
31	Date BR Received Bill	469	476	8	YYYYMMDD	O	
32	Date BR Processed Bill	477	484	8	YYYYMMDD	O	
33	Date Client Received Bill	485	492	8	YYYYMMDD	R	
34	2nd ICD-9 Code	493	498	6	C	O	

35	3rd ICD-9 Code	499	504	6	C	O	
36	4th ICD-9 Code	505	510	6	C	O	
37	5th ICD-9 Code	511	516	6	C	O	
38	DRG Code	517	519	3	C	O	
39	StateMessageKey	520	569	50	C	R	
40	Provider Tax ID Number	570	578	9	C		
41	Rendering Physician NPI	579	589	11	C	O	
42	Rendering Physician First Name If field 41 is not null, field 42 should have a value. Use the actual physician first name or	590	609	20	C	O	
43	Rendering Physician Last Name If field 41 is not null, field 43 should have a value. Use the actual physician last name or 'Unknown'	610	639	30	C	O	
44	Rendering Phys. State Specialty Code Ignored if Field 41 does not have a value.	640	649	10	N	O	
45	Provider Name	650	699	50	C		
46	Provider Mailing Street 1	700	749	50	C		
47	Provider Mailing Street 2	750	799	50	C		
48	Provider Mailing City	800	849	50	C		
49	Provider Mailing State	850	851	2	C		
50	Provider Mailing Zip	852	860	9	C		
51	Filler	861	885	25	C		
52	BR Provider Reference Code	886	897	12	C		
53	Transaction/Control Number	898	922	25	C	O	
54	Total Billed Charges Amount	923	931	9	N7.2	R	
55	Total Adjusted Amount	932	940	9	N7.2		
56	Total PPO Discount	941	949	9	N7.2		
57	Recommended Payment Amount	950	958	9	N7.2	R	
58	Provider Invoice Number	959	993	35	C	O	
59	Provider Patient Account Number	994	1013	20	C	O	
60	BR PPO Organization Code	1014	1016	3	N		
61	BR PPO Organization Name	1017	1046	30	C	O	
62	BR Bill Review Fees	1047	1055	9	N7.2	O	

63	BR PPO Fees	1056	1064	9	N7.2	O
64	Client/TPA Bill Review Fees	1065	1073	9	N7.2	
65	Other Fees	1074	1082	9	N7.2	O
66	BR Fee Invoice Number	1083	1117	35	C	O
67	BR Office Code	1118	1127	10	C	O
68	Reconsideration	1128	1128	1	C	O
69	mbi_number	1129	1148	20	C	O
70	jurisdiction_amount1	1149	1157	9	N7.2	O
71	jurisdiction_amount2	1158	1166	9	N7.2	O
72	Comment	1167	1216	50	C	O
73	Lien Objection Date	1217	1224	8	YYYYMMDD	O
74	Invoice Date	1225	1232	8	YYYYMMDD	O
75	Correction Comment	1233	1487	255	C	O
76	Billing Provider Taxonomy Code	1488	1507	20	C	O
77	Place of Service	1508	1509	2	C	O
78	Inpatient Hospital Indicator	1510	1510	1	C	O
79	Document Control Number	1511	1560	50	C	O
80	Check Date	1561	1568	8	YYYYMMDD	O
81	Check Number	1569	1588	20	C	O
82	Check Status	1589	1589	1	C	O
83	Texas Bill Type "I" = Interim or "F" = Final	1590	1590	1	C	O
84	Professional State License Number (PPO/MPN)	1591	1620	30	C	O
85	Recommended Payment Status For CA only: 1 = Paid, 4 = Denied and 22 = Reversal	1621	1622	2	C	O
86	Bill Frequency Type CA Bill Frequency Type - Required only on Institutional bills, value 1,2 or 3	1623	1626	4	C	O
87	Facility NPI	1627	1636	10	C	O
88	PPO Sub Network Name	1637	1676	40	C	O
89	Original Document Number of the reconsideration	1677	1706	30	C	O

90	Bill Status Indicator D - Duplicate Bill E - Re-Eval Bill	1707	1707	1	C	O
91	Primary ICD-10 Code Up to 10 ICD-10 Diagnosis Codes allowed per bill If the length > 3, the Code has the dot after position 3	1708	1717	10	C	O
92	ICD-10 Code 2	1718	1727	10	C	O
93	ICD-10 Code 3	1728	1737	10	C	O
94	ICD-10 Code 4	1738	1747	10	C	O
95	ICD-10 Code 5	1748	1757	10	C	O
93	ICD-10 Code 6	1758	1767	10	C	O
97	ICD-10 Code 7	1768	1777	10	C	O
98	ICD-10 Code 8	1778	1787	10	C	O
99	ICD-10 Code 9	1788	1797	10	C	O
100	ICD-10 Code 10	1798	1807	10	C	O
101	ICD-10 Procedure Code 1 Up to 10 ICD-10 Procedure Codes allowed per bill	1808	1817	10	C	O
102	ICD-10 Procedure Code 2	1818	1827	10	C	O
103	ICD-10 Procedure Code 3	1828	1837	10	C	O
104	ICD-10 Procedure Code 4	1838	1847	10	C	O
105	ICD-10 Procedure Code 5	1848	1857	10	C	O
106	ICD-10 Procedure Code 6	1858	1867	10	C	O
107	ICD-10 Procedure Code 7	1868	1877	10	C	O
108	ICD-10 Procedure Code 8	1878	1887	10	C	O
109	ICD-10 Procedure Code 9	1888	1897	10	C	O
110	ICD-10 Procedure Code 10	1898	1907	10	C	O
111	Admission Date	1908	1915	8	YYYYMMDD	O
112	Discharge Date	1916	1923	8	YYYYMMDD	O
113	Vendor ID Type	1924	1924	1	N	R
114	Vendor ID 1 (Note, if Vendor ID Type is 1, the value is a number, left justifiied, space filled.	1925	1964	40	C	R
115	Vendor ID2	1965	2004	40	C	C

116	iVOS Document Image ID	2005	2034	30	N	O	[redacted]
117	Claimant_ID	2035	2044	10	C	O	
118	Filler	2045	2500	456	C		
	Total Length, excluding CR/LF			2500			

Notes:
R = required. O = optional. C=Conditionally Required. Blank means field currently not used but defined for future use.

StateMessageKey: Used to locate State EOR Message text in State Message record set

Records included in file named xxxx_Master.Txt
xxxx is any string that is the same for each of the three files in a batch.

Detail eor_aon1

Field	Description	Begin	End	Length	Type	Req/Opt.
1	Record Transaction Type	1	1	1	C	R
2	Document Number	2	31	30	C	R
3	Line Number	32	34	3	N	R
4	DOS From	35	42	8	D	O
5	DOS To	43	50	8	D	O
6	Billed Code	51	61	11	C	O
7	Billed Modifier 1	62	64	3	C	O
8	Billed Modifier 2	65	67	3	C	O
9	Reviewed Code	68	78	11	C	O
10	Reviewed Modifier 1	79	81	3	C	O
11	Reviewed Modifer 2	82	84	3	C	O
12	Revenue Code	85	87	3	C	O
13	Description	88	137	50	C	O
14	Units	138	142	5	N	O
15	Billed Amount	143	151	9	N7.2	R
16	Allowed Amount	152	160	9	N7.2	R
17	PPO Discount	161	169	9	N7.2	O
18	Recommended Amount	170	178	9	N7.2	R
19	Reason Code 1	179	188	10	C	O
20	Reason Code 2	189	198	10	C	O
21	Reason Code 3	199	208	10	C	O
22	Reason Code 4	209	218	10	C	O
23	Reason Code 5	219	228	10	C	O
24	Reason Code 6	229	238	10	C	O
25	Reason Code Inline	239	248	10	C	O
26	Other Discount Amount	249	257	9	N7.2	O
27	Prescriber License Number State License number assigned and required by a State Board or other State regulatory agency that uniquely identifies a pharmacy by category, as defined by each State or Territory or a prescriber by practice specialty for which they reside/practice.	258	267	10	C	O
28	Prescription Number	268	287	20	C	O

29	DAW (Dispensed as written) 0=No production selection indicated 1=Substitution not allowed by prescriber 2=Substitution allowed – patient requested product dispensed 3=Substitution allowed – pharmacist selected product dispensed 4=Substitution allowed – generic drug not in stock 5=Substitution allowed – brand drug dispensed as a generic 6=Override 7=Substitution not allowed – brand drug mandated by law 8=Substitution allowed – generic drug not available in marketplace 9=Other	288	288	1	N	O	[redacted]
30	Drug Type Generic or Brand Name indicator B - Brand Name G - Generic	289	289	1	C	O	
31	Days Supply Estimated Number of Days the prescription will last	290	293	4	N	O	
32	New/Refill Code N - New Prescription R - Refill	294	294	1	C	O	
33	Re-evalulation Previous Line Amount Recommended (aggregate of previous bill's line amount. This amount plus field 18, Recommended Amount, is the total line amount paid for the bill)	295	303	9	N7.2	O	
34	Reason Description Inline (Custom description associated with field 25, for this bill and line. Note: field 25, Reason Code Inline + field 34, Reason Description Inline, are unique combinations for different lines on the same bill.)	304	558	255	C	O	
35	Filler	559	1000	442	C	R	
	Total Length exclude CR/LF			1000			

Notes:
R = required. O = optional. Blank means field currently not used but defined for future use.

Reason Code x: Used to locate reason code text in Reason Codes record set

Assumptions

1 [redacted]

2 [redacted]

3 [redacted]

4 [redacted]

5 [redacted]

6 [redacted]

7 [redacted]

8 [redacted]

Dependencies

1 [redacted]

External References

[redacted]

Claims Enterprise Bill Review Export Specifications

RISKONNECT

Revision History

Date	Version	Story#	Description	Author
5/2/16	1	V131036	New layout fixed13, added fields starting in position 1675, reduces the filler and keeps the claimant record length of 1750. (fixed12 is the base of the changes)	Anne Holman
10/12/16		V131036	Claimant layout Filler was shown as 47, updated to 48 for total length 1750. Document only	Anne Holman
4/30/2020			Values for LAC documented	Anne Holman

iVOS Bill Review Export Specification

Claimant Information Export File: fixed13

Field	Type	Start	Len	Comment	Source Column
Claim Number	char	1	20		
claim ID	numeric	21	11	Field to be returned with each payment entry For VOS EOR, this is value returned in Host Claim ID field	
claimant ID	numeric	32	11	Field to be returned with each payment entry	
Last Name	char	43	30		
First Name	char	73	15		
Middle Name	char	88	15		
Address1	char	103	50		
Address2	char	153	50		
City	char	203	35		
State	char	238	2		
Zip code	char	240	9		
Work Phone	char	249	20		
Employee Number	char	269	12		
SSN	char	281	9		
Sex	char	290	30		
Birth Date	date	320	8		
Injury Date	date	328	8	yyyymmdd	
Status	char	336	30		
Claimant Type	char	366	30		
Close Date	date	396	8	yyyymmdd	
Insured/Employer Name	char	404	80		
Location	char	484	80		
Examiner	char	564	30		
Insured Number	char	594	40		
Insured ID	numeric	634	8		
Insurer Number	char	642	10		
Insurer Name	char	652	80		
Funding Source Number	char	732	10		
Jurisdiction State	char	742	2		
Body Part Desc	char	744	50		

Field	Type	Start	Len	Comment	Source Column
Adjusting Office Code	char	794	3		[redacted]
Escalated	char	797	1	0 = not escalated 1 = escalated	[redacted]
Accepted	char	798	1	0 = no accepted 1 = accepted	[redacted]
Accepted Date	date	799	8	yyyymmdd	[redacted]
Delayed	char	807	1	0 = not delayed 1 = delayed	[redacted]
Delayed Date	date	808	8	yyyymmdd	[redacted]
Delayed Reason	char	816	255		[redacted]
Denied	char	1071	1	0 = not denied 1 = denied	[redacted]
Denied Date	date	1072	8	yyyymmdd	[redacted]
Denied Reason	char	1080	255		[redacted]
Denial Reason Code	char	1335	2		[redacted]
Examiner Code	char	1337	40		[redacted]
OSHA Privacy Case	char	1377	1	0 = not OSHA privacy case 1 = OSHA privacy case	[redacted]
Nature of Injury Desc	char	1378	50		[redacted]
MPN_code	Number	1428	4		[redacted]
MPN_edit_date	Date	1432	8		[redacted]
Producer_number	Varchar	1440	10		[redacted]
Nature of Injury NCCI code	Char	1450	2		[redacted]
Body Part NCCI code	Char	1452	2		[redacted]
Home Address1	char	1454	50		[redacted]
Home Address2	char	1504	50		[redacted]
Home City	char	1554	35		[redacted]
Home State	char	1589	2		[redacted]
Home Zip code	char	1591	9		[redacted]
Home Phone	char	1600	20		[redacted]
RX Eligibility Status	Char	1620	30	It is an optional field, fill space if no value is found	[redacted]
WC Jurisdiction Claim Number	Char	1650	25		[redacted]
Insured/Employer FEIN	Char	1675	9		[redacted]
Insurer FEIN	Char	1684	9		[redacted]
Insurer Zip Code	Char	1693	9		[redacted]
Self-Insured Indicator	Char	1702	1	1 = self_insured 0 or null = not self-insured	[redacted]
Filler		1703	48		
				Total length = 1750	

Field	Type	Start	Len	Comment	Source Column

Exhibit B
Pricing Schedule

Contractor's Name

MAXIMUM NOT-TO-EXCEED CONTRACT COST

$_____

This amount covers all services rendered consistent with Exhibit A (Statement of Work (SOW)) during the term of the Contract and under the direction of the County's Project Manager.

Payment shall be made in arrears in a manner and subject to the conditions set forth here and in accordance with Paragraph 5.0 (Contract Sum) of the Contract. Any costs incurred beyond the maximum not-to-exceed cost shall be the sole responsibility of the Contractor. The Contractor's services provided for written approval by the County shall be billed in accordance wiith the Contractor's pricing and professsional fees/rates schedule set forth below.

All pricing and professsional fees/rates set forth below are fully burdened and inclusive of all costs necessary to perform the services under the Contract, including wages, materials/equipment, travel, general and administrative expenses, direct and indirect cost, profit and all other costs associated with providing services for the during the term of the Contract.

		Unit ___
A) 24/7 INJURY REPORTING		
	First Report of Injury - Fee per Claim	$0.00
B) MEDICAL BILL REVIEW		
All bills unless otherwise specified	• Per Line Rate	$0.00
	• Minimum Lines	0 lines
	• Maximum Lines	0 lines
	• Header Lines	$0.00
Inpatient Hospital	• Per Line Rate	$0.00
	• Minimum Lines	0 lines
	• Maximum Lines	0 lines
	• Header Lines	$0.00
Outpatient Hospital & Ambulatory Surgery Centers	• Per Line Rate	$0.00
	• Minimum Lines	0 lines
	• Maximum Lines	0 lines
	• Header Lines	$0.00
PPO Savings	% of Savings - Difference between California Official Medical Fee Schedule (OMFS) and actual allowances	0%
	% of Savings - Difference between billed charges and actual allowances if OMFS is not applicable	0%
	Per bill cap (up to $5,000)	$0.00
Excluded from OMFS and PPO	% of Savings - Difference between billed charges and actual allowances	0%
	Per bill cap (up to $5,000)	$0.00
C) UTILIZATION REVIEW (UR)		
	Non-physician review - Flat Rate	$0.00
	Physician review – Flat Rate (includes peer-to-peer)	$0.00
D) MEDICAL CASE MANAGEMENT/NURSE CASE MANAGEMENT		
	Telephonic Nurse Case Manager	$0.00
	Field Nurse Case Manager	$0.00

Exhibit C
County's Administration

COUNTY'S CONTRACT DIRECTOR:

Name:	Anthony Taras
Title:	Manager, Risk Management – Claims
Address:	County of Los Angeles – Hall of Records 320 West Temple Street, Los Angeles, CA 90012
Phone:	(213) 351-6405
E-mail:	ataras@ceo.lacounty.gov

COUNTY'S PROJECT MANAGER

Name:	Paige Patterson
Title:	Chief Program Specialist
Address:	County of Los Angeles – Hall of Records 320 West Temple Street, Los Angeles, CA 90012
Phone:	(213) 253-5668
E-mail:	epatterson@ceo.lacount.gov

COUNTY'S PROJECT MONITOR

Name:	Daniel Benitez
Title:	Program Specialist IV
Address:	County of Los Angeles – Hall of Records 320 West Temple Street, Los Angeles, CA 90012
Phone:	(213) 974-5729
E-mail:	dbenitez@ceo.lacounty.gov

Exhibit D
Contractor's Administration

Contractor's Name: Contractor's Name

CONTRACTOR'S PROJECT DIRECTOR

Name: _____

Title: _____

Address: _____

Phone: _____

E-mail: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

Phone: _____

E-mail: _____

Name: _____

Title: _____

Address: _____

Phone: _____

E-mail: _____

NOTICES TO CONTRACTOR

Exhibit D
Contractor's Administration

Name: _____

Title: _____

Address: _____

Phone: _____

E-mail: _____

Exhibit E
Business Associate Agreement Under the
Health Insurance Portability and Accountability Act of 1996 ("HIPAA")

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules").

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement ("Business Associate Agreement") between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

1. DEFINITIONS

1.1 "Breach" has the same meaning as the term "breach" at 45 C.F.R. § 164.402.

1.2 "Business Associate" has the same meaning as the term "business associate" at 45 C.F.R. § 160.103. For the convenience of the parties, a "business associate" is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to Protected Health Information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business associate. And in reference to the party to this Business Associate Agreement "Business Associate" will mean Contractor.

1.3 "Covered Entity" has the same meaning as the term “covered entity” at 45 C.F.R. § 160.103, and in reference to the party to this Business Associate Agreement, "Covered Entity" will mean County.

1.4 "Data Aggregation" has the same meaning as the term "data aggregation" at 45 C.F.R. § 164.501.

1.5 "De-identification" refers to the de-identification standard at 45 C.F.R. § 164.514.

1.6 "Designated Record Set" has the same meaning as the term "designated record set" at 45 C.F.R. § 164.501.

1.7 "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 workforce. (See 45 C.F.R. § 160.103.)

1.8 "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. (See 42 U.S. C. § 17921.)

1.9 "Electronic Media" has the same meaning as the term "electronic media" at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, 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 if the information being exchanged did not exist in electronic form immediately before the transmission.

1.10 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" at 45 C.F.R. § 160.103, limited to Protected Health Information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

1.11 "Health Care Operations" has the same meaning as the term "health care operations" at 45 C.F.R. § 164.501.

1.12 "Individual" has the same meaning as the term "individual" at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and will include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).

1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.

1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 164.502 (b).

1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, 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 created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. “Protected Health Information” includes Electronic Protected Health Information.

1.16 “Required by Law” " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.

1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103

1.18 "Security Incident” has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.

1.19 "Services” means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.

1.21 "Unsecured Protected Health Information" has the same meaning as the term “unsecured protected health information" at 45 C.F.R. § 164.402.

1.22 “Use” or “Uses” means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate’s internal operations. (See 45 C.F.R § 164.103.)

1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.

2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.

2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.

2.4 Business Associate will make Uses and Disclosures and requests for Protected Health Information consistent with the Covered Entity’s applicable Minimum Necessary policies and procedures.

2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.

2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed (i.e., the recipient) that it will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was disclosed to the recipient and the recipient notifies Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

3.1 Business Associate must not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.

3.2 Business Associate must not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.

3.3 Business Associate must not Use or Disclose Protected Health Information for de-identification of the information except as set forth in section 2.2.

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

4.1 Business Associate must implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.

4.2 Business Associate must comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION

5.1 Business Associate must report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.

5.1.1 Business Associate must report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.

5.1.2 Business Associate must report to Covered Entity any Security Incident of which Business Associate becomes aware.

5.1.3 Business Associate must report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, 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 will 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 Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.

5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate must provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.

5.2.1 Business Associate must make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:

(a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;

(b) The number of Individuals whose Protected Health Information is involved;

(c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or 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);

(d) The name and contact information for a person highly knowledge of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach

5.2.2 Business Associate must make a written report <u>without unreasonable delay and in no event later than three (3) business days</u> from the date

of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **HIPAA Compliance Officer at: Hall of Records, County of Los Angeles, Chief Executive Office, Risk Management Branch-Office of Privacy, 320 W. Temple Street, 7th Floor, Los Angeles, California 90012,** PRIVACY@ceo.lacounty.gov, that includes, to the extent possible:

(a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;

(b) The number of Individuals whose Protected Health Information is involved;

(c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or 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);

(d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;

(e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;

(f) Any steps Business Associate believes that the Individual(s) could take to protect themselves from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;

(g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and

(h) The name and contact information for a person highly knowledge of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.

5.2.3 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate must provide such information promptly thereafter as such information becomes available.

5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.

5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate must delay its reporting and/or notification obligation(s) for the time period specified by the official.

5.3.2 If the statement is made orally, Business Associate must document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate must ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.

6.2 Business Associate must take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.

6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor must terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.

6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate must immediately notify County.

6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) must require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.

6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) must include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.

6.7 Business Associate must provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.

6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate must, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and must provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.

7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate must notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access will be provided or denied will be determined by Covered Entity.

7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate must provide the Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDMENT OF PROTECTED HEALTH INFORMATION

8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate must, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.

8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate must notify Covered Entity in writing within five (5) days of the receipt of the request.

Whether an amendment will be granted or denied will be determined by Covered Entity.

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION

9.1 Business Associate must maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary 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.

9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 must 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.

9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate must document the information specified in Section 9.1.1, and must maintain the information for six (6) years from the date of the Disclosure.

9.2 Business Associate must provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Section 9.1.1 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

9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate must notify Covered Entity in writing within five (5) days of the receipt of the request, and must provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting must be in accordance with 45 C.F.R. § 164.528.

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate must comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).

10.2 Business Associate must comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

11.1 Business Associate must make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.

11.2 Unless prohibited by the Secretary, Business Associate must 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.

12. MITIGATION OF HARMFUL EFFECTS

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

13. BREACH NOTIFICATION TO INDIVIDUALS

13.1 Business Associate must, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.

13.1.1 Business Associate must notify, subject to the review and approval of Covered Entity, 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 any such Breach.

13.1.2 The notification provided by Business Associate must be written in plain language, will be subject to review and approval by Covered Entity, and must include, to the extent possible:

(a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;

(b) 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);

(c) Any steps the Individual should take to protect themselves from potential harm resulting from the Breach;

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

(e) Contact procedures for Individual(s) to ask questions or learn additional information, including a toll-free telephone number, an e-mail address, Web site, or postal address.

13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.

13.3 Business Associate must reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity will not be responsible for any costs incurred by Business Associate in providing the notification required by 13.1 or in establishing the contact procedures required by Section 13.1.2.

14. INDEMNIFICATION

14.1 Business Associate must indemnify, defend, and hold harmless Covered Entity, 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, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.

14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

15. OBLIGATIONS OF COVERED ENTITY

15.1 Covered Entity will notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate’s performance of the Services, and Business Associate must thereafter restrict or limit its own Uses and Disclosures accordingly.

15.2 Covered Entity will not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

16. TERM

16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement will be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 11, 14, and 18 will survive the termination or expiration of this Business Associate Agreement.

17. TERMINATION FOR CAUSE

17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which must be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.

17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION

18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate must return or, if agreed to by Covered entity, must destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate will retain no copies of the Protected Health Information.

18.2 Destruction for purposes of Section 18.2 and Section 6.6 will mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.

18.3 Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and must return or destroy all other Protected Health Information.

18.3.1 Business Associate must extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate must not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.

18.3.2 Business Associate must return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.

18.4 Business Associate must ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

19. AUDIT, INSPECTION, AND EXAMINATION

19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 17.

19.2 Covered Entity and Business Associate will mutually agree in advance upon the scope, timing, and location of any such inspection.

19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity will execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.

19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.

19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, will not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20. MISCELLANEOUS PROVISIONS

20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.

20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.

20.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement will confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement will control. Otherwise, this Business Associate Agreement will be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.

20.6 Interpretation. Any ambiguity in this Business Associate Agreement will be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.

20.7 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 or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

Exhibit F
Information Security and Privacy Requirements Exhibit

The County of Los Angeles ("County") is committed to safeguarding the Integrity of the County systems, Data, Information and protecting the privacy rights of the individuals that it serves. This Information Security and Privacy Requirements Exhibit ("Exhibit") sets forth the County and the Contractor's commitment and agreement to fulfill each of their obligations under applicable state or federal laws, rules, or regulations, as well as applicable industry standards concerning privacy, Data protections, Information Security, Confidentiality, Availability, and Integrity of such Information. The Information Security and privacy requirements and procedures in this Exhibit are to be established by the Contractor before the Effective Date of the Contract and maintained throughout the term of the Contract.

These requirements and procedures are a minimum standard and are in addition to the requirements of the underlying base agreement between the County and Contractor (the "Contract") and any other agreements between the parties. However, it is the Contractor's sole obligation to: (i) implement appropriate and reasonable measures to secure and protect its systems and all County Information against internal and external Threats and Risks; and (ii) continuously review and revise those measures to address ongoing Threats and Risks. Failure to comply with the minimum requirements and procedures set forth in this Exhibit will constitute a material, non-curable breach of Contract by the Contractor, entitling the County, in addition to the cumulative of all other remedies available to it at law, in equity, or under the Contract, to immediately terminate the Contract. To the extent there are conflicts between this Exhibit and the Contract, this Exhibit will prevail unless stated otherwise.

1. DEFINITIONS

Unless otherwise defined in the Contract, the definitions herein contained are specific to the uses within this exhibit.

a. **Availability:** the condition of Information being accessible and usable upon demand by an authorized entity (Workforce Member or process).

b. **Confidentiality:** the condition that Information is not disclosed to system entities (users, processes, devices) unless they have been authorized to access the Information.

c. **County Information:** all Data and Information belonging to the County.

d. **Data:** a subset of Information comprised of qualitative or quantitative values.

e. **Incident:** a suspected, attempted, successful, or imminent Threat of unauthorized electronic and/or physical access, use, disclosure, breach, modification, or destruction of information; interference with Information Technology operations; or significant violation of County policy.

f. **Information:** any communication or representation of knowledge or understanding such as facts, Data, or opinions in any medium or form, including electronic, textual, numerical, graphic, cartographic, narrative, or audiovisual.

g. **Information Security Policy:** high level statements of intention and direction of an organization used to create an organization's Information Security Program as formally expressed by its top management.

h. **Information Security Program:** formalized and implemented Information Security Policies, standards and procedures that are documented describing the program management safeguards and common controls in place or those planned for meeting the County's information security requirements.

i. **Information Technology:** any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of Data or Information.

j. **Integrity**: the condition whereby Data or Information has not been improperly modified or destroyed and authenticity of the Data or Information can be ensured.

k. **Mobile Device Management (MDM):** software that allows Information Technology administrators to control, secure, and enforce policies on smartphones, tablets, and other endpoints.

l. **Privacy Policy:** high level statements of intention and direction of an organization used to create an organization's Privacy Program as formally expressed by its top management.

m. **Privacy Program:** A formal document that provides an overview of an organization's privacy program, including a description of the structure of the privacy program, the resources dedicated to the privacy program, the role of the organization's privacy official and other staff, the strategic goals and objectives of the Privacy Program, and the program management controls and common controls in place or planned for meeting applicable privacy requirements and managing privacy risks.

n. **Risk:** a measure of the extent to which the County is threatened by a potential circumstance or event, Risk is typically a function of: (i) the adverse impacts that would arise if the circumstance or event occurs; and (ii) the likelihood of occurrence.

o. **Threat:** any circumstance or event with the potential to adversely impact County operations (including mission, functions, image, or reputation), organizational assets, individuals, or other organizations through an Information System via unauthorized access, destruction, disclosure, modification of Information, and/or denial of service.

p. **Vulnerability:** a weakness in a system, application, network or process that is subject to exploitation or misuse.

q. **Workforce Member:** employees, volunteers, and other persons whose conduct, in the performance of work for Los Angeles County, is under the direct control of Los Angeles County, whether or not they are paid by Los Angeles County. This includes, but may not be limited to, full and part time elected or appointed officials, employees, affiliates, associates, students, volunteers, and staff from third party entities who provide service to the County.

2. INFORMATION SECURITY AND PRIVACY PROGRAMS

a. **Information Security Program.** The Contractor must maintain a company-wide Information Security Program designed to evaluate Risks to the Confidentiality, Availability, and Integrity of the County Information covered under this Contract.

Contractor's Information Security Program must include the creation and maintenance of Information Security Policies, standards, and procedures. Information Security Policies, standards, and procedures will be communicated to all Contractor employees in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure operational effectiveness, compliance with all applicable laws and regulations, and addresses new and emerging Threats and Risks.

The Contractor must exercise the same degree of care in safeguarding and protecting County Information that the Contractor exercises with respect to its own Information and Data, but in no event

less than a reasonable degree of care. The Contractor will implement, maintain, and use appropriate administrative, technical, and physical security measures to preserve the Confidentiality, Integrity, and Availability of County Information.

The Contractor's Information Security Program must:

- Protect the Confidentiality, Integrity, and Availability of County Information in the Contractor's possession or control;
- Protect against any anticipated Threats or hazards to the Confidentiality, Integrity, and Availability of County Information;
- Protect against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
- Protect against accidental loss or destruction of, or damage to, County Information; and
- Safeguard County Information in compliance with any applicable laws and regulations which apply to the Contractor.

b. **Privacy Program.** The Contractor must establish and maintain a company-wide Privacy Program designed to incorporate Privacy Policies and practices in its business operations to provide safeguards for Information, including County Information. The Contractor's Privacy Program must include the development of, and ongoing reviews and updates to Privacy Policies, guidelines, procedures and appropriate workforce privacy training within its organization. These Privacy Policies, guidelines, procedures, and appropriate training will be provided to all Contractor employees, agents, and volunteers. The Contractor's Privacy Policies, guidelines, and procedures must be continuously reviewed and updated for effectiveness and compliance with applicable laws and regulations, and to appropriately respond to new and emerging Threats and Risks. The Contractor's Privacy Program must perform ongoing monitoring and audits of operations to identify and mitigate privacy Threats.

The Contractor must exercise the same degree of care in safeguarding the privacy of County Information that the Contractor exercises with respect to its own Information, but in no event less than a reasonable degree of care. The Contractor will implement, maintain, and use appropriate privacy practices and protocols to preserve the Confidentiality of County Information.

The Contractor's Privacy Program must include:

- A Privacy Program framework that identifies and ensures that the Contractor complies with all applicable laws and regulations;
- External Privacy Policies, and internal privacy policies, procedures and controls to support the privacy program;
- Protections against unauthorized or unlawful access, use, disclosure, alteration, or destruction of County Information;
- A training program that covers Privacy Policies, protocols and awareness;
- A response plan to address privacy Incidents and privacy breaches; and
- Ongoing privacy assessments and audits.

3. PROPERTY RIGHTS TO COUNTY INFORMATION

All County Information is deemed property of the County, and the County will retain exclusive rights and ownership thereto. County Information must not be used by the Contractor for any purpose other than as required under this Contract, nor will such or any part of such be disclosed, sold, assigned, leased, or otherwise disposed of, to third parties by the Contractor, or commercially exploited or otherwise used by, or on behalf of, the Contractor, its officers, directors, employees, or agents. The Contractor may assert no lien on or right to withhold from the County, any County Information it receives from, receives addressed to, or stores on behalf of, the County. Notwithstanding the foregoing, the Contractor may aggregate, compile, and use County Information in order to improve, develop or enhance the System Software and/or other services offered, or to be offered, by the Contractor, provided that (i) no County Information in such aggregated or compiled pool is identifiable as originating from, or can be traced back to the County, and (ii) such Data or Information cannot be associated or matched with the identity of an individual alone, or linkable to a specific individual. The Contractor specifically consents to the County's access to such County Information held, stored, or maintained on any and all devices Contactor owns, leases or possesses.

4. CONTRACTOR'S USE OF COUNTY INFORMATION

The Contractor may use County Information only as necessary to carry out its obligations under this Contract. The Contractor must collect, maintain, or use County Information only for the purposes specified in the Contract and, in all cases, in compliance with all applicable local, state, and federal laws and regulations governing the collection, maintenance, transmission, dissemination, storage, use, and destruction of County Information, including, but not limited to, (i) any state and federal law governing the protection of personal Information, (ii) any state and federal security breach notification laws, and (iii) the rules, regulations and directives of the Federal Trade Commission, as amended from time to time.

5. SHARING COUNTY INFORMATION AND DATA

The Contractor must not share, release, disclose, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, County Information to a third party for monetary or other valuable consideration.

6. CONFIDENTIALITY

a. **Confidentiality of County Information.** The Contractor agrees that all County Information is Confidential and proprietary to the County regardless of whether such Information was disclosed intentionally or unintentionally, or marked as "confidential".

b. **Disclosure of County Information.** The Contractor may disclose County Information only as necessary to carry out its obligations under this Contract, or as required by law, and is prohibited from using County Information for any other purpose without the prior express written approval of the County's contract administrator in consultation with the County's Chief Information Security Officer and/or Chief Privacy Officer. If required by a court of competent jurisdiction or an administrative body to disclose County Information, the Contractor must notify the County's contract administrator immediately and prior to any such disclosure, to provide the County an opportunity to oppose or otherwise respond to such disclosure, unless prohibited by law from doing so.

c. **Disclosure Restrictions of Non-Public Information.** While performing work under the Contract, the Contractor may encounter County Non-public Information ("NPI") in the course of performing this Contract, including, but not limited to, licensed technology, drawings, schematics, manuals,

sealed court records, and other materials described and/or identified as "Internal Use", "Confidential" or "Restricted" as defined in Board of Supervisors Policy 6.104 – Information Classification Policy as NPI. The Contractor must not disclose or publish any County NPI and material received or used in performance of this Contract. This obligation is perpetual.

d. **Individual Requests.** The Contractor must acknowledge any request or instructions from the County regarding the exercise of any individual's privacy rights provided under applicable federal or state laws. The Contractor must have in place appropriate policies and procedures to promptly respond to such requests and comply with any request or instructions from the County within seven (7) calendar days. If an individual makes a request directly to the Contractor involving County Information, the Contractor must notify the County within five (5) calendar days and the County will coordinate an appropriate response, which may include instructing the Contractor to assist in fulfilling the request. Similarly, if the Contractor receives a privacy or security complaint from an individual regarding County Information, the Contractor must notify the County as described in Section 14 SECURITY AND PRIVACY INCIDENTS, and the County will coordinate an appropriate response.

e. **Retention of County Information.** The Contractor must not retain any County Information for any period longer than necessary for the Contractor to fulfill its obligations under the Contract and applicable law, whichever is longest.

7. CONTRACTOR EMPLOYEES

a. The Contractor must perform background and security investigation procedures in the manner prescribed in this section unless the Contract prescribes procedures for conducting background and security investigations and those procedures are no less stringent than the procedures described in this section.

To the extent permitted by applicable law, the Contractor must screen and conduct background investigations on all Contractor employees and Subcontractors as appropriate to their role, with access to County Information for potential security Risks. Such background investigations must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review and conducted in accordance with the law, may include criminal and financial history to the extent permitted under the law, and will be repeated on a regular basis. The fees associated with the background investigation will be at the expense of the Contractor, regardless of whether the member of the Contractor's staff passes or fails the background investigation. The Contractor, in compliance with its legal obligations, must conduct an individualized assessment of their employees, agents, and volunteers regarding the nature and gravity of a criminal offense or conduct; the time that has passed since a criminal offense or conduct and completion of the sentence; and the nature of the access to County Information to ensure that no individual accesses County Information whose past criminal conduct poses a risk or threat to County Information.

The Contractor must require all employees, agents, and volunteers to abide by the requirements in this Exhibit, as set forth in the Contract, and sign an appropriate written Confidentiality/non-disclosure agreement with the Contractor.

The Contractor must supply each of its employees with appropriate, annual training regarding Information Security procedures, Risks, and Threats. The Contractor agrees that training will cover, but may not be limited to the following topics:

a) **Secure Authentication:** The importance of utilizing secure authentication, including proper management of authentication credentials (login name and password) and multi-factor authentication.

b) **Social Engineering Attacks:** Identifying different forms of social engineering including, but not limited to, phishing, phone scams, and impersonation calls.

c) **Handling of County Information:** The proper identification, storage, transfer, archiving, and destruction of County Information.

d) **Causes of Unintentional Information Exposure:** Provide awareness of causes of unintentional exposure of Information such as lost mobile devices, emailing Information to inappropriate recipients, etc.

e) **Identifying and Reporting Incidents:** Awareness of the most common indicators of an Incident and how such indicators should be reported within the organization.

f) **Privacy:** The Contractor's Privacy Policies and procedures as described in Section 2b. Privacy Program.

The Contractor must have an established set of procedures to ensure the Contractor's employees promptly report actual and/or suspected breaches of security.

8. SUBCONTRACTORS AND THIRD PARTIES

The County acknowledges that in the course of performing its services, the Contractor may desire or require the use of goods, services, and/or assistance of Subcontractors or other third parties or suppliers. The terms of this Exhibit will also apply to all Subcontractors and third parties. The Contractor or third party will be subject to the following terms and conditions: (i) each Subcontractor and third party must agree in writing to comply with and be bound by the applicable terms and conditions of this Exhibit, both for itself and to enable the Contractor to be and remain in compliance with its obligations hereunder, including those provisions relating to Confidentiality, Integrity, Availability, disclosures, security, and such other terms and conditions as may be reasonably necessary to effectuate the Contract including this Exhibit; and (ii) the Contractor will be and remain fully liable for the acts and omissions of each Subcontractor and third party, and fully responsible for the due and proper performance of all Contractor obligations under this Contract.

The Contractor must obtain advanced approval from the County's Chief Information Security Officer and/or Chief Privacy Officer prior to subcontracting services subject to this Exhibit.

9. STORAGE AND TRANSMISSION OF COUNTY INFORMATION

All County Information must be rendered unusable, unreadable, or indecipherable to unauthorized individuals. Without limiting the generality of the foregoing, the Contractor will encrypt all workstations, portable devices (such as mobile, wearables, tablets,) and removable media (such as portable or removable hard disks, floppy disks, USB memory drives, CDs, DVDs, magnetic tape, and all other removable storage media) that store County Information in accordance with Federal Information Processing Standard (FIPS) 140-2 or otherwise approved by the County's Chief Information Security Officer.

The Contractor will encrypt County Information transmitted on networks outside of the Contractor's control with Transport Layer Security (TLS) or Internet Protocol Security **(**IPSec**)**, at a minimum cipher strength of 128 bit or an equivalent secure transmission protocol or method approved by County's Chief Information Security Officer.

In addition, the Contractor must not store County Information in the cloud or in any other online storage provider without written authorization from the County's Chief Information Security Officer. All mobile devices storing County Information must be managed by a Mobile Device Management system. Such system must provide provisions to enforce a password/passcode on enrolled mobile devices. All workstations/Personal Computers (including laptops, 2-in-1s, and tablets) will maintain the latest operating system security patches, and the latest virus definitions. Virus scans must be performed at least monthly. Request for less frequent scanning must be approved in writing by the County's Chief Information Security Officer.

10. RETURN OR DESTRUCTION OF COUNTY INFORMATION

The Contractor must return or destroy County Information in the manner prescribed in this section unless the Contract prescribes procedures for returning or destroying County Information and those procedures are no less stringent than the procedures described in this section.

a. **Return or Destruction.** Upon County's written request, or upon expiration or termination of this Contract for any reason, Contractor must (i) promptly return or destroy, at the County's option, all originals and copies of all documents and materials it has received containing County Information; or (ii) if return or destruction is not permissible under applicable law, continue to protect such Information in accordance with the terms of this Contract; and (iii) deliver or destroy, at the County's option, all originals and copies of all summaries, records, descriptions, modifications, negatives, drawings, adoptions and other documents or materials, whether in writing or in machine-readable form, prepared by the Contractor, prepared under its direction, or at its request, from the documents and materials referred to in Subsection (i) of this Section. For all documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be returned to the County, the Contractor must provide a written attestation on company letterhead certifying that all documents and materials have been delivered to the County. For documents or materials referred to in Subsections (i) and (ii) of this Section that the County requests be destroyed, the Contractor must provide an attestation on company letterhead and certified documentation from a media destruction firm consistent with subdivision b of this Section. Upon termination or expiration of the Contract or at any time upon the County's request, the Contractor must return all hardware, if any, provided by the County to the Contractor. The hardware should be physically sealed and returned via a bonded courier, or as otherwise directed by the County.

b. **Method of Destruction.** The Contractor must destroy all originals and copies by (i) cross-cut shredding paper, film, or other hard copy media so that the Information cannot be read or otherwise reconstructed; and (ii) purging, or destroying electronic media containing County Information consistent with NIST Special Publication 800-88, "Guidelines for Media Sanitization" such that the County Information cannot be retrieved. The Contractor will provide an attestation on company letterhead and certified documentation from a media destruction firm, detailing the destruction method used and the County Information involved, the date of destruction, and the company or individual who performed the destruction. Such statement will be sent to the designated County contract manager within ten (10) days of termination or expiration of the Contract or at any time upon the County's request. On termination or expiration of this Contract, the County will return or

destroy all Contractor's Information marked as confidential (excluding items licensed to the County hereunder, or that provided to the County by the Contractor hereunder), at the County's option.

11. PHYSICAL AND ENVIRONMENTAL SECURITY

All Contractor facilities that process County Information will be located in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference.

All Contractor facilities that process County Information will be maintained with physical and environmental controls (temperature and humidity) that meet or exceed hardware manufacturer's specifications.

12. OPERATIONAL MANAGEMENT, BUSINESS CONTINUITY, AND DISASTER RECOVERY

The Contractor must: (i) monitor and manage all of its Information processing facilities, including, without limitation, implementing operational procedures, change management, and Incident response procedures consistent with Section 14 SECURITY AND PRIVACY INCIDENTS; and (ii) deploy adequate anti-malware software and adequate back-up systems to ensure essential business Information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures are adequately documented and designed to protect Information and computer media from theft and unauthorized access.

The Contractor must have business continuity and disaster recovery plans. These plans must include a geographically separate back-up data center and a formal framework by which an unplanned event will be managed to minimize the loss of County Information and services. The formal framework includes a defined back-up policy and associated procedures, including documented policies and procedures designed to: (i) perform back-up of data to a remote back-up data center in a scheduled and timely manner; (ii) provide effective controls to safeguard backed-up data; (iii) securely transfer County Information to and from back-up location; (iv) fully restore applications and operating systems; and (v) demonstrate periodic testing of restoration from back-up location. If the Contractor makes backups to removable media (as described in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION), all such backups must be encrypted in compliance with the encryption requirements noted above in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

13. ACCESS CONTROL

Subject to and without limiting the requirements under Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION, County Information (i) may only be made available and accessible to those parties explicitly authorized under the Contract or otherwise expressly approved by the County Project Director or Project Manager in writing; and (ii) if transferred using removable media (as described in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be sent via a bonded courier and protected using encryption technology designated by the Contractor and approved by the County's Chief Information Security Officer in writing. The foregoing requirements will apply to back-up media stored by the Contractor at off-site facilities.

The Contractor must implement formal procedures to control access to County systems, services, and/or Information, including, but not limited to, user account management procedures and the following controls:

a. Network access to both internal and external networked services must be controlled, including, but not limited to, the use of industry standard and properly configured firewalls;

b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, multi-factor authentication, use of virtual private networks (VPN), authorization, and event logging;

c. The Contractor will conduct regular, no less often than semi-annually, user access reviews to ensure that unnecessary and/or unused access to County Information is removed in a timely manner;

d. Applications will include access control to limit user access to County Information and application system functions;

e. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. The Contractor must record, review and act upon all events in accordance with Incident response policies set forth in Section 14 SECURITY AND PRIVACY INCIDENTS; and

f. In the event any hardware, storage media, or removable media (as described in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION) must be disposed of or sent off-site for servicing, the Contractor must ensure all County Information, has been eradicated from such hardware and/or media using industry best practices as discussed in Section 9 STORAGE AND TRANSMISSION OF COUNTY INFORMATION.

14. SECURITY AND PRIVACY INCIDENTS

In the event of a Security or Privacy Incident, the Contractor must:

a. Promptly notify the County's Chief Information Security Officer, the Departmental Information Security Officer, and the County's Chief Privacy Officer of any Incidents involving County Information, within twenty-four (24) hours of detection of the Incident. All notifications must be submitted via encrypted email and telephone.

County Chief Information Security Officer and Chief Privacy Officer email
CISO-CPO_Notify@lacounty.gov

Chief Information Security Officer:
James Thurmond
Acting Chief Information Security Officer
320 W Temple, 7th Floor
Los Angeles, CA 90012
(213) 253-5660
JThurmond@cio.lacounty.gov

Chief Privacy Officer:
Lillian Russell
Chief Privacy Officer
320 W Temple, 7th Floor
Los Angeles, CA 90012
(213) 351-5363
LRussell@ceo.lacounty.gov

Departmental Information Security Officer:
Jho-An Ignacio
Departmental Information Security Officer
500 West Temple Street, Room 783
Los Angeles, CA 90012
(213) 974-1755
jignacio@ceo.lacounty.gov

b. Include the following Information in all notices:
   i. The date and time of discovery of the Incident,
   ii. The approximate date and time of the Incident,
   iii. A description of the type of County Information involved in the reported Incident, and
   iv. A summary of the relevant facts, including a description of measures being taken to respond to and remediate the Incident, and any planned corrective actions as they are identified.
   v. The name and contact information for the organizations official representative(s), with relevant business and technical information relating to the incident.

c. Cooperate with the County to investigate the Incident and seek to identify the specific County Information involved in the Incident upon the County's written request, without charge, unless the Incident was caused by the acts or omissions of the County. As Information about the Incident is collected or otherwise becomes available to the Contractor, and unless prohibited by law, the Contractor must provide Information regarding the nature and consequences of the Incident that are reasonably requested by the County to allow the County to notify affected individuals, government agencies, and/or credit bureaus.

d. Immediately initiate the appropriate portions of their Business Continuity and/or Disaster Recovery plans in the event of an Incident causing an interference with Information Technology operations.

e. Assist and cooperate with forensic investigators, the County, law firms, and and/or law enforcement agencies at the direction of the County to help determine the nature, extent, and source of any Incident, and reasonably assist and cooperate with the County on any additional disclosures that the County is required to make as a result of the Incident.

f. Allow the County or its third-party designee at the County's election to perform audits and tests of the Contractor's environment that may include, but are not limited to, interviews of relevant employees, review of documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of County Information.

Notwithstanding any other provisions in this Contract and Exhibit, The Contractor will be (i) liable for all damages and fines, (ii) responsible for all corrective action, and (iii) responsible for all notifications arising from an Incident involving County Information caused by the Contractor's weaknesses, negligence, errors, or lack of Information Security or privacy controls or provisions.

15. NON-EXCLUSIVE EQUITABLE REMEDY

The Contractor acknowledges and agrees that due to the unique nature of County Information there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach may

result in irreparable harm to the County, and therefore, that upon any such breach, the County will be entitled to appropriate equitable remedies, and may seek injunctive relief from a court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies are available within law or equity. Any breach of Section 6 CONFIDENTIALITY will constitute a material breach of this Contract and be grounds for immediate termination of this Contract in the exclusive discretion of the County.

16. AUDIT AND INSPECTION

b. **Self-Audits.** The Contractor must periodically conduct audits, assessments, testing of the system of controls, and testing of Information Security and privacy procedures, including penetration testing, intrusion detection, and firewall configuration reviews. These periodic audits will be conducted by staff certified to perform the specific audit in question at Contractor's sole cost and expense through either (i) an internal independent audit function, (ii) a nationally recognized, external, independent auditor, or (iii) another independent auditor approved by the County.

   The Contractor must have a process for correcting control deficiencies that have been identified in the periodic audit, including follow up documentation providing evidence of such corrections. The Contractor must provide the audit results and any corrective action documentation to the County promptly upon its completion at the County's request. With respect to any other report, certification, or audit or test results prepared or received by the Contractor that contains any County Information, the Contractor must promptly provide the County with copies of the same upon the County's reasonable request, including identification of any failure or exception in the Contractor's Information systems, products, and services, and the corresponding steps taken by the Contractor to mitigate such failure or exception. Any reports and related materials provided to the County pursuant to this Section must be provided at no additional charge to the County.

c. **County Requested Audits.** At its own expense, the County, or an independent third-party auditor commissioned by the County, will have the right to audit the Contractor's infrastructure, security and privacy practices, Data center, services and/or systems storing or processing County Information via an onsite inspection at least once a year. Upon the County's request the Contractor must complete a questionnaire regarding Contractor's Information Security and/or program. The County will pay for the County requested audit unless the auditor finds that the Contractor has materially breached this Exhibit, in which case the Contractor must bear all costs of the audit**;** and if the audit reveals material non-compliance with this Exhibit, the County may exercise its termination rights underneath the Contract.

   Such audit will be conducted during the Contractor's normal business hours with reasonable advance notice, in a manner that does not materially disrupt or otherwise unreasonably and adversely affect the Contractor's normal business operations. The County's request for the audit will specify the scope and areas (e.g., Administrative, Physical, and Technical) that are subject to the audit and may include, but are not limited to physical controls inspection, process reviews, policy reviews, evidence of external and internal Vulnerability scans, penetration test results, evidence of code reviews, and evidence of system configuration and audit log reviews. It is understood that the results may be filtered to remove the specific Information of other Contractor customers such as IP address, server names, etc. The Contractor must cooperate with the County in the development of the scope and methodology for the audit, and the timing and implementation of the audit. This right of access will extend to any regulators with oversight of the County. The Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

When not prohibited by regulation, the Contractor will provide to the County a summary of: (i) the results of any security audits, security reviews, or other relevant audits, conducted by the Contractor or a third party; and (ii) corrective actions or modifications, if any, the Contractor will implement in response to such audits.

17. INTENTIONALLY OMITTED

18. PRIVACY AND SECURITY INDEMNIFICATION

In addition to the indemnification provisions in the Contract, the Contractor agrees to indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, agents, employees, and volunteers from and against any and all claims, demands liabilities, damages, judgments, awards, losses, costs, expenses or fees including reasonable attorneys' fees, accounting and other expert, consulting or professional fees, and amounts paid in any settlement arising from, connected with, or relating to:

- The Contractor's violation of any federal and state laws in connection with its accessing, collecting, processing, storing, disclosing, or otherwise using County Information;
- The Contractor's failure to perform or comply with any terms and conditions of this Contract or related agreements with the County; and/or,
- Any Information loss, breach of Confidentiality, or Incident involving any County Information that occurs on the Contractor's systems or networks (including all costs and expenses incurred by the County to remedy the effects of such loss, breach of Confidentiality, or Incident, which may include (i) providing appropriate notice to individuals and governmental authorities, (ii) responding to individuals' and governmental authorities' inquiries, (iii) providing credit monitoring to individuals, and (iv) conducting litigation and settlements with individuals and governmental authorities).

Notwithstanding the preceding sentences, the County will 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 will be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from contractor for all such costs and expenses incurred by County in doing so. Contractor will 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.

Enclosure II

Community Business Enterprise (CBE) Program Information

FIRM/ORGANIZATION INFORMATION		Allied Managed Care, Inc.	American Claims Management, Inc.	Broadspire Services, Inc.	CorVel Healthcare Corporation	EK Health Services Inc.	Enlyte	Medata, LLC	Sedgwick Claims Management Services, Inc.
BUSINESS STRUCTURE		Corporation	Corporation	Corporation	Corporation	Corporation	Corporation	Limited Liability Company	Corporation
OWNERS/PARTNERS/ ASSOCIATE PARTNERS	**RACE/ETHNIC COMPOSITION**								
	Black/African American		*	*			*	5	*
	Hispanic/Latino		*	*			*	70	*
	Asian or Pacific Islander		*	*		1	*	57	*
	Native Americans		*	*			*	0	*
	Subcontinent Asian		*	*			*	0	*
	White	3	*	*	6		*	52	*
Total Number of Employees in California:		68	67	199	832	95	1,046	184	2,561
Total Number of Employees (including owners)**:**		83	409	2,037	5,138	237	5,045	301	31,975
County Certification									
Community Business Enterprise (CBE)*		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Local Small Business Enterprise (LSBE)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Social Enterprise (SE)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Disabled Veteran Business Enterprise (DVBE)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other Certifying Agency		n/a	n/a	n/a	n/a	CPUC (Minority, Women)	n/a	n/a	n/a

On final analysis and consideration of award, vendors were selected without regard to race/ethnicity, color, religion, sex, national origin, age, sexual orientation or disability.
*The requested statistical information was not provided by vendor.
**CBE: Certification as Minority, Women, Disadvantaged, Disabled Veteran, or Lesbian, Gay, Bisexual, Transgender, Queer, and Questioning-Owned (LGBTQQ) Business Enterprise.